



The City of Auburn Hills

City Council Meeting

Minutes

June 4, 2012

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 Kittle, Knight, McDaniel, Verbeke
Absent: Council Member Doyle
Also Present: City Manager Auger, Assistant City Manager Tanghe, Director Olko, Deputy Director Manning, Deputy Director Hardesty, City Clerk Kowal, City Assessor Lohmeier, City Attorney Beckerleg, City Engineer Juidici, Library Director Stephanie McCoy, Community Promotions Opalewski, Management Intern Thomas, IT Director Cagle
10 Guests

4. APPROVAL OF MINUTES

4a. Regular City Council Meeting – May 21, 2012

Moved by Verbeke; Seconded by Kittle.

RESOLVED: To approve the minutes of May 7, 2012 Regular City Council Meeting as submitted.

VOTE: Yes: Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (6-0)

RESOLUTION NO. 12.06.088

5. APPOINTMENTS & PRESENTATIONS

6. PUBLIC COMMENT

Mr. & Mrs. Firu, 101 Guanonocque asked if there was going to be discussion regarding his property.

Mayor McDonald stated no, it isn't on the agenda.

Mayor McDonald introduced Richard Symanski, the Student Bar Association President from Cooley Law School. He is interested in political law and decided to attend the Council meeting to see how things are run.

7. CONSENT AGENDA

7a. Board and Commission Minutes

7a.1. Retiree Healthcare Board, April 24, 2012.

7a.2. Pension Board, April 24, 2012.

7a.3. Beautification Advisory Commission, April 25, 2012.

7a.4. Retiree Healthcare Board, May 9, 2012.

7a.5. Pension Board Meeting, May 9, 2012.

7a.6. Public Safety Advisory Committee, May 22, 2012.

7b. Motion – Approve Priority One as the vendor for police patrol vehicle changeovers.

RESOLVED: To award the bid for (5) police vehicle changeovers to Priority One Emergency of Livonia, MI at a total cost of \$12,590.44.

7c. Motion – Approve bid award to purchase hydraulic rescue tools, “Jaws of Life”.

RESOLVED: To approve the purchase by the Auburn Hills Fire Department of two (2) Electric-Hydraulic systems from Hurst Apollo and one (1) hydraulic system from TNT for the total package cost of \$67,283.

Moved by Kittle; Seconded by Hammond.

RESOLVED: To approve the Consent Agenda.

VOTE: Yes: Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (6-0)

RESOLUTION NO. 12.06.089

8. OLD BUSINESS

8a. Public Hearing/Motion – Accepting Ordinance #12-841 to Amend Chapter No. 6, Alcoholic Liquors, Ordinance of the Auburn Hills City Code, Second Reading and Final Adoption

Responding to Mr. Kittle, Deputy Chief Hardesty explained the first benefit of amending the ordinance is to be compliant with State law and the second, to allow Council to object to those applying for a liquor license that have misdemeanor or felony violations. Deputy Chief Hardesty noted, an objection by Council may not prevent the State from issuing a license, but allows the State to know how Council feels.

Mayor McDonald opened the public hearing at 7:07 p.m. Hearing no comments, Mayor McDonald closed the public hearing at 7:07 p.m.

Moved by Hammond; Seconded by Verbeke.

RESOLVED: To accept Ordinance #12-841 to amend Chapter No. 6, Alcoholic Liquors, of the Auburn Hills City Code.

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

Motion carried (6-0)

RESOLUTION NO. 12.06.090

8b. Motion – Approve Industrial Facility Exemption Certificate – Dynamic Corp

Mr. Lohmeier explained in January, Dynamic Corp requested an abatement for personal property; however, Council postponed the request until the real property tax appeal was resolved. The tax appeal for 2010 and 2011 real property has been settled. The taxable and assessed value were the same; 2010 - \$763,620 and 2011- \$569,330. It was agreed the true cash value is \$1 million, which resulted in an assessed taxable value of \$500,000.

Mr. Lohmeier stated yes, the company is current on their property tax.

A company representative stated the company purchased a milling machine and a turning center, approximately \$580,000 worth of equipment. The company has been in Auburn Hills roughly 16 years and based out of Holland, Michigan for 35 years. There are currently 19 employees at the Auburn Hills location, running two shifts and 20 hours per day.

Moved by Knight; Seconded by Verbeke.

RESOLVED: To approve the request for an 8 year IFEC for Dynamic Corporation for a total personal property investment of \$586,120 by adopting the attached resolution (Attachment A).

Mr. Knight congratulated the Company and the Assessor for coming to a meeting of the minds and allowing a win-win situation, with the Company staying in the City.

