

NOMINATIONS/APPOINTMENTS

President Hooper moved Item 2008-0263 ahead of Public Hearing Item 2008-0264.

2008-0263 Nomination/Appointment of one (1) Citizen Representative to the Rochester Avon Recreation Authority for a three-year term to expire May 31, 2011

- Attachments: [Agenda Summary](#)
[Timothy Brown CQ](#)
[Nomination Form](#)
[Vacancy Notice](#)
[Resolution.pdf](#)

Mr. Yalamanchi nominated Timothy Brown for re-appointment to the Rochester-Avon Recreation Authority (RARA).

Mayor Barnett stated that Mr. Brown is a ten-year veteran of the RARA Board and thanked him for his service to the City.

A motion was made by Pixley, seconded by Webber, that Timothy R. Brown be Re-Appointed. The motion CARRIED by the following vote:

Aye 6 - Brennan, Hooper, Pixley, Rosen, Webber and Yalamanchi

Absent 1 - Ambrozaitis

Enactment No: RES0155-2008

Resolved, that the Rochester Hills City Council appoints Timothy R. Brown to serve as a Rochester Avon Recreation Authority Representative for a three-year term expiring May 31, 2011.

PUBLIC HEARING

2008-0264 2008 2nd Quarter Budget Amendment

- Attachments: [Agenda Summary.pdf](#)
[2008 - Budget Adjustments.pdf](#)
[2008 - Budget Amendments.pdf](#)
[Public Hearing Notice.pdf](#)
[Resolution.pdf](#)

A motion was made by Pixley, seconded by Brennan, that this matter be Adopted by Resolution. The motion CARRIED by the following vote:

Aye 5 - Brennan, Hooper, Pixley, Webber and Yalamanchi

Nay 1 - Rosen

Absent 1 - Ambrozaitis

Enactment No: RES0162-2008

Resolved, that the Rochester Hills City Council hereby removes the increase in Line Item 21 - Planning - Consultant Fees - Wetlands in the amount of \$64,000 from the 2008 2nd Quarter Budget Amendment to be brought back at a later date.

2008-0264 2008 2nd Quarter Budget Amendment

Attachments: [Agenda Summary.pdf](#)
[2008 - Budget Adjustments.pdf](#)
[2008 - Budget Amendments.pdf](#)
[Public Hearing Notice.pdf](#)
[Resolution.pdf](#)

Julie Jenuwine, Director of Finance, gave a brief summary of the overall results of the first five months of Fiscal Year 2008 and the Second Quarter Budget Amendment for tonight's consideration:

- Revenues are estimated to decrease approximately \$843,000 across funds mostly due to lower interest earnings, lower receipts from City fees due to the economic climate, and a decline in Act 51 receipts.
- Operating expenditures are proposed to increase approximately \$1,053,000 mostly due to the settlement of the Firefighter's labor contract, increased vehicle fuel/maintenance costs, electrical and gas utility increases, drain maintenance, police overtime, and environmental oversight costs. Drain maintenance invoices have increased due to a billing from the Oakland County Drain Commission for the Hampton Drain that was received after a lengthy delay. Police overtime increases were a result of additional detective work and investigations, including the recent rash of bank shootings.
- Capital expenditures are proposed to decrease \$2.2 million, due to changes in project timelines and updated project estimates and changes in project scope.
- This amendment also includes language to allow the Mayor to do budget adjustments within funds from this point on, with a limit of \$25,000.00.
- Various expenditures were reclassified into different account numbers due to coding changes.

President Hooper Opened the Public Hearing at 10:29 p.m. Seeing no public comment, President Hooper Closed the Public Hearing at 10:30 p.m.

Council Discussion:

Mr. Yalamanchi asked for clarification on several construction projects including the Michelson, and Hamlin/Crooks/Livernois.

Ms. Jenuwine indicated that several projects were substantially complete and expensed in 2007 and now can be removed from the 2008 budget, including the projects for Crooks Road, the Tienken Bridge, and an LDFA project.

Roger Rousse, Director of DPS/Engineering, stated that portions of the John R Road project have decreased, but the Michelson Pump Station portion has increased. He stated there were adjustments within the project to line items dependent on the technical expertise of the contractor and subcontractors involved.

Mayor Barnett stated that the project as a whole is still on budget, but some of the line items within the project have gone up and other line items have gone down.

Mr. Rousse stated that staff is being directed out of meter reading into an asset management project, performing some work that was previously contracted to in-house.

Mr. Yalamanchi questioned if a cost analysis was done to determine whether the City is saving dollars by doing this.

Mr. Rousse stated that he will provide a cost-saving analysis after a portion of this project is complete.

President Hooper noted that this Budget Amendment adjusts for Council's decision not to do the Spencer Park portion of the John R/Michelson Pump Station project. It also includes Capital Improvement Projects that are being moved into this Budget for Drexelgate and Meadowfield Drive, roads viewed by Council during their road tour.

