CALL TO ORDER: by Mayor McDonald at 7:00 p.m.
LOCATION: City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326
Present: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, Verbeke
Absent: Council Member McDaniel
Also Present: City Manager Auger, Assistant City Manager Tanghe, Director Olko, Deputy Director Hardesty, City Treasurer Buschmohle, Community Development Director Cohen, Senior Director Adcock, DPS Director Melchert, DPS Deputy Director Grice, Fire Chief Burmeister, Executive Assistant Marsh, Roads & Facilities Manager Brisson, City Attorney Beckerleg, City Engineers Stevens & Juidici, Library Director Stephanie McCoy, Planning Commissioner Mitchell, TIFA Member Ardelean, County Commissioner River
15 Guests

4. APPROVAL OF MINUTES
4a. Regular City Council Meeting – May 7, 2012
Moved by Kittle; Seconded by Knight.
Mr. Knight asked Mr. Beckerleg if the motion for Item 9c., Allied Metals was sufficient or if the added verbiage should be included in the agreement. Mr. Beckerleg stated the additional verbiage should be included in the agreement.
RESOLVED: To approve the minutes of May 7, 2012 Regular City Council Meeting as corrected.
VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Verbeke
No: None Motion carried (6-0)
RESOLUTION NO. 12.05.077

4b. Executive Session Minutes – May 7, 2012
Moved by Hammond; Seconded by Verbeke.
RESOLVED: To approve the Executive Session minutes of May 7, 2012.
VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Verbeke
No: None Motion carried (6-0)
RESOLUTION NO. 12.05.078

5. APPOINTMENTS & PRESENTATIONS
5a. Presentation – Hawk Woods Log Cabin Volunteers Appreciation
Mayor McDonald presented plaques to the volunteers that were present and Council thanked them for the many hours that were put in to constructing the cabins: Greg Landry, Wayne Landry, Dan Brisson, Chris Karnes, and Don Grice. In all, there were 18 City employee volunteers who worked on the log cabins.

5b. Presentation – SHARP
Ms. Adcock stated this is the City’s third year participating in the SHARP program and the progress that has been made. She introduced Chairperson Carrie Burmeister, volunteers Norm Franks, Pat Lemke, John Burmeister, Karrie Marsh, Angela River, and Council Members Hammond and Verbeke, along with 35 other volunteers.

Jim Cyrulewski, SHARP Coordinator explained the program is designed to help seniors maintain their homes so they may stay in their homes longer. The volunteers are instructed to take a look around the home to see if there is something else that needs to be done to keep the home safe, in addition to what was requested. In some instances repairs are needed that is beyond the scope of SHARP. This service was originally intended for seniors and handicapped individuals, but has been extended to deployed service people serving outside of the state and for people 55 and older.

In 2011 there were 90 requests submitted, triple from 2010, and the number of homeowners served has doubled.

There is now an assessment that is being done of each request to determine the cost and which volunteer(s) should be sent, depending on their capability of the request. About 35 hours have been invested in the assessments for those 90 requests.

When a job is completed, the volunteers leave survey cards; 98% of those cards give an excellent mark and the other 2% rate the experience very good.

Mr. Cyrulewski confirmed for Ms. Doyle, this is a year-round program, not seasonal.

Mr. Cyrulewski stated the funding comes from contributions. The City, at the inception of this program contributed $1,000.00 and there hasn’t been any more money received from the City. When a job is completed, along with the survey card there is also a donation envelope left with the homeowner in the event they want to make a donation.
Mr. Kittle suggested information be put on the website and other City social media where donations can be made.

6. PUBLIC COMMENT

Ms. Sendegas commended the SHARP program, it picks up where other programs don’t have this ability. Continuing, she noted there haven’t been any changes at the golf dome and asked when something would be happening. Also, as she has stated in the past, she feels for City events the City should use caterers from within the City. She was recently disappointed to see a caterer from outside the City catering a City affair.

Mayor McDonald stated it is up to the discretion of each department, but using caterers from within the City is encouraged. The Community Center has a list of caterers that meet a certain criteria they can use.

Angela River, speaking as a business owner in the City, agrees with Ms. Sendegas that the City ought to promote and use the businesses within the City.