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

Motion carried (5-1)

RESOLUTION NO. 12.06.091

9. NEW BUSINESS

9a. Motion – Approve Bid awarded to Advanced Lighting and Sound for the Audio/Visual Technology Upgrade Project

Mr. Opalewski and Ms. Thomas presented a Power Point presentation demonstrating some of the problems with the current audio and visual equipment that is being used. Ms. Thomas explained they recently discovered the cameras in the Council Chamber were not designed for this type of use, they were designed for teleconferencing and the cable channel programming is very basic. The current equipment is eight years old, installed in 2004 and by standards is considered out of date. One problem with the current equipment is if one portion of the system freezes up, the entire system must be shut down and restarted.

A RFP (request for proposal) was created and put on MITN (Michigan Inter-governmental Trade Network) for companies to respond. Companies that wished to submit a bid were required to attend a meeting to view the Council Chamber and the existing equipment. With four companies submitting bids, the City hired a knowledgeable consultant to blindly review each bid and make a recommendation. Each bidder was required to include references of work they had completed. The team, Mr. Opalewski, Ms. Thomas and Mr. Cagle, visited some of those references to view the equipment and get feedback from the references on the equipment and work that had been completed.

Ms. Thomas explained the recommendation is based on the advice from the consultant as well as what the Team observed and learned. Ms. Thomas proceeded to explain what equipment is included in the package, noting training for the IT staff is also included.

Bob Sullivan, president of Advance Lighting and Sound is present to answer any questions.

Regarding background music on the cable channel, Mr. Cagle explained currently a radio station is needed to broadcast the background music, but with the new system it won't be necessary to rely on a radio station. With the new system there will be a library of music available.

Mr. Knight questioned why there's such a large cost difference between bids.

Mr. Opalewski explained the highest bid is customized with wireless controllers, more than what is needed. Advance Sound and Lighting is customized for the City's use.

Mr. Beckerleg stated yes, one motion is sufficient for the package bid as well as a new camera and equipment.

Responding to Ms. Hammond, Mr. Cagle stated the same mounting positions will be used and the new cameras pictures will be more pleasing than the current ones and will be clearer. There will also be the ability for close-up shots of speakers and can include name and/or title of the speaker.

Mr. Kittle asked Mr. Sullivan if music is an option and how video streaming would work.

Mr. Sullivan explained music is available and live streaming and recording can be done simultaneously.

Mr. Cagle stated currently the City's web page cannot handle live streaming of a Council meeting.

Mr. Opalewski confirmed for Mr. McDaniel that updating the website is currently being investigated and hopefully will be able to bring suggestions to Council in the near future. Mr. Opalewski stated the current website is approximately three years old, which is typically the life span of a website.

Ms. Thomas stated she is able to purchase the camera from an Auburn Hills based company, U.S. Appliance, at a discounted price.

Responding to Ms. Hammond, Mr. Opalewski stated this equipment has the capacity to be updated as needed, which is another reason this bid was chosen.

Moved by Knight; Seconded by Hammond.

RESOLVED: To award the bid for the Audio/Video Technology Upgrade Project to Advanced Lighting and Sound in the amount of \$56,864.66 in accordance with the specifications outlined in the RFP issued March 23, 2012; and the purchase of one (1) DSLR camera and related equipment, not to exceed \$800.

Mr. Kittle asked if any surrounding communities used this type of equipment.

Mr. Sullivan explained Rochester purchased their equipment a few years ago and does not have HDTV, but Advance Lighting and Sound has equipped Lake Orion cable tv, Huntington Woods, and Washington Township.

Ms. Thomas explained the team looked at Rochester's setup, but felt the system Advanced Lighting and sound suggested is better for the City.

VOTE: Yes: Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (6-0)

RESOLUTION NO. 12.06.092

10. COMMENTS AND MOTIONS FROM COUNCIL

Mr. McDaniel:

- Is disappointed dates for the Goals and Objectives Workshop were not discussed with Council Members prior to choosing a date, also noting other Council members felt the same. Again, he will not be attending the workshop since he will be out of the country.

Moved by McDaniel; Seconded by Kittle.

RESOLVED: To postpone the scheduled Goals and Objectives Workshop of June 9 to a date within a few weeks that would allow input on the date from Council Members.

Mr. Kittle stated he too, is struggling with the date.

Mayor McDonald stated he isn't available for the next month on the weekends.

Mr. McDaniel asked if it would be possible to have the workshop during the week. He stated in the past there has always been an attempt to determine a date that was acceptable for everyone.

Mayor McDonald confirmed for Mr. Knight that June 9th was acceptable to all Council Members, except Mr. McDaniel.

Mr. Kittle stated he has a conflict with date because of another engagement.

Mr. Knight noted the budget kick-off is in July, so this workshop should take place in June. The only available Saturday would be June 16th, the 23rd is Summerfest and the 30th is going into July 4th.

Mayor McDonald noted there is a facilitator in place for June 9th; also, this wouldn't be the first time that all Council Members were not attending the workshop.

Mr. Kittle stated a six hour workshop would not be possible during the week, unless it were broken into smaller segments. He withdrew his support of the motion, asking for more discussion to learn about the facilitator.

Ms. Verbeke seconded Mr. McDaniel's motion.

Mr. Knight told Mr. Kittle his vote is based on whether Mr. Kittle will be attending the workshop or not.

Mr. Kittle explained his dilemma, a family function for his recently graduated daughter or the Council workshop.

Mr. McDaniel withdrew his motion until Mr. Kittle could discuss the facilitator.

Mr. Kittle:

- Congratulated Mr. Lohmeier on his hard work studying for the level 4 assessor's test and asked if this meant Mr. Bennett, City Assessor would be retiring.
Mr. Auger explained a recommendation will be forthcoming to name Mr. Lohmeier as the Assessor for the City.
- Asked how the workshop facilitator was chosen and the rationale behind the choice.
Mr. Auger explained at the direction from Council he looked for a facilitator, though with such short notice if one couldn't be found then the workshop would be postponed until one could be found. Oakland University has someone on staff, Dr. Piskulich, who has done community facilitation on different projects. He was anxious to help out wanting to expand the relationship between the City and OU. He is quite accomplished in public policy and political science, a perfect fit especially on such short notice.
Mr. Tanghe explained who he had in mind from the consulting firm the City has used in the past, was not available on such short notice.

Mr. Kittle asked if anything is known about Dr. Piskulich's technique or philosophy.

Mr. Auger explained he has met Dr. Piskulich but not in the capacity as a facilitator, but he is a very friendly man. He has facilitated at meetings of the City and five other communities for consolidation and best practices; he moves things right along. No, he hasn't sought other communities' comments or thoughts on Dr. Piskulich.

Mr. Kittle had hoped to have two or three candidates to choose from and not just having Dr. Piskulich facilitate the meeting because of the time factor.

Mr. Knight stated he thought this workshop was looking out over the next five years and a facilitator wouldn't have been necessary, but looking out over the next 20 years, having a visionary would be helpful.

Mr. Kittle noted to reach the 20 year vision, you need building blocks from year one and adding to reach a goal.

Ms. Verbeke too, was disappointed Council didn't have any input in the selection of the facilitator, with both Mr. Kittle and Ms. Doyle having knowledge in this area.

Mayor McDonald explained Council asked Mr. Auger to find a facilitator, not for Council to micro-manage the process.

Both Ms. Verbeke and Mr. McDaniel disagreed with the Mayor, stating Council should have had the opportunity to be included in the search for the facilitator.

Responding to Mr. McDaniel, Mr. Auger stated after negotiating with Dr. Piskulich, his fee will be \$500.00.

Mr. McDaniel stated generally when making purchases there are a few proposals to choose from, including background material.

Mayor McDonald stated Mr. Auger did what Council directed him to do as indicated in the motion from the last meeting.

Ms. Hammond:

- Also wanted to congratulate Mr. Lohmeier on his passing his level 4 assessor's test.
- Noted the great turnout for the Memorial Day parade and the wonderful, family-friendly American Legion picnic.

Ms. Verbeke:

- Thanked Fieldstone Golf Course for helping with the parade preparation and golf carts.
- Received a letter from a resident who had safety concerns and asked if the Director Olko and other Council members had received the letter.

Director Olko explained it was forwarded to her and she intended to handle the complaint as the department does with any resident's complaint. The process includes interviewing the letter writer and explaining why the department does things the way they do, and then a determination will be forwarded and shared with Mr. Auger.

The parade route is made by the American Legion and road closures and assistance with the parade is made by the police department.

Mr. Knight:

- Spoke with the letter writer and he also believes the parade route should be reviewed. The route could be extended, which would take more time, but it would include more spectators of the parade and possibly encourage more people to attend the parade.
- Congratulated Mr. Lohmeier.
- Asked if DPS could trim the growth in front of the Welcome to Auburn Hills on Walton Boulevard, which is blocking the portion of the sign that reads Home of Oakland University.
- Suggested if the City wants to be known as a college town, the welcome signage should include not only Oakland University, but all the colleges that are located in Auburn Hills.
- Asked Mr. Tanghe if any progress has been made with the Superior Excavating relocation?

Mr. Tanghe explained the property on Lapeer Road didn't have enough dry land to relocate there, so there is a parcel of land on Collier Road that is being investigated.

Mr. Knight asked that this item be kept on the status report.

