



Rochester Hills Minutes City Council Regular Meeting

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*Melinda Hill, Bryan K. Barnett, John L. Dalton, Jim Duistermars,
Barbara L. Holder, Linda Raschke, Gerald Robbins*

Wednesday, May 18, 2005

7:30 PM

1000 Rochester Hills Drive

DRAFT

CALL TO ORDER

President Hill called the Regular Rochester Hills City Council Meeting to order at 7:34 p.m. Michigan Time.

ROLL CALL

Present: Melinda Hill, Bryan Barnett, Jim Duistermars, Barbara Holder and Gerald Robbins

Absent: John Dalton and Linda Raschke

Others Present:

*Pat Somerville, Mayor
John Staran, City Attorney
Jane Leslie, City Clerk
Ed Anzek, Director of Planning/Development
Dan Casey, Economic Development Manager
Ron Crowell, Fire Chief
Paul Davis, City Engineer
Derek Delacourt, Planner III
Julie Jenuwine, Director of Finance
Diane Keller, Accountant
Pam Lee, City Accountant*

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Resolved that the Rochester Hills City Council approves the May 18, 2005 Regular Meeting Agenda with the following addition:

2005-0376 - Add to Closed Session resolution ". . . and to consult with the Attorney regarding trial or settlement strategy in connection with specific pending litigation, Adams/Hamlin Development v. the City of Rochester Hills."

A motion was made by Barnett, seconded by Duistermars, to Approve Agenda as Amended.

The motion carried by the following vote:

Aye: Hill, Barnett, Duistermars, Holder and Robbins

Absent: Dalton and Raschke

PUBLIC COMMENT

Mr. Johannes Buiteweg, 1337 Shenandoah Drive, expressed his concern that Council recently authorized payment to Community Media Network (CMN), the City's public access television provider, for the remainder of services rendered in 2004. He noted that previous Council discussions had revealed concerns regarding inappropriate business practices on the part of CMN. He questioned whether Council had received new information that was not shared with the residents that influenced their decision to authorize this funding.

Mr. Duistermars explained that the funding had actually been reduced by half of what the City had been paying for services over the previous five years. He further noted that Council had not yet determined the City's level of payment for 2005, and would not make that determination until "they [CMN] get their house in order."

President Hill assured Mr. Buiteweg that Council would be addressing a new fee proposal within the next "month or so."

(Ms. Raschke Entered at 7:42 p.m.)

Present: Melinda Hill, Bryan Barnett, Jim Duistermars, Barbara Holder, Linda Raschke and Gerald Robbins

Absent: John Dalton

LEGISLATIVE & ADMINISTRATIVE COMMENTS

President Hill noted the following items:

* The Clinton Main Sub-Watershed open house regarding the Clinton River at Oakland University - May 26th

* The Rochester Hills Museum and the Women's National Farm & Garden Association Annual Garden Tour: Taste of the Summer - June 16th

* Construction on Rochester Road north of Tienken into Oakland Township over the next two years.

Ms. Holder made the following announcements:

* Congratulated Mr. and Mrs. Gerard Verschueren for 60 years of marriage.

* Applications for the Rochester Hills Government Youth Council were due on Friday, May 20th.

* The Relay for Life to benefit the American Cancer Society at Hart Middle School - June 10th and 11th

* The Taste of Auburn Hills - June 23rd

Mr. Barnett announced the following:

* Java Jam to raise money for the Ashleigh Iserman Scholarship Fund - May 20th

* Rochester-Avon Recreation Authority (RARA) Bloomer Park Kids Day - May 21st

* Heritage Festival - May 28th and 29th

Ms. Raschke thanked the Mayor and City Staff for assisting her in responding to a problem at the Fairwood Village Condominiums.

Mayor Somerville indicated that her office had been receiving calls regarding the NO-HAZ Hazardous Waste Program. She announced that the spring hazardous waste collection would take place on Saturday, June 11th from 8:00 a.m. to 2:00 p.m. at Oakland University. She encouraged interested parties to visit the website at www.nohaz.com or phone 248-858-5656 for more information.

(Mr. Dalton Entered at 7:54 p.m.)

Present: Melinda Hill, Bryan Barnett, John Dalton, Jim Duistermars, Barbara Holder, Linda Raschke and Gerald Robbins

ATTORNEY MATTERS

City Attorney John Staran briefly addressed the public access television issue for the benefit of any other residents who may be interested in the situation. He explained that the City of Rochester Hills receives one percent of cable revenues and is required to use those funds for public, government or education access television. For several years Rochester Hills has pledged that full one percent, in cooperation with a consortium of ten other communities, to Community Media Network (CMN) to provide public access television. The distribution of these pledged funds was suspended during an audit of CMN's business practices. The City Council has since released half of their typical contribution to CMN and will make a final determination on future contributions following ratification of a new contract between CMN and the eleven-community consortium. Mr. Staran stressed that many changes have taken place in the leadership of CMN and he assured residents that Rochester Hills is well represented in this matter.