Angela River, County Commissioner explained an Art Authority will be established to discuss the initiative for the Detroit Institute of Arts to be on the November ballot.

Responding to Mr. Knight, Ms. River stated the Appellate Court turned down the challenge of the redistricting for County Commissioners.

7. CONSENT AGENDA

*Items 7a., 7b., and 7e. were removed from the Consent Agenda*

7c. Motion – Approve Reassignment of 2012-2014 Lawn and Ornamental Bed Maintenance Bid

RESOLVED: To award the 2012-2014 Lawn and Ornamental Bed Maintenance bid to Redigan Outdoor Services, 4179 Lanco Ct., Waterford, MI 48329. Furthermore, in the event that Redigan fails to meet contract requirements, authorize the City Manager to reassign the Bid to the next lowest bidder, Green Meadows Lawnscape.

7d. Motion – Approve Removal of Traffic Signal at 300 North Opdyke

RESOLVED: To approve the removal of the traffic signal at 300 North Opdyke (signal Co. #1028) by the Road Commission of Oakland County in the amount of $7,558.04.

Moved by Kittle; Seconded by Hammond.

RESOLUTION NO. 12.05.079

7a. Motion – Approve Resolution of Updated List of Authorized Brokers/Dealers

Ms. Doyle asked why Wells Fargo is asking for this special request to be added to the list when there are many other brokers available on the current list. She noted Wells Fargo has been deeply involved in the homeowner’s financial meltdown in this country.

Ms. Buschmohle explained this request was received in March and the list was approved of in November 2011. Investment manager Cutwater deals with a number of traders and asked that the City add Wells Fargo to the list. A 43 page document has been received indicating that Wells Fargo meets all the requirements of the City.

Ms. Doyle stated it seems wrong to her and she will not support approval. The list was already submitted and approved, and there would need to be some very strong reasons to make the addition.

Ms. Buschmohle stated she could contact Cutwater and ask why Wells Fargo should be added at this time. She also noted the City policy allows additions to the depositories and dealers/brokers throughout the year.

Mr. Knight recalled approving the investment managers, but doesn’t recall approving a list for brokers/dealers.

Ms. Buschmohle explained the Council approves the list of depositories the treasurer can invest with and last year was the first year the list of brokers/dealers was presented to Council for approval.

Responding to Mr. Kittle, Ms. Buschmohle explained the investment managers must find dealers/brokers that meet the criteria set by the City, she too, isn’t sure what each broker/dealer has available.

Ms. Doyle asked if there is a rating system for the broker/dealers similar to the depositories. Since Council is making these decisions, Ms. Doyle doesn’t think the Council should blindly trust the investment managers suggestion.

Mr. Auger explained that is why the City hires companies, like Asset Strategies, this is their expertise to know legitimate companies and what kind of returns are possible. Some of the companies on the list may not be known to many, but it is because they specialize in different areas including municipal bonds.
Ms. Doyle insists there should be a rating system that would better equip Council to make a decision on whether or not to approve the suggested broker/dealers.

Ms. Buschmohle stated she isn’t aware of any rating systems available like there is for banks, such as bankrate.com. She can ask the investment managers if there is such a thing.

Mr. Knight would be interested in what the investment managers buy from the different brokers/dealers.

Ms. Buschmohle said she has spoken with both investment managers and both of them would be more than happy to attend a meeting and explain how the process works.

Moved by Hammond; Seconded by Knight.
RESOLVED: To adopt the attached resolution (Attachment A) to approve the updated list of authorized broker/dealers used by the Investment Managers on behalf of the City of Auburn Hills.
VOTE: Yes: Hammond, Kittle, Knight, McDonald, Verbeke
No: Doyle

Motion carried (5-1)

RESOLUTION NO. 12.05.080

7b. Motion – Approve Purchase a 2012 Model Chipper
Mr. Kittle asked if this is an item that could be shared with other communities.

Mr. Grice explained this is an item that every community should have readily available. If there is a storm the chipper would be needed to clear roadways quickly for emergency response equipment to get through.

Moved by Kittle; Seconded by Doyle.
RESOLVED: To award the bid for a 2012 replacement Chipper to Bandit Industries, 6750 West Millbrook Road, Remus, Michigan 49340 at a total cost of $49,882.60.
VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Verbeke
No: None

Motion carried (6-0)

RESOLUTION NO. 12.05.081

7e. Motion – Approve Asphalt Reconstruction/Rehabilitation Bid
Mr. Kittle asked what the budgeted amount was for this project.

Mr. Melchert stated the budgeted amount is approximately $1.9 million.

Mr. Knight asked why concrete was included in this asphalt project.

Mr. Melchert explained the concrete will be for the curb, gutter and sidewalks, this wouldn’t be bid separately. Typically if an asphalt company can’t do the concrete work he will sub-contract the work.

Moved by Kittle; Seconded by Knight.
RESOLVED: To approve the costs associated for the 2012 Asphalt Reconstruction/Rehabilitation Program and award the bid to Pro Line Asphalt Paving Corporation, 11797 29 Mile Road, Washington Twp., Michigan 48095 in the amount of $ 1,473,467.79. Further, to approve the Scope of Construction Services provided by OHM Engineering Services where the City will be charged on a time-and-materials basis for the not-to-exceed amount of $205,000.00 with a cost estimate of $35,000.00 for materials testing. Funding for the project is available from the Street Improvement Fund, account numbers 101-446-973.202 and 101-446-973.203.
VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Verbeke
No: None

Motion carried (6-0)

RESOLUTION NO. 12.05.082

8. OLD BUSINESS

8a. Motion – Approve Special Land Use Permit to allow church use of the building located at 2240 N. Opdyke / Community Impact Church
Mayor McDonald asked Mr. Beckerleg to explain the solution to questions raised by Council at the last meeting.

Mr. Beckerleg explained by approving the motion as provided, the City would be protecting itself in the most maximum way possible in terms of not impacting redevelopment of neighboring properties. The letter received from the Church, to not object to the issuance of a liquor license to any adjoining property provided the project has been approved by the City is sufficient. Both the letter and a copy of these minutes should be recorded with the Register of Deeds at the County.

Mayor McDonald asked Pastor Corey James if he still stands by the letter he signed and submitted to the City stating the Church would have no objection to the issuance of a liquor license to a neighboring property.

Pastor James stated that is correct.
Moved by Knight; Seconded by Verbeke.

RESOLVED: To accept the Planning Commission’s recommendation and approve the Special Land Use Permit for the Community Impact Church at 2240 N. Opdyke Road subject to the condition that the Community Impact Church, and its successors, will not object to the issuance of any liquor license for businesses at adjoining properties within 500 feet of their property, provided such projects have received approval from the City of Auburn Hills.

Responding to Ms. Doyle, Mr. Beckerleg stated yes this is legal and binding, upon due diligence, the successor would see the recorded letter and minutes regarding this issue.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Verbeke
No: None        Motion carried (6-0)

RESOLUTION NO. 12.05.083

9. NEW BUSINESS

9a. Motion – Accepting an Ordinance to Amend Chapter No. 6 Alcoholic Liquors of the Auburn Hills City Code on First Reading and Set for a Public Hearing, Second Reading and Final Adoption on June 4, 2012

Deputy Director Hardesty explained the new rules require the applicant of a liquor license to first obtain local governmental approval before applying to the State for a liquor license. Staff took this opportunity to recommend needed updates to this ordinance. There are two additional primary changes recommended: the first would give Council the authority to object to the issuance of a liquor license based on the applicant having specified criminal convictions, the same as listed in the MLCC rules. The other is the removal of the requirement that the names of all managers of establishments with a liquor license be updated with the City Clerk. With the number of corporate and chain type establishments in the City there is almost constant turnover of staff at these businesses and this requirement is difficult for the businesses to maintain and this rule serves no real useful purpose.

Ms. Hammond noted in the past Council has rejected approval of some businesses and asked if this process will allow the City to have more influence with the State’s determination.

Deputy Director Hardesty stated it may not change the State’s determination, but the objection will be sent to the State and may have some influence.

Moved by Doyle; Seconded by Verbeke.

RESOLVED: To adopt an ordinance to amend Chapter 6, Alcoholic Liquors of the Auburn Hills City Code on first reading and set a public hearing, second reading and final adoption on June 4, 2012.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Verbeke
No: None        Motion carried (6-0)

RESOLUTION NO. 12.05.084

9b. Motion – Approve ACH Policy

Ms. Buschmohle explained it’s sensible to have a separate policy that speaks exclusively to the use of ACH transactions, since their use has greatly increased. In the past, most transactions were done via wire transfers, which is same day. ACH (Automated Clearing House) transfers are becoming the preferred way to transfer monies between parties, though it does take more time, generally 24 to 48 hours. The City has been doing ACH transfers for a while; two examples are employee paychecks directly deposited into their accounts and utility bills can be direct debit.

Ms. Hammond asked if this would save the residents the fees the County charges.

Ms. Buschmohle stated yes, there is no cost to the resident and it is cheaper for the City.

Moved by Hammond; Seconded by Doyle.

RESOLVED: To adopt the attached resolution (Attachment B) approving the City of Auburn Hills ACH Policy.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Verbeke
No: None        Motion carried (6-0)

RESOLUTION NO. 12.05.085

9c. Motion – Approve Resolution to State Legislators Regarding the Sale of Synthetic Marijuana

Ms. Verbeke stated she contacted Lake Orion Police Chief Narsh and was told Senate Bill 789 was approved by the Senate but has been stalled in the House of Representatives. She suggested this resolution also be sent to the Speaker of the House of Representatives Jase Bolger.

Director Olko stated she is pleased Council is taking action to urge the legislature to pass this bill; these products are increasingly more prevalent.
Ms. Verbeke asked Director Olko if it would be helpful to have the resolution include wording that Council would prefer establishments not sell these products.

Director Olko stated it would be problematic for officers to suggest businesses not sell something that is legal.

Ms. Doyle explained she knows of a citizen’s group that is planning to ask business owners to take the products off their shelves and no longer sell it. However, if the business isn’t in agreement with removing these items from their shelves then how would this grass roots effort proceed by protesting or publicly demonstrate in front of those businesses.

Director Olko stated the Police Department would be happy to meet with any resident and let them know what legal conduct is expected.

Mr. Knight suggested Council pass a resolution strongly urging businesses not to sell these products and deliver copies of the resolutions to those businesses.

Ms. Doyle agreed with Mr. Knight and suggested including that type of language in the proposed resolution.

Mr. Beckerleg stated language could be included in the proposed resolution, but it would not be enforceable.

Mayor McDonald suggested using the proposed resolution and having a cover letter stating Council stands behind the resolution and is asking that these products not be sold.

Ms. Doyle suggested an additional sentence be added to the current proposed resolution stating ‘And be it resolved that the City Council of Auburn Hills does hereby respectively request that businesses in Auburn Hills not carry these products’.

Mr. Auger stated his office could compose a cover letter and then both could be sent to those City businesses that sell these items. The Mayor could sign the letter on behalf of City Council.

Ms. Verbeke requested a copy of the letter be sent to Council members.

Moved by Verbeke; Seconded by Kittle.

RESOLVED: To authorize the City Clerk to sign the attached resolution (Attachment C) on behalf of City Council and send it to Governor Rick Snyder, State Senator Jim Marleau, State Representative Tim Greimel, and County Commissioner Angela River, Speaker of the House Jase Bolger and Senate Majority Leader Randy Richardville and to compose a letter on behalf of the City Council to be sent to known Auburn Hills establishments that sell these type of products encouraging them to not to sell them any longer.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Verbeke
No: None

Motion carried (6-0)

RESOLUTION NO. 12.05.086

10. COMMENTS AND MOTIONS FROM COUNCIL

Mr. Knight:

• Asked if there was a progress report on the golf dome.
  Mr. Auger explained the site was visited and the complaints are valid and it is the process of being cleaned up.

• Agrees with Mrs. Sendegas on the City spending money on caterers. Fieldstone should be the first choice and if they can’t do it then look further. He would like it discussed at one of the pre-meetings.

• Reminded everyone the Memorial Day parade begins at 10:30 a.m. and a community picnic will follow at the American Legion.

Ms. Verbeke:

• Thanked the DPS for the great time she and her kids had at the Open House.

Ms. Doyle:

• The Farmers Market is losing their market master, but the planning has already been done which is done during the winter months, so the market is in good shape. Stephanie Carroll will have a report for Council at a later date, which will include the new vendors to the market. The market will be opening June 7th.

• The perennial exchange was fantastic and congratulated the BAC members on a job well done.

• Regarding the catering, she doesn’t agree that only Auburn Hills’ businesses should be used. The City employs different businesses from all over the State. She feels it is necessary to employ businesses outside of the City, so that others from outside of the City will come to the City for their needs.

• Asked if the downtown log cabin is only for student use.
Mr. Tanghe said it is open to the community; however, there will be rules of use posted.

Ms. Hammond:
- Noticed the tulips were pulled today.
  Mr. Grice stated calls will be made in the next day or two, to those who have registered with DPS.
  Ms. Hammond suggested posting the news on the web site and face book.
  Mr. Grice noted they are perishable items and shouldn’t be held too long.
- Asked if any progress has been made with the cable station.
  A resident from the audience enthusiastically stated it is much better.
  Mr. Tanghe noted not all the issues have been taken care of, but a proposal for an equipment upgrade is being prepared to present to Council at a future meeting. The upgrade proposal includes the capability to record activities in the community and to edit and play them on the station. The upgrade proposal will be quite costly.

Mr. Kittle:
- Asked about the items from the last meeting: open issues log and maybe adding workshop items to the list; scheduled meetings prior to Council meetings for discussions; an outside facilitator for the June Goals & Objectives meeting; and about the comment made by an Oakland County Official regarding investments and Oak Park.
  Mr. Auger stated the work logs will include the workshop items and will be in the packets on a more regular basis. The pre-meeting is up to City Council, noting many of staff is available between 5:00 p.m. and 7:00 p.m. on meeting nights. The outside facilitator isn’t in the budget for this Goals & Objectives Workshop, the money was put into a visioning and Great Work Place, the same program staff has been attending. The numbers Oakland County was citing were exaggerated for dramatization. The new fireworks law has been reviewed by Director Olko, Mr. Cohen and Mr. Beckerleg and the legislation doesn’t allow community input.
  Mr. Kittle asked Council how they felt about scheduled pre-meetings.
  Mayor McDonald recalled in the past he requested Council members submit topics of discussion to him and pre-meetings would be set up and suggested they could start again.
  Mr. Kittle would like no pre-determined topics and just allow conversation to steer the meeting.
  Ms. Doyle agreed, she would like scheduled pre-meetings and would prefer to keep them free-flowing. She also asked Mr. Auger for clarification regarding the facilitator, because she believes it is a good idea.
  Mr. Auger explained at last year’s Goals and Objectives workshop it was decided to budget for an outside facilitator to make sure everyone is on the same path. There will be two workshops for Council, Goals and Objectives workshop and a team building/visioning session, with a facilitator, but no date has been determined. The June 9th meeting is Goals and Objectives, to examine if our goals have been met and to set objectives for next year.
  Mr. Kittle feels the money should be found for a facilitator for the Goals and Objectives meeting and if there isn’t money in the budget he suggested using the money that is in the Council budget. It is important that the City Manager, the leader of the City should be in on the discussion and not facilitating the meeting.
  **Mr. Kittle motioned to spend the money and redirect the City Manager to hire an outside facilitator for the June 9, 2012 planning session; if it can't be done by June 9th, delay the meeting till such a time when a facilitator will be available.**
  Supported by Ms. Doyle.

Mayor McDonald asked if the Council’s rules and regulations allow a motion to be made under this portion of the meeting.

Mr. Knight believed Council had decided quite some time ago to not make ‘seat of the pants’ motions. He will not vote for this motion, it should be placed on the next meeting agenda.

Mr. Kittle noted the section of the agenda they are currently on is Item 10. Comments and Motions From Council.

Mr. Knight stated Motion should have never been included in Item 10.
Ms. Doyle recalled a lengthy conversation regarding this when the Council Rules and Regulations was reviewed and determined this is the place to make motions resulting from conversations.

After reading Section 11(k) in the Council Rules and Regulations, Mr. Beckerleg stated yes, motions can be made in this section of the agenda.

VOTE: Yes: Doyle, Hammond, Kittle, Verbeke
       No: Knight, McDonald

Motion carried (4-2)

RESOLUTION NO. 12.05.087

11. CITY ATTORNEY’S REPORT – none.

12. CITY MANAGER’S REPORT

- Explained at a previous Council meeting, Council was asked to forgive a couple of months of an abatement when a business was close to ending a contract. The company has since decided to build and stay in the City in part because of the trust that has been built over the years.

13. ADJOURNMENT

Hearing no objections, the meeting adjourned at 8:45 pm.
RESOLUTION TO APPROVE LIST OF AUTHORIZED BROKERS / DEALERS FOR THE CITY OF AUBURN HILLS

WHEREAS, Section 7.0 of the City of Auburn Hills Investment Policy states that “The City Treasurer shall maintain a listing of financial institutions and broker/dealers authorized to provide investment services,” approved annually by City Council for investment and depository purposes,

NOW THEREFORE BE IT RESOLVED, that the Auburn Hills City Council approve the following brokers/dealers as legal depositories for all public monies effective to December 31st, 2012

- Bank of America / Merrill Lynch
- Barclay’s Capital
- Bosc, Inc.
- Citigroup Global Markets
- Comerica Bank
- Fifth Third Bank
- GX Clarke
- Goldman Sachs
- Jeffries & Company
- JP Morgan Chase
- Loop Capital Markets
- Mercantile Bank
- Merrill Lynch, Pierce, Fenner, & Smith
- Mizuho Securities USA
- Morgan Keegan & Company
- Morgan Stanley
- Morgan Stanley Smith Barney – Citigroup
- Morgan Stanley Smith Barney – Morgan Stanley
- Oppenheimer & Company, Inc.
- RBC Capital Markets Corp.
- RW Baird
- Stifel Nicolaus
- UBS Financial Services
- Wells Fargo Securities
RESOLUTION

WHEREAS, the City of Auburn Hills currently engages in electronic transfers for both the receipt of funds and the payment to vendors; and

WHEREAS, Public Act 738 of 2002 requires local units of government to establish policy and procedure for any electronic transactions.

NOW, THEREFORE, BE IT RESOLVED

1. The Auburn Hills City Council does hereby adopt and approve the City of Auburn Hills Electronic Transaction of Public Funds Policy (copy attached).

2. The City Treasurer shall be named as the Electronic Transactions Officer for the City of Auburn Hills.

I do hereby certify that the foregoing resolution was adopted by the favorable vote of a majority of the members of the Auburn Hills City Council on May 21, 2012.

Dated: ________________________
Resolution No. 12.05.086

City of Auburn Hills
Resolution of Support for the Michigan Senate and House to ban the sale of Synthetic Marijuana in the State of Michigan

Whereas, synthetic marijuana, also known as “K2”, “Spice”, and marketed at times as a “herbal incense”, is a psychoactive herbal and chemical product that when consumed allegedly mimics the effects of marijuana; and

Whereas, initial studies show synthetic marijuana intoxication is associated with acute psychosis, worsening of previously stable psychotic disorders and may also have the ability to trigger a long term psychotic disorder among vulnerable individuals; and

Whereas, the cannabinoids contained in the synthetic are used to avoid the laws that make marijuana illegal, and the U. S. Drug Enforcement Administration has designated 5 of the cannabinoids illegal in the U. S. because they have the potential to be extremely harmful; and

Whereas, the manufacturers of synthetic marijuana constantly change ingredients to avoid the current laws of the DEA and therefore it is sold in stores and gas stations to persons of all ages; and

Whereas, eight states have banned the sale of synthetic marijuana and six other states have legislation pending; and

Whereas, without the laws banning possession and selling such products, law enforcement agencies lack the necessary tools to protect children and the community; now therefore

Be it resolved that the City Council of Auburn Hills does hereby respectfully request that our State Representatives and Senators vote to ban the sale and possession of synthetic marijuana products in the State of Michigan.

Terri Kowal, City Clerk