Mr. McDaniel:

- **Moved by Mr. McDaniel; Seconded by Ms. Verbeke**
RESOLVED: To postpone the Goals and Objectives Workshop on June 9, 2012, based on the information that Council has been given.

VOTE: Yes: Kittle, McDaniel, Verbeke

No: Hammond, Knight, McDonald

Motion Failed (3-3)

RESOLUTION NO. 12.06.093

11. CITY ATTORNEY'S REPORT – none.

12. CITY MANAGER'S REPORT

- Ownership of the Golf Dome has changed and the new owner is working with the City. Approximately 50% of the cleanup is complete and will be continuing. City staff has been walking the site making sure compliance issues such as rips in the netting and not allowing golfing to take place where those rips are. Management at Sheffield Estates has been notified and will be kept up-to-date.
- Attended the Greater Detroit Policy Conference with approximately 1,500 business people, down from 2,000. He met with current businesses from Auburn Hills and was introduced to new businesses. Since explaining the Auburn Hills advantage, some of those companies have already contacted him, including one as far away as Grand Rapids.

13. EXECUTIVE SESSION – Property Acquisition

Moved by Ms. Verbeke; Seconded by Ms. Hammond.

RESOLVED: To adjourn to Executive Session.

VOTE: Yes: Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (6-0)

RESOLUTION NO. 12.06.094

Council adjourned to Executive Session at 8:10 p.m.

Council returned to Regular Session at 8:40 p.m.

Moved by Verbeke; Seconded by Knight.

RESOLVED: To authorize the Mayor and City Clerk to make an offer to purchase property with identification number 02-14-25-451-008 in accordance with the terms and conditions stated in the Offer to Purchase. Furthermore, authorize Assistant City Manager Thomas Tanghe, on behalf of the City, to execute all documents related to the transaction including the closing. Funds for the purchase are available from the City's General Fund, Fund Balance.

VOTE: Yes: Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (6-0)

RESOLUTION NO. 12.06.095

14. ADJOURNMENT

Without objection, the meeting adjourned at 8:43 p.m.

**CITY OF AUBURN HILLS
RESOLUTION
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
FOR DYNAMIC CORPORATION**

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 4th day of June, 2012.

The following resolution was offered by Councilperson Knight and supported by Councilperson Verbeke.

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the 13th day of November, 1986 the City of Auburn Hills, established an Industrial Development District, commonly referred to as the Samelson Development Company Industrial Development District; and

WHEREAS, Dynamic Corporation has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to proposed new personal property to be acquired and installed within the Samelson Development Company Industrial Development District; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a public hearing on the 9th day of January, 2012 at a regularly scheduled meeting, at which time the applicant, the assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction and installation of the facility has not begun earlier than six (6) months before December 5, 2011, the date of the acceptance of the application for the Industrial Facility Exemption Certificate; and

WHEREAS, completion of the personal property is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in Auburn Hills; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Auburn Hills after granting this certificate will exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of Auburn Hills that:

1. The City Council of Auburn Hills finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force, under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Auburn Hills.

2. The application for an Industrial Facilities Exemption Certificate with respect to a facility on the following described parcel of real property situated within the Samelson Development Company Industrial Development District; to wit;

T3N, R10E, SEC 26 PART OF NW 1/4 BEG AT PT DIST N 88-20-02 E 622.06 FT & S 38-24-46 W 156.83 FT & N 88-20-02 E 827.98 FT & S 01-39-58 E 1135.56 FT FROM NW SEC COR, TH S 57-06-51 E 286.84 FT, TH S 02-59-43 W 202.44 FT, TH ALG CURVE TO RIGHT, RAD 746 FT, CHORD BEARS S 82-28-34 W 372.82 FT, DIST OF 376.81 FT, TH N 01-39-58 W 402.50 FT, TH N 88-20-02 E 151.08 FT TO BEG 3.06 A12-4-96 FR 011. Property Identification Number 02-14-26-126-014.

is hereby approved for Personal Property Improvements only.

3. The Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 8 years, and the starting date for the certificate is December 30, 2012 and the ending date is December 30, 2020.

4. The total project investment approved is \$586,120.

5. Dynamic Corporation agrees to operate the facility for which the Industrial Facilities Exemption Certificate is granted for the term of the certificate, plus an additional two years after the date of the expiration.

AYES: Mayor Mayor McDonald, Mayor Pro Tem Hammond, Council Members Knight, McDaniel, Verbeke

NAYS: Council Member Kittle

ABSENT: Council Member Doyle

ABSTENTIONS: None

RESOLUTION 12.6.091 ADOPTED (5-1)

STATE OF MICHIGAN)

)SS

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 4th day of June, 2012.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 5th day of June, 2012.

Terri Kowal, City Clerk