Mr. Staran advised Council that oral arguments had been heard in the Summary Disposition of the Adams and Hamlin rezoning matter. He noted that the judge was "troubled" by the City's position and did not receive satisfactory answers from the opposing counsel either. Therefore, the judge ordered facilitation on the matter. Mr. Staran noted that he would discuss the matter further during the Closed Session meeting later in the evening.

2005-0376

Adoption of a Resolution to Adjourn to Closed Session following "Any Other Business" at tonight's meeting (May 18, 2005) to consider the purchase or lease of real property and to consult with the Attorney regarding trial or settlement strategy in connection with specific pending litigation, Adams/Hamlin Development v. the City of Rochester Hills

Attachments: Agenda Summary.pdf; 0376 Resolution.pdf

A motion was made by Duistermars, seconded by Dalton, that this matter be Adopted by Resolution.

Resolved that the Rochester Hills City Council hereby agrees to meet in Closed Session, as permitted by State Statute MCLA 15.268, following "Any Other Business" at tonight's Regular City Council Meeting (May 18, 2005) to consider the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained and to consult with the Attorney regarding trial or settlement strategy in connection with specific pending litigation, Adams/Hamlin Development v. the City of Rochester Hills. Council will reconvene to Open Session at the conclusion of the Closed Session.

The motion carried by the following vote:

Aye: Hill, Barnett, Dalton, Duistermars, Holder, Raschke and Robbins

Enactment No: RES0157-2005

PRESENTATIONS

2005-0375 Presentation by Ron Crowell, Fire Chief, Regarding Emergency Preparedness

Attachments: 0375 Agenda Summary.pdf

Fire Chief Ron Crowell explained that the City's emergency responders followed the appropriate protocols in response to the recent gas main rupture while working in conjunction with other municipalities. He noted that the 911 system was overwhelmed by calls "for the first time in this area" resulting in callers reaching a busy signal. Chief Crowell assured Council that his department was investigating different ways to communicate to the community during emergencies such as utilizing Channel 55/10, getting a crawling notice on some cable channels, activating Community Emergency Response Teams (CERT) to help with evacuations, and possibly implementing a budgeted AM radio station that would provide community information twenty-four hours a day.

President Hill thanked Chief Crowell for the update and encouraged him to work through the City Council's Public Safety Committee to implement these plans.

Presented

RECOGNITIONS

2005-0238 Presentation of 2005 Earl Borden Awards by the Historic Districts Commission to three (3) recipients - Meadowbrook Greenhouse (Matt Carlson, Oakland University Master Gardener); Greg Doyle, President of the Rochester-Avon Historical Society, and Hugger Elementary

Attachments: Agenda Summary Sheet.pdf

Mr. Micheal Kilpatrick, Chairperson of the Historic Districts Commission, presented the 16th Annual Earl Borden Awards to the following recipients for excellence in historic preservation:

- * Preservation Leadership Award:
 - Mr. Greg Doyle, President of the Rochester-Avon Historical Society
- * Preservation Award - Historic Structure:
 - Oakland University for the restoration of the Meadow Brook Greenhouse
- * Special Recognition Award:
 - Hugger Elementary School for the creation of the musical play "Let Us Tell You a Story" regarding the history of the Rochester area.

Presented

(Recess 8:30 p.m. - 8:58 p.m.)

CONSENT AGENDA

All matters under Consent Agenda are considered to be routine and will be enacted by one motion, without discussion. If any Council Member or Citizen requests discussion of an item, it will be removed from Consent Agenda for separate discussion.

2005-0316 Acceptance of the Pedestrian-Bicycle Pathway Easement granted by Avon/Rochester LLC, a Michigan limited liability company

Attachments: Agenda Summary.pdf; Pedestrian-Bicycle Pathway Easement.pdf; 0316 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby accepts a Pedestrian-Bicycle Pathway Easement granted by Avon/Rochester LLC, 850 Stephenson Highway, Suite 200, Troy, Michigan 48083, for the construction, operation, maintenance, repair and/or replacement of a Pedestrian-Bicycle Pathway Easement over, on, under, through and across land more particularly described as Parcel No. 15-15-476-004.

Further Resolved that the City Clerk is directed to record the easement with the Oakland County Register of Deeds.

Enactment No: RES0158-2005

2005-0335

Adoption of Resolution authorizing the permit application from the Road Commission for Oakland County (RCOC) for the Greater Rochester Memorial Day Parade to be held on Monday, May 30, 2005

Attachments: Agenda Summary.pdf; 0335 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Whereas, the Cities of Rochester Hills and Rochester jointly host the Greater Rochester Memorial Day Parade, conducted under the sponsorship of various associated veteran organizations; and

Whereas, the parade route begins at 10:00 a.m., at Mt. Avon Cemetery within the City of Rochester and runs along First Street, then southerly along Castell Street, then westerly along Harding Road to Livernois Road, and finally Livernois Road southerly to Veterans Pointe Park; and

Whereas, staging this event requires closing certain County routes and using others for posted detour routes; and

Whereas, the two cities coordinate parade planning by dividing responsibility for obtaining necessary permits, with the City of Rochester Hills applying to the Road Commission for Oakland County for the detour and the closure of Livernois Road and Avon Road.

Now Therefore Be It Resolved, that the Rochester Hills City Council authorizes the Mayor or his/her agents to make application to the Road Commission for Oakland County for the necessary permits for posting road closures and detours; and

Further Resolved, that the parade routes be scheduled for Monday, May 30, 2005, starting at 10:00 a.m., on Harding and Livernois Roads; and

Further Resolved, that the City of Rochester Hills will faithfully fulfill all permit requirements, and shall save harmless, indemnify, defend, and represent the Board of County Road Commissioners against any and all claims for bodily injury or property damage, or any other claim arising out of or related to operations authorized by such permit(s) as issued; and

Further Resolved, that a certified copy of this Resolution be filed with the City Clerk of Rochester Hills, Oakland County, Michigan.

Enactment No: RES0159-2005

2005-0338 Request for Purchase Authorization - TREASURER/ASSESSOR: Three (3)Year Blanket Purchase Order for printing and mailing of Treasurer property tax billings and various Assessor reports and forms in the total not-to-exceed amount of \$93,000.00; Data Mail Services, Madison Heights, MI

Attachments: Agenda Summary.pdf; RFP-RH-05-011 Spreadsheet.pdf; 0338 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Rochester Hills City Council hereby authorizes a three-year Blanket Purchase Order to Data Mail Services, of Madison Heights, Michigan, as the lowest, responsive, responsible proposer for printing and mailing of Treasurer property tax billings and various Assessor reports and forms, in the amount not-to-exceed \$93,000.00 through May 31, 2008.

Further Resolved that the Mayor is authorized to execute the contract on behalf of the City.

Enactment No: RES0160-2005

2005-0323 Request for Purchase Authorization - DPS/ENGINEERING: Pavement Marking Program for 2005, purchase order in the amount of \$26,120.00; R.S. Contracting, Inc., Fraser, MI

Attachments: Agenda Summary.pdf; Pavement Marking Inventory 2005.pdf; CRH 2005 Striping BID TAB.pdf; RCOC 2005 Striping BID TAB-94103.pdf; RS05Letter.pdf; 0323 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Rochester Hills City Council hereby authorizes a Purchase Order for the Pavement Marking Program for 2005 to R.S. Contracting, Inc. of Fraser, Michigan, in the amount of \$26,120.00.

Further Resolved that the Rochester Hills City Council hereby authorizes a 5% contingency to allow for quantity adjustments based on final measurements verified in the field.

Enactment No: RES0161-2005

2005-0360 Approval of Non-Motorized Transportation Facilities Agreement between the Road Commission for Oakland County (RCOC) and the City of Rochester Hills

Attachments: Agenda Summary.pdf; Master Pathway Agreement 2.pdf; 0360 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Rochester Hills City Council approves the Non-Motorized Transportation Facilities Agreement between the Road Commission for Oakland County (RCOC) and the City of Rochester Hills, and authorizes the Mayor and Clerk to execute the agreement on behalf of the City.

Enactment No: RES0162-2005

2005-0374 Adoption of a Certified Resolution to Place Newly Constructed Roads within the City Local Street System

Attachments: Agenda Summary.pdf; 0374 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Whereas, it is necessary to furnish additional information requested by the State of Michigan to place said streets within the City Local Street System for the purpose of obtaining funds under Act 51, P.A. 1957, as amended; and

Whereas, said streets are located within the City right-of-way and are under the control of the City of Rochester Hills, certified as public streets for public street purposes and accepted into the City Local Street System.

Now, Therefore, Be It Resolved, that the following said subdivision streets were constructed in accordance with the City of Rochester Hills standards and opened to public traffic as of the approved dates:

<u>Subdivision Name</u>	<u>Approved Date</u>
Arcadia Park I	6/24/2003
Arcadia Park I	2/19/2004
Butler Road	6/14/2002
Butler Ridge Subdivision I	6/14/2002
Butler Ridge Subdivision II	1/28/2005
Country Club Village, Phase 1A	7/15/2004
Country Club Village, Phase 1B	9/14/2004
Country Club Village, Phase 2A	5/06/2005
Eddington Woods	8/12/2003
Eastern Road Extension (Dawes-Alley)	6/24/2003
Letica	8/26/2002
Meadow Creek Condominium Plan	11/17/2002
Meadow Creek II Condominium Plan	9/21/2004

Enactment No: RES0163-2005

Passed The Consent Agenda

A motion was made by Barnett, seconded by Raschke, including all the preceding items marked as having been adopted on the Consent Agenda. The motion carried by the following vote:

Aye: Hill, Barnett, Dalton, Duistermars, Holder, Raschke and Robbins

ORDINANCE FOR INTRODUCTION

2004-0905

Acceptance for First Reading - An amendment to Chapter 138 of the Code of Ordinances to rezone three parcels of land totaling approximately 80 acres, known as Parcel Nos. 15-15-376-001, 15-15-451-003 and -006 to PUD (Planned Unit Development) - City File No. 94-426, Rochester College, applicant

Attachments: Agenda Summary Second Reading.pdf; Agenda Summary First Reading.pdf; Map.pdf; Report Staff 041905.pdf; 031605 Agenda Summary.pdf; Staff Report 020405.pdf; Memo Delacourt 022405.pdf; 0905 Exhibits.pdf; 102704 Agenda Summary.pdf; Maps - proposed.pdf; Survey

A motion was made by Dalton, seconded by Duistermars, that this matter be Accepted for First Reading by Resolution.

Resolved that an Ordinance to amend Chapter 138 of the Code of Ordinances of

the City of Rochester Hills, Oakland County, Michigan, to rezone three parcels of land totaling approximately 80 acres to PUD (Planned Unit Development), located west of Rochester Road and north of Avon, and known as Parcel Nos. 15-15-376-001, 15-15-451-003 and 15-15-451-006, Rochester College, applicant, is hereby accepted for First Reading.

The motion carried by the following vote:

Aye: Hill, Barnett, Dalton, Duistermars, Holder, Raschke and Robbins

Enactment No: RES0196-2005

2005-0361

Discussion - City File No. 94-426 - Rochester College Final PUD Agreement and Exhibits

Attachments: Agenda Summary.pdf; PUD Agreement 051805.pdf; 0361 Resolution.pdf

Mr. John Gaber, Attorney with Williams, Williams Ruby and Plunkett, 380 North Old Woodward, Birmingham, appearing on behalf of Rochester College and **Mr. Allen Waites**, Vice President of Rochester College, 800 West Avon, were present to answer questions.

Mr. Gaber indicated that all issues of concern raised by the Planning Commission regarding the PUD Agreement had been addressed, noting specifically that Exhibits C and D would be "modified slightly" due to a recent land survey resulting in a fluctuation of the boundary near the river. Mr. Gaber then requested that Paragraph 11 of the PUD Agreement be changed to read, ". . . substantially for the area labeled 'Conservation Easement Area.'" Finally, he explained that he was still "finalizing the numbers" in relation to how much wetlands mitigation area would be needed.

President Hill noted that Council would not be making a final decision on the PUD Agreement at this meeting, but rather the matter would return to a subsequent meeting for final approval.

Mr. Gaber requested that Council advise him and/or the Planning Department if there were any further requested changes to the proposed agreement prior to it coming before Council for final approval.

Mr. Derek Delacourt, Planner III, noted that it was City staff's intention to seek final approval for the PUD rezoning amendment, the final PUD Agreement and the PUD Ordinance change "one right after another" at a subsequent City Council meeting.

PUBLIC COMMENT:

Dr. Richard Stamps, 2900 Heidelberg Drive, complemented Council for their creativity in dealing with this complicated matter and City staff for "thinking outside the box." He noted that this would result in a resolution that "benefits everyone."

Discussed

2005-0370

Acceptance for First Reading - An Ordinance to amend Section 138-1074 of Chapter 138, Zoning, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to update and modify definitions and regulations governing Adult Businesses, to supplement the Statement of Purpose for the regulations, to repeal inconsistent ordinances, and to prescribe a penalty for violations

Attachments: Agenda Summary Second Reading.pdf; 060105 CC Minutes Excerpt.pdf; 060105 Agenda Summary.pdf; 051805 Agenda Summary.pdf; Letter Staran 042905.pdf; Ordinance Amendment.pdf; 051905 First Reading Resolution.pdf; 060105 Second Reading Resolution.pdf; 0370 Reso

City Attorney John Staran explained that, as a result of recent developments in case law, the City's Adult Business ordinance was being modified to maintain its strength and viability. He noted that it was merely a "housekeeping" matter, as the ordinance had not been updated in approximately twenty years. In response to a question posed by **Mr. Duistermars**, Mr. Staran assured Council that the 25% threshold of stock/revenues resulting from adult entertainment merchandise has "passed muster" in other court cases, thus making the ordinance "enforceable" while avoiding potential litigation.

A motion was made by Holder, seconded by Barnett, that this matter be Accepted for First Reading by Resolution.

Resolved that an Ordinance to amend Section 138-1074 of Chapter 138, Zoning, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to update and modify definitions and regulations governing Adult Businesses, to supplement the Statement of Purpose for the regulations, to repeal inconsistent ordinances, and to prescribe a penalty for violations, is hereby accepted for First Reading.

The motion carried by the following vote:

Aye: Hill, Barnett, Dalton, Duistermars, Holder, Raschke and Robbins

Enactment No: RES0259-2005

NEW BUSINESS

2005-0350

Presentation of Fiscal Year 2004 CAFR (Comprehensive Annual Financial Report) by the auditing firm of Plante & Moran, PLLC

Attachments: Agenda Summary.pdf; 2004 CAFR Audit.pdf; 0350 Resolution.pdf; Supplemental Info Audit Comments & Recommendations.pdf; Supplemental Info Audit 2004 Graphs.pdf

Mr. Joseph Heffernan of the auditing firm Plante & Moran, PLLC, provided a presentation of the City's Fiscal Year 2004 Comprehensive Annual Financial Report (CAFR) and explained that the purpose of his firm's audit is two-fold:

1) The audit tests the City's "internal controls" over receiving cash, disbursing cash, payroll and other financially related systems to identify any significant weaknesses that may impact the ability to prepare correct financial reports.

2) The audit tests samples of transactions and the balances in the City's General Ledger.

Mr. Heffernan noted that, in the professional opinion of Plante & Moran, PLLC, the City's "general ledger system is doing a good job and is preparing your financial statement on a fair basis. We do not find very many significant entries at all as we do the audit of Rochester Hills because you really do have a top notch staff here." He then provided an overview of the audit and its results:

Statement of Governmental Net Assets

Invested in Capital Assets

2002 - \$ 87,437,000

2003 - \$102,144,000

2004 - \$105,547,000

* The City's assets are primarily invested in Capital Assets.

* The significant increase between 2002 and 2003 was primarily due to the construction and renovation of City Hall.

Restricted

2002 - \$51,115,000

2003 - \$36,899,000

2004 - \$36,413,000

* These assets are all legally required to be used for specific purposes.

* The significant decrease between 2002 and 2003 resulted from the spending of the bond proceeds for the City Hall construction and renovation.

Unrestricted

2002 - \$13,223,000

2003 - \$13,747,000

2004 - \$17,909,000

* This indicates that the taxpayers have paid the full cost of the services they have received.

* This is indicative of a "healthy community."

Governmental General Revenues (excludes program revenues)

General Property Tax

2002 - \$23,569,000

2003 - \$24,462,000

2004 - \$26,078,000

* The most significant revenue comes from property taxes.

* While the millage rate has remained constant, the tax base has continued to grow.

* Rochester Hills has a "very healthy tax base."

State Shared Revenue

2002 - \$6,191,000

2003 - \$5,712,000

2004 - \$5,444,000

* The City has experienced four years in a row of decreases in State-shared revenue.

Investment Earnings

2002 - \$1,469,000

2003 - \$ 918,000

2004 - \$ 944,000

* Although it seems to be improving in 2005, the interest market has been very low having dropped from an average of 5% to 7% down to 1% to 2%.

Cable Franchise Fees

2002 - \$569,000

2003 - \$551,000

2004 - \$660,000

Other

2002 - \$414,000

2003 - \$603,000

2004 - \$823,000

Governmental Program Expenses, Net of Program Revenue (NPR)**General Government**

Cost - \$6,537,000

Cost NPR - \$6,362,000

* All City departments are "living within their budget."

Public Works

Cost - \$10,203,000

Cost NPR - \$3,122,000

* The State gas and weight tax revenues are used to reduce the cost to the taxpayers for Public Works.

Public Safety

Cost - \$15,209,000

Cost NPR - \$11,122,000

* Public Safety costs are underwritten somewhat by Fire Department charges and District Court fines.

Community/Economic Development

Cost - \$1,409,000

Cost NPR - \$1,023,000

Recreation & Culture

Cost - \$4,369,000

Cost NPR - \$3,829,000

Interest on Debt

Cost - \$2,412,000

Cost NPR - \$2,412,000

Water & Sewer Fund Activity**Total Operating Revenue**

2002 - \$15,814,000

2003 - \$17,744,000

2004 - \$17,797,000

Total Operating Expenses

2002 - \$19,243,000

2003 - \$19,906,000

2004 - \$19,690,000

Unrestricted Net Assets

2002 - \$16,744,000

2003 - \$16,012,000

2004 - \$16,670,000

* Although ratepayers have been paying a little less than the full cost of water and sewer services, the funds available to maintain the department have remained steady.

Select Funds - Fund Balance

General Fund
Fire Fund
Police Fund
Major Streets Fund
Local Streets Fund

* Each of these funds is in a "good" position.

* The fund balance of the Fire and Police Funds are not significant because, on a working capital basis, they share a common cash account with the General Fund.

* The Fund Balance is at an "appropriate, healthy level" with 33% expenditures.

* The budget has been "trimmed" correctly leaving the Fund Balance at an appropriate level.

Mr. Heffernan asked that the City take the following comments and recommendations into consideration:

1) The City should be prepared for a possible additional 2% decrease in State-shared revenue in the coming fiscal year.

2) The City is in a favorable position with regards to retiree health care due to its defined contribution plan. In effect, the City is paying its obligation "as you go along" rather than with a defined benefit plan.

3) The Council may want to consider setting some clear parameters as to how Tree Fund monies should be spent, as the fund has accumulated to \$1.3 million.

Mr. Dalton questioned why the City's Director of Finance, Julie Jenuwine, had not signed the Letter of Transmittal for the audit.

Mr. Heffernan noted that there are no "rules or guidelines as to exactly who needs to sign that."

Ms. Jenuwine explained that the City Clerk's Department oversees the Accounting Department and that, therefore, she is not responsible for the internal controls attested to in the audit.

A motion was made by Duistermars, seconded by Barnett, that this matter be Adopted by Resolution.

Resolved that the Rochester Hills City Council hereby acknowledges receipt of the Comprehensive Annual Financial Report (CAFR) from the Administration and the auditing firm of Plante & Moran, PLLC, for the 2004 Fiscal Year.

The motion carried by the following vote:

Aye: Hill, Barnett, Dalton, Duistermars, Holder, Raschke and Robbins

Enactment No: RES0164-2005

2005-0249

Request to place Older Persons' Commission (OPC) Transportation Millage on September 13, 2005 Primary Election

Attachments: Agenda Summary.pdf; 051805 Agenda Summary.pdf; 050205 Staran Letter re Ballot language.pdf; OPC Ballot Language.pdf; 040605 Agenda Summary.pdf; Letter Miller.pdf; Transportation Information.pdf; List of OPC Mini Buses.pdf; 2004 OPC Transportation Annual

President Hill explained that Council had previously approved placing the Older Persons Commission (OPC) Transportation Millage request on the September Primary Election ballot and that this discussion was for informational purposes only. She noted that the final approval of ballot language would take place at a June Council meeting.

Ms. Marye Miller, Director of the Older Persons Commission, provided a presentation to Council regarding the need for and usage of the OPC transportation services, noting the following:

* *Ridership:*

- 270 riders between the ages of 60 to 70
- 595 riders between the ages of 70 to 80
- 688 riders between the ages of 80 to 90
- 312 riders age 90 years and older

* *Most riders are low-income senior residents.*

* *Low-income riders cannot afford to pay additional fees for transportation services.*

* *The program also provides transportation for handicapped residents of all ages.*

* *Budget breakdown:*

- 22% - SMART Municipal Credits Grand
- 5% - SMART Specialized Service Grant
- 17% - Rochester Hills Transportation Millage
- 4% - Rochester Transportation
- 6% - Oakland Township Transportation
- 13% - Ridership Donations
- 5% - OPC Fundraising
- 29% - OPC General Fund Subsidy

* *The OPC will always continue to hold fundraisers to supplement the other funds.*

* *Budget expenses:*

- 81% - Salaries
- 15% - Gasoline, oil, maintenance for buses
- 4% - Capital purchases (mini-buses)

* *The program has expanded from seven buses ten years ago to ten buses today.*

* *Transport purposes:*

- One third for medical appointments
- One third for recreational purposes
- One third for essential services (i.e. grocery shopping)

* *It is necessary to replace an average of two buses per year: one mini-bus and one handicapped mini-bus.*

Mr. Dalton, Chairperson of the OPC Board of Directors, indicated that both sister communities of Rochester and Oakland Township will be contributing the equivalent of 0.09 mills. Rochester will be making their contribution from their budget rather than having an

election, and Oakland Township will be contributing their OPC funds from their General Fund until their next scheduled election in 2006.

President Hill stressed the need for this service, as this is not a very "walkable" community.

Presented

2005-0336

Approval of Payment of \$784,230.00 to Oakland County Drain Commission (OCDC) for Extension 5A, Contract 4A project in conjunction with Road Commission for Oakland County (RCOC) Rochester Road widening project

Attachments: Agenda Summary.pdf; 0336 Resolution.pdf

Mr. Paul Davis, City Engineer, explained that this is the fourth contract in the Extension 5 Program the City agreed to in 2000 in conjunction with the Oakland County Drain Commissioner. He noted that this request represents a portion of the project advanced separately to take advantage of an opportunity to coordinate this portion with the Road Commission for Oakland County's (RCOC) plan to widen Rochester Road between Tienken and Mead. RCOC agreed to the project with the condition that Rochester Hills pay for the project in advance. As the City had originally intended to bond for the entire project, it was necessary for Council to approve usage of monies from the Water & Sewer Fund Balance to meet RCOC's request.

A motion was made by Dalton, seconded by Raschke, that this matter be Adopted by Resolution.

Whereas, pursuant to 1939 Public Act 342, as amended ("Act 342"), the City entered into a contract dated March 1, 2000 with the County of Oakland ("County") for the construction and extension of a water and sewer supply system, known as the Oakland County Water Supply and Sewage Disposal System for Rochester Hills (the "System"); and

Whereas, pursuant to Act 342, and by resolution of the County Board of Commissioners, the Oakland County Drain Commissioner was made "County Agency" to oversee the construction and extension of the system; and

Whereas, pursuant to Act 342, the City and the County proposed to enter into a new contract that would authorize the financing and construction of an extension of the System (referred to as Extension 5A); and

Whereas, the City and the County maintain that it would be expedient for a portion of the Extension 5A water main and sanitary sewer work to be constructed in conjunction with the Road Commission for Oakland County's (RCOC) Rochester Road widening project (referred to as "Extension 5A, Contract 4A"); and

Whereas, the County Agency on behalf of the City, DPS/Engineering Services, and Hubble, Roth & Clark, Inc., have proceeded with the completion of design plans for the Extension 5A, Contract 4A water main and sanitary sewer construction project; and

Whereas, the County, on behalf of the City, proposes to sell bonds to finance the Extension 5A, Contract 4A construction; and

Whereas, RCOC will commence construction prior to our Extension 5A, Contract 4A project; and

Whereas, the County Agency, on behalf of the City, will enter into a contract with the RCOC for the construction of Extension 5A, Contract 4A; and

Whereas, in order for RCOC to award their project, the City must provide funds for the estimated construction costs for the Extension 5A, Contract 4A to the County Agency.

Resolved that the Rochester Hills City Council approves a payment of \$784,230.00 to the County Agency to cover the City's anticipated costs for water main and sanitary sewer construction of Extension 5A, Contract 4A.

The motion carried by the following vote:

Aye: Hill, Barnett, Dalton, Duistermars, Holder, Raschke and Robbins

Enactment No: RES0165-2005

2005-0344

Request for Purchase Authorization - DPS/ENGINEERING: Continuing Professional Design Service Agreement for the Avon Intersection Improvements Project - West of Livernois & East of Rochester in the amount not-to-exceed \$38,552.00; Orchard, Hiltz & McCliment, Inc., Livonia, MI

Attachments: Agenda Summary.pdf; Continuing Service Agreement #25 Revised.pdf; Min CC 020205 Mtg Excerpt.pdf; 0344 Resolution.pdf

President Hill questioned why it appears this project is exceeding its budgeted amount by approximately \$10,000 and requested reassurance that there would be no further unexpected increases.

Mr. Paul Davis, City Engineer, explained that the Road Commission for Oakland County (RCOC) had originally taken the lead on this project; however, when RCOC decided not to tie this project to their overlay project, therefore, it became necessary for the City to create a design plan.

A motion was made by Barnett, seconded by Duistermars, that this matter be Adopted by Resolution.

Whereas, the Department of Public Service used a quality based selection (QBS) process to determine which engineering firm was best suited to provide Professional Engineering Services; and

Whereas, the selection process included quality control for the project, project supervision, sensitivity, knowledge of local conditions and a clearly defined scope of work.

Resolved that the Rochester Hills City Council hereby awards a Professional Service Agreement between Orchard, Hiltz & McCliment, Inc., and the City of Rochester Hills, to provide design engineering for the Avon Intersection Improvement Project in the not-to-exceed amount of \$38,552.00 and authorizes the Mayor and City Clerk to execute a contract on behalf of the City.

The motion carried by the following vote:

Aye: Hill, Barnett, Dalton, Duistermars, Holder, Raschke and Robbins

Enactment No: RES0166-2005

2005-0317

Approval of 2005 Tri-Party Agreement between the Road Commission for Oakland County (RCOC) and the City of Rochester Hills

Attachments: Agenda Summary.pdf; Agreement Avon Road Final Version.pdf; 0317 Resolution.pdf

Mr. Paul Davis, City Engineer, stated that approval of this agreement is necessary to have the projects noted in the agreement funded through the Tri-Party Program.

A motion was made by Raschke, seconded by Duistermars, that this matter be Adopted by Resolution.

Resolved that the Rochester Hills City Council approves the 2005 Tri-Party Agreement for the construction improvements of Eastbound and Westbound Avon Road and authorizes the Mayor and Clerk to execute the agreement on behalf of the City.

The motion carried by the following vote:

Aye: Hill, Barnett, Dalton, Duistermars, Holder, Raschke and Robbins

Enactment No: RES0167-2005

COUNCIL COMMITTEE REPORTS

Administration & Information Services (AIS) Committee

Ms. Holder, Chairperson of the AIS Committee, noted the following issues currently under discussion:

- * Network upgrades and pending future costs.
- * Records retention program. Committee would like a program developed that would encompass all departments in City Hall.
- * Ms. Holder will be attending the first meeting of a Chamber of Commerce Committee formed to address the concerns of local businesses.
- * Rochester Hills Government Youth Council bylaws were approved.
- * Director, Mayor and Council salaries will be coming before the Committee for discussion in the near future.

Financial Services (FPS) Committee:

Mr. Dalton, Chairperson of the FPS Committee, noted the following issues currently under discussion:

- * Unanimously approved the proposed water and sewer rates in conjunction with the Water Board.
- * Reviewed the Plante & Moran, LLC, audit report.

Mr. Dalton expressed his personal disappointment that the Committee is not receiving cooperation from City administration with regards to the water reservoir project.

Public Safety (PS) Committee:

Ms. Raschke, Chairperson of the PS Committee, noted the following issues currently under discussion:

- * False alarm program to fine individuals and businesses that incur repeated false alarms. Sterling Heights will be sharing their proposed false alarm ordinance once it has been approved.

* Results of the recent public safety survey of ten local municipalities were being correlated.

BUDGET DISCUSSIONS

2005-0054 Discussions Regarding 2006 Budget

Attachments: Agenda Summary.pdf; 050705 Agenda summary.pdf; Mayor.pdf; Fiscal.pdf; Planning 1.pdf; Planning 2.pdf; Planning 3.pdf; Planning 4.pdf; Planning 5.pdf; DPS and Engineering.pdf; Building.pdf; Parks.pdf; Forestry.pdf; Fire.pdf; OCSD.pdf; MIS.pdf; Clerks.pdf;

President Hill indicated that a recent budget meeting between Council and City staff resulted in two suggestions to increase the City's budget:

1) Charge a 1% administration fee on City tax bills, which would generate approximately \$1.2 million.

2) Maximize the General Fund, which would generate approximately \$2.7 million.

Council discussion resulted in the following comments:

* A 1% administration fee would add to the City's coffers without direct indication as to how it would then be spent.

* Implementing a 1% administration fee at this time would be poor timing in light of the anticipated local streets millage request in the fall.

* Neither suggestion would solve the problem and would, in effect, "doom" future millage requests.

* It would be unwise to maximize the General Fund leaving no "cushion" of funds in case of an emergency situation.

* A successful parks millage would free up those monies in the General Fund for other uses.

President Hill determined that the consensus of Council was that there was no support for either suggestion.

Discussed

ANY OTHER BUSINESS

President Hill explained that, if there were not enough candidates for open offices to warrant the need for a primary election in September to narrow the field of opponents, would Council be in favor of holding a Primary Election that offered only millage questions for consideration by voters.

Mr. Duistermars questioned if it were legal to hold such an election.

City Attorney John Staran indicated that it would violate no election laws.

Mr. Dalton expressed his belief that it would be a waste of approximately \$40,000 to hold such a Primary Election when the General Election would be held two months later.

President Hill noted that a final decision did not have to be made until late June.

ADJOURN TO CLOSED SESSION

City Council convened to Closed Session at 10:34 p.m.

RECONVENE TO OPEN SESSION

City Council reconvened to Open Session at 12:19 a.m.

2005-0377

Request to Set Public Hearing regarding Grand/Sakwa Properties Acquisitions, LLC v. City of Rochester Hills for Wednesday, May 25, 2005

Attachments: Agenda Summary.pdf; Original Consent Judgment 040303.pdf; Original Consent Judgment-Exhibits.pdf; Public Hearing Notice.pdf; Agenda Summary 051805.pdf; Resolution 051805.pdf; 0377 Resolution.pdf

A motion was made by Holder, seconded by Duistermars, that this matter be Adopted by Resolution.

Resolved that the Rochester Hills City Council hereby sets a Public Hearing for Wednesday, May 25, 2005, at 7:30 p.m. to be held at the Rochester Hills Municipal Offices, 1000 Rochester Hills Drive, Rochester Hills, Oakland County, Michigan regarding Grand/Sakwa Properties Acquisitions, LLC v. City of Rochester Hills for property consisting of approximately 107 acres located adjacent to the planned new Adams Road and M-59 interchange in the City of Rochester Hills, Oakland County, Michigan.

Be It Further Resolved that the City Clerk shall provide appropriate Notice the Public Hearing.

The motion carried by the following vote:

Aye: Hill, Dalton, Duistermars, Holder, Raschke and Robbins

Nay: Barnett

Enactment No: RES0169-2005

2005-0357

Further Postpone the Motion on the Floor regarding the Authorization to request Offers of Purchase for portions of Parcels 15 through 21 for necessary right-of-way for Adams Road Relocation Project

Attachments: Agenda Summary.pdf; 0357 Resolution.pdf

A motion was made by Barnett, seconded by Duistermars, that this matter be Adopted by Resolution.

Resolved that the City Council agrees to Further Postpone discussion and action on the motion to authorize the City Administration to request and arrange for the Road Commission of Oakland County to make offers to purchase the portions of Parcels 15 through 21 necessary for right-of-way for the Adams Road relocation project and to proceed, if necessary, with eminent domain, basing the offering price on the appraisals commissioned by the City, with the understanding that the City will be responsible for paying the offering price on the Road Commission of Oakland County's behalf, pending disposition of the proposed settlement.

The motion carried by the following vote:

Aye: Hill, Barnett, Dalton, Duistermars, Holder, Raschke and Robbins

NEXT MEETING DATE

Regular Meeting - Wednesday, May 25, 2005 at 7:30 p.m.

ADJOURNMENT

There being no further business before Council, President Hill adjourned the meeting at 12:24 a.m.

*MELINDA HILL, President
Rochester Hills City Council*

*JANE LESLIE, Clerk
City of Rochester Hills*

*MARGARET A. STRATE
Administrative Secretary
City Clerk's Office*

Approved as presented at the (insert date, or dates) Regular City Council Meeting.