Mr. Rousse indicated that bids are due tomorrow for the Heritage Oaks road rehabilitation.

President Hooper questioned the increase in General Fund tax dollars for the Adams/Hamlin Brownfield Remediation. He noted that an additional \$64,000 is being requested, and stated that he personally does not support this increase.

Mr. Rosen stated that this is a part of the Consent Judgment.

President Hooper questioned whether the Michigan Department of Environmental Quality (DEQ) would be the Agency of review.

Mr. Rosen stated that the DEQ will provide no field inspection; that function will fall to the City.

Derek Delacourt, Deputy Director of Planning, stated the developer will give the City a three-day notice before beginning remediation work on the site. He stated that the City may provide oversight. The Consent Judgment indicates that prior to site plan approval, the City shall sign off on the remediation work.

Mr. Rosen stated if the City does not do the monitoring, it will be difficult to fulfill the review of the work. The Consent Judgment states the City "may" do on-site monitoring, but it also states the City "must" sign off on the work.

Mr. Delacourt read an excerpt from the Consent Judgment, which stated that "An Environmental Consultant selected by the City may be on site at all times during the performance of remediation activities. Additionally, at reasonable intervals, the City and the Plaintiff shall meet with the City and the Consultant and any other regulatory agency as needed to review the progress, routine status to allow the City to monitor. When the Plaintiffs notify the City that the remediation efforts are

complete, the City's Environmental Consultant will review all documentation, reports and data prepared by Plaintiff to date and conduct a site walk-over to confirm that the proposed remedial tasks were completed according to the specifications that were approved by the governing regulatory bodies. When the City's Environmental Consultant confirms that the remediation efforts are complete, site development and improvements may commence consistent with the terms of the Consent Judgment." Mr. Delacourt stated that the number used in the Budget Amendment was for the same level of oversight used during the first phase of investigation. He said this was Staff's attempt to be proactive and the level of oversight deemed proper and would be dependent on Council's decision.

Mr. Yalamanchi asked whether this consultant fee could be collected under administrative costs.

President Hooper stated that even if these costs could be reimbursed, General Fund tax dollars are being expended. He stated that these expenditures take away from other General Fund expenditures such as Police and Local Roads.

Mr. Yalamanchi reiterated that he wants to see the oversight on this project and believes this is an investment that will help the community in the long term.

Mr. Brennan stated he agreed with President Hooper on this issue. He also questioned the increase in Planning Professional Services.

Ms. Jenuwine stated that the increase in Planning Professional Services was due to the Zoning Ordinance Rewrite Update that was not completed in 2007. She stated that these funds were not used in 2007, and are being used this year.

Mr. Brennan asked whether the Environmental Consultant Fees had already been spent.

Mr. Delacourt stated that the plan is currently being reviewed by DEQ, and once approved the applicant only needs to give the City a three-day notice. By not including it in the budget, the City could fall out of cycle.

Mr. Brennan asked if approving the expenditure could be delayed.

Mr. Delacourt stated a contract for services could not be issued without a budget line item.

Mayor Barnett stated that the Consent Judgment provides Council the opportunity to have a representative on site, but this does not indicate a contractual obligation to have one.

Mr. Pixley stated that this oversight is built into the 381 Plan.

President Hooper stated this was correct, but the City would be responsible for the cost.

Mr. Delacourt stated that the DEQ and Environmental Protection Agency (EPA) will review the Plan, but will not put someone on the ground to oversee work.

Mr. Pixley questioned if the only way for this oversight to be accomplished was to have a consultant on-site.

Mr. Delacourt indicated that there were no Staff members qualified to do this oversight.

Mr. Webber asked if no one provided full-time oversight, would a final report be obtained for Mr. Anderson, the City's Environmental Consultant to review.

Mr. Delacourt indicated that this figure was an estimate based on the first phase of oversight. He stated that Council could determine the level of oversight they wished to have.

Mr. Webber asked if the same level of oversight was required as in the first phase.

Mr. Delacourt stated that this project is outside of a normal Brownfield process. He stated at this point he could not determine the exact level needed.

Mr. Webber stated he was not in agreement to zero out that line, but would consider a reduction.

Mr. Delacourt suggested that he could return at a later date with a range of options.

Mr. Rosen stated that he would not have voted to accept the Consent Judgment without the prospect of having oversight of this site. He stated this is one of the most unusual sites in Michigan, requiring a degree of care exceeding the norm. He stated he felt this was a minor amount budgeted compared to monies budgeted for Phase One.

Mr. Delacourt stated that \$50,000 was budgeted for Phase One and \$35,000 was actually spent.

Ed Anzek, Director of Planning and Development, stated that when the budget was being developed, the City had no idea what the budget for this item would be, and no monies were included. He stated that this number can be estimated now, based on the same level of service done during the investigation phase.

Mayor Barnett stated that Administration requests direction from Council on the level of oversight it wishes to see.

