



Rochester Hills Minutes City Council Regular Meeting

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*Erik Ambrozaitis, Jim Duistermars, Barbara Holder, Greg Hooper,
Linda Raschke, James Rosen, Ravi Yalamanchi*

Wednesday, June 7, 2006

7:30 PM

1000 Rochester Hills Drive

DRAFT

CALL TO ORDER

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

ROLL CALL

Present: Erik Ambrozaitis, Jim Duistermars, Barbara Holder, Greg Hooper, Linda Raschke, James Rosen and Ravi Yalamanchi

Others Present:

*Bryan Barnett, Mayor
Alan Buckenmeyer, Parks Operations Manager
Dan Casey, Manager of Economic Development
Paul Davis, City Engineer
Derek Delacourt, Deputy Director of Planning
Jean Farris, Supervisor of Procurement
Julie Hamilton, Purchasing Analyst
Mike Hartner, Director of Parks & Forestry
Julie Jenuwine, Director of Finance
Pam Lee, Director of Human Resources
Jane Leslie, City Clerk
Marilyn Paulsen-Tomaszewski, Purchasing Analyst
Roger Rousse, Director of DPS/Engineering
John Staran, City Attorney*

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Resolved that the Rochester Hills City Council approves the agenda for the Regular City Council meeting of June 7, 2006 with the following amendments:

Move from NEW BUSINESS to the CONSENT AGENDA

Legislative File 2006-0363: Request for Purchase Authorization - DPS: Field lamp replacement and additional parts, including ballast, capacitors, fuses, lenses and parts as needed in the amount not-to-exceed \$31,944.00; Musco Sports Lighting, Incorporated, Oskaloosa, Iowa

Add to CONSENT AGENDA

Legislative File 2006-0437: Adoption of Resolution to set Special Joint Meeting with the Planning Commission for Tuesday, June 27, 2006 for the Presentation of the Draft Master Land Use Plan

A motion was made by Yalamanchi, seconded by Raschke, to Approve Agenda as Amended.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

PUBLIC COMMENT

None.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

Mr. Ambrozaitis asked the City Attorney if there is anything the City can do to prevent an outcome similar to the Wal-Mart litigation in the future.

Mr. John Staran, City Attorney, indicated that the hours of operation and lighting intensity issues as related to the Wal-Mart development are not specifically addressed in City ordinances.

Mr. Ambrozaitis requested that the City administration amend the appropriate ordinances to remedy this situation. He then called for a comprehensive blight ordinance.

Mr. Staran noted that he has been in discussions with the Mayor and the Building Department regarding an amended blight ordinance. He explained that it requires a very painstaking review to ensure that any provisions or restrictions in the ordinance do not conflict with state building codes, etc. He estimated that a recommended new ordinance would be brought before Council soon.

Mr. Duistermars expressed his thanks to the Rochester Hills Fire Department and the Oakland County Sheriff's Department's participation in the "All American Tribute" the previous Sunday evening.

Ms. Raschke reminded her colleagues of the upcoming "Relay for Life" charity event to benefit the American Cancer Society. She also reminded City residents of Crittenton Hospital's "Life Line" program for the care of elderly parents.

Mayor Barnett discussed the "Tons of Trucks" event sponsored by the Rochester Avon Recreation Authority the previous weekend, which was attended by approximately 1,200 residents. He then noted some upcoming events to take place in the City and urged residents to take advantage of the City's parks. He then noted that the City would be holding a press conference soon to announce a new business locating in Rochester Hills.

ATTORNEY MATTERS

Mr. John Staran, City Attorney, noted that the State Legislature had recently passed an Act to consolidate the various zoning laws. He indicated that it would be reviewed by his office and the Planning Department to evaluate and identify what procedures will need to change.

PRESENTATIONS

2006-0411 Proclamation in Recognition of Jill and Daniel Olmack for their generous donation of time and effort to keep the cemetery beautiful

Attachments: Agenda Summary.pdf; Olmack Proclamation.pdf

Whereas, Jill and Daniel Olmack are residents of Rochester Hills and have dedicated their time and assistance to the Van Hoosen Jones-Stoney Creek Cemetery by planting flower beds along with the help of several Girl Scout Troops; and

Whereas, the beautification of the cemetery has been an ongoing project for the Olmacks, and Jill Olmack has served on the Cemetery Committee for many years; and

Whereas, the cemetery has been enhanced throughout the summer season as a result of the efforts of the Olmacks and the Girl Scouts.

***Now, Therefore, Be It Resolved* that the Mayor and City Council of Rochester Hills hereby recognize Jill and Daniel Olmack for their generous donation of time and effort to keep the cemetery beautiful.**

Presented

2006-0410

Proclamation in Recognition of Calvin Leach for his many years of service and dedication to the Van Hoosen Jones-Stoney Creek Cemetery

Attachments: Agenda Summary.pdf; Leach Proclamation.pdf

Whereas, Calvin Leach has served as an employee of Avon Township and the City of Rochester Hills since June 20, 1977; and

Whereas, Calvin has worked at the Van Hoosen Jones-Stoney Creek Cemetery since 1980 and officially became the Cemetery Sexton in 2000; and

Whereas, Calvin has worked tirelessly to carry out the directives of Sarah Van Hoosen who deeded the property to Avon Township in 1956 for the purpose of establishing and maintaining a public cemetery; and

Whereas, in September 2005, Calvin donated and installed a beautiful monument for the entrance at the cemetery; and

Whereas, this personal donation of time and materials for this monument, further demonstrates Calvin's dedication to the cemetery, the community and the legacy of Sarah Van Hoosen.

***Now, Therefore, Be It Resolved* that the Mayor and City Council of Rochester Hills hereby recognize Calvin Leach for his many years of service and dedication to the Van Hoosen Jones-Stoney Creek Cemetery.**

Presented

2006-0408

Proclamation in Recognition of Andy Bolt for his generosity and assistance in providing Rochester Hills with a beautiful monument for the entrance to the Van Hoosen Jones-Stoney Creek Cemetery

Attachments: Agenda Summary.pdf; Proclamation.pdf

Whereas, Andy Bolt is the owner of Patten Monument Company and has a deep interest in preserving and promoting cemeteries throughout the state; and

Whereas, the City of Rochester Hills has had a long, valuable relationship with Patten Monument in preserving and restoring old cemetery headstones for the Brewster Cemetery and the Old Stoney Creek Cemetery; and

Whereas, Mr. Bolt's generous donation of time and equipment for the installation of the monument has greatly enhanced the Van Hoosen-Jones Stoney Creek Cemetery.

Now, Therefore, Be It Resolved that the Mayor and City Council of Rochester Hills hereby recognize Andy Bolt for his generosity and assistance in providing Rochester Hills with a beautiful monument for the entrance to the Van Hoosen Jones-Stoney Creek Cemetery.

Presented

2006-0409

Proclamation in Recognition of Norman Byers for his donation of time and effort in providing Rochester Hills with a beautiful monument for the entrance to the Van Hoosen Jones-Stoney Creek Cemetery

Attachments: Agenda Summary.pdf; Proclamation.pdf

Whereas, Norman Byers is a life-long resident of the City of Rochester Hills; and

Whereas, Mr. Byers has demonstrated an interest in the Van Hoosen Jones-Stoney Creek Cemetery, and has assisted Calvin Leach with the installation of the new monument at the entrance to the cemetery; and

Whereas, Mr. Byers' generous donation of time and assistance has greatly enhanced the entry at Van Hoosen Jones-Stoney Creek Cemetery.

Now, Therefore, Be It Resolved that the Mayor and City Council of Rochester Hills hereby recognize Norman Byers for his donation of time and effort in providing Rochester Hills with a beautiful monument for the entrance to the Van Hoosen Jones-Stoney Creek Cemetery.

Presented

2006-0414

Presentation of the Michigan Public Purchasing Officers Association "Marvin Klang Award" - Jean Farris, Supervisor of Procurement; Award Recipient

Attachments: Agenda Summary.pdf

Ms. Jean Farris, Supervisor of Procurement, was presented the "Marvin Klang Award", the "capstone" award from the Michigan Public Purchasing Officers Association (MPPOA).

Presented

2006-0415

Presentation of the Michigan Public Purchasing Officers Association "Buyer of the Year Award" - Julie Hamilton, Purchasing Analyst; Award Recipient

Attachments: Agenda Summary.pdf

Ms. Julie Hamilton, Purchasing Analyst, was presented the "Buyer of the Year Award" from the Michigan Public Purchasing Officers Association (MPPOA).

Presented

2006-0420

Presentation of the Great Lakes Park Training Institute's "Daniel Flaherty Award" for Excellence in Park Facilities and Programs - Bloomer Park Velodrome and the City of Rochester Hills, recipients

Attachments: Agenda Summary.pdf

The Bloomer Park Velodrome and the City of Rochester Hills received the Great Lakes Park Training Institute's "Daniel Flaherty Award" for Excellence in Park Facilities and Programs. It was noted that this was the third Daniel Flaherty Award the City had received.

Presented

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.

2006-0382 Approval of Minutes - Special City Council Work Session Meeting - January 11, 2006

Attachments: CC Min 011106.pdf; 0382 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Minutes of a Special Rochester Hills City Council Work Session Meeting held on January 11, 2006 be approved as presented.

Enactment No: RES0175-2006

2006-0383 Approval of Minutes - Special City Council Meeting - January 18, 2006

Attachments: CC Min Spec 011806.pdf; 0383 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Minutes of a Special Rochester Hills City Council Meeting held on January 18, 2006 be approved as presented.

Enactment No: RES0176-2006

2006-0388 Approval of Minutes - Regular City Council Meeting - January 18, 2006

Attachments: CC Min Reg 011806.pdf; 0388 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Minutes of a Regular Rochester Hills City Council Meeting held on January 18, 2006 be approved as presented.

Enactment No: RES0177-2006

2006-0321 Acceptance of a Watermain Easement granted by Lombardo Rochester Hills LLC, a Michigan limited liability company, for Sheffield, for Parcel No. 15-22-226-016

Attachments: Agenda Summary.pdf; Map.pdf; Easement.pdf; 0321 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 watermain easement granted by Lombardo Rochester Hills LLC, a Michigan limited liability company, of 6303 Twenty-Six Mile Road, Washington, Michigan 48094 for the construction, operation, maintenance, repair and/or replacement of a watermain easement over, on, under, through and across land more particularly described as Parcel No. 15-22-226-016.

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

Enactment No: RES0178-2006

2006-0323

Acceptance of a Sanitary Sewer easement granted by Lombardo Rochester Hills LLC, a Michigan limited liability company, for Sheffield, for Parcel No. 15-22-226-016

Attachments: Agenda Summary.pdf; Map.pdf; Easement.pdf; 0323 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 sanitary sewer easement granted by Lombardo Rochester Hills LLC, a Michigan limited liability company, of 6303 Twenty-Six Mile Road, Washington, Michigan 48094 for the construction, operation, maintenance, repair and/or replacement of a sanitary sewer easement over, on, under, through and across land more particularly described as Parcel No. 15-22-226-016.

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

Enactment No: RES0179-2006

2006-0324

Approval of the Agreement for Maintenance of Storm Water Detention System between the City of Rochester Hills and Lombardo Rochester Hills LLC, for