Mr. Yalamanchi stated that he would like the City to develop a Brownfield Policy. He stated that the City's level of oversight needs to be defined.

President Hooper stated that the City is putting tax dollars into privately-owned property.

Mr. Rosen stated this is a complicated project and public responsibility is Council's concern.

Mr. Webber asked if \$35,000 was spent on the first phase, should the proposed budget amount be reduced to \$50,000.

Mr. Anzek stated that \$50,000 was all for Brownfield work. He indicated that this amount is in addition to the \$50,000 budgeted.

Mr. Pixley stated he wanted to add the proper level of oversight. He asked about including an intermediary amount for oversight at a lesser scale.

Mr. Delacourt stated that this Amendment included oversight for every hour the developer is working on site. He suggested that a target-based level of oversight could be developed.

President Hooper suggested that the entire increase be removed and the Administration could come back with a recommendation.

Mr. Pixley agreed that the amount should be removed from the Budget Amendment for now.

A motion was made by Webber, seconded by Yalamanchi, that this matter be Adopted by Resolution. The motion CARRIED by the following vote:

Aye 6 - Brennan, Hooper, Pixley, Rosen, Webber and Yalamanchi

Absent 1 - Ambrozaitis

Enactment No: RES0162-2008

Whereas, in accordance with the provisions of Public Act 2 of 1968, the Uniform Budgeting and Accounting Act, and the Charter for the City of Rochester Hills, Chapter III Section 3.7, the City Council may amend the budget during the fiscal year, either on its own initiative or upon recommendation of the Mayor; and

Whereas, in accordance with Section 19 of Public Act 2 of 1968, the Uniform Budgeting and Accounting Act the City Council may permit the Mayor to execute adjustments to the budget within limits;

Whereas, the Public Hearing for the proposed 2008 2nd Quarter Budget Amendments was noticed on May 22, 2008; and

Whereas, the proposed 2008 2nd Quarter Budget Amendments were available for public viewing starting on May 30, 2008; and

Whereas, at its June 9, 2008 meeting City Council held a Public Hearing on the proposed 2nd Quarter Budget Amendments.

Now, Therefore, Be It Resolved, that the Rochester Hills City Council hereby approves the following 2008 fund totals as amended:

101 - General Fund	\$27,330,160
202 - Major Road Fund	\$11,513,660
203 - Local Street Fund	\$ 6,657,070
206 - Fire Operating Fund	\$ 8,272,080
207 - Special Police Fund	\$ 8,678,620
211 - Perpetual Care Fund	\$ 99,000 *
214 - Pathway Maintenance Fund	\$ 699,910
244 - Drain Maintenance Fund	\$ 2,714,570
313 - 2001 Local Street Debt Fund	\$ 230,470 *
314 - 2001 Local Street SAD Debt Fund	\$ 228,800 *
325 - 2002 Local Street Debt Fund	\$ 403,360 *
337 - 1994 Local Street SAD Debt Fund	\$ 187,280 *
338 - 1995 Local Street SAD Debt Fund	\$ 182,990 *
391 - 1998 Refunding Debt Fund	\$ 444,500 *
392 - 2002 Refunding Debt Fund	\$ 1,121,140 *
402 - Fire Capital Fund	\$ 1,550,210
403 - Pathway Construction Fund	\$ 1,638,610
420 - Capital Improvement Fund	\$ 597,310 *
592 - W&S Operating Fund	\$28,937,890
593 - W&S Capital Fund	\$ 9,616,540
631 - Facilities Fund	\$ 5,156,720
636 - MIS Fund	\$ 2,457,300**
661 - Fleet Equipment Fund	\$ 3,914,060
848 - LDFA Fund	\$ 1,059,770

and, Therefore, Be It Resolved, the Mayor is authorized to administratively adjust the operating budget line-items up to \$25,000 per event, but in no case may total expenditures of a particular fund exceed that which is appropriated by the City Council without a budget amendment.

NEW BUSINESS

2007-0221 Request for Extension of the Tentative Preliminary Plat until April 20, 2009 - Grace Parc, a 16-lot subdivision located north of South Boulevard between Livernois and Rochester Roads, zoned R-4, Grace Street Development, applicant.

- Attachments: [Agenda Summary.pdf](#)
[Map.pdf](#)
[Letter Mancini 032808.pdf](#)
[Site Plans TPP.pdf](#)
[Resolution.pdf](#)
[PC Minutes 040307.pdf](#)
[PC Minutes 071806.pdf](#)
[PC Minutes 031505.pdf](#)
[PC Minutes 021505.pdf](#)
[PC Minutes 020105.pdf](#)
[042507 Agenda Summary.pdf](#)
[Letter Mancini 031207.pdf](#)
[042507 Resolution.pdf](#)

A motion was made by Yalamanchi, seconded by Webber, that this matter be Adopted by Resolution. The motion CARRIED by the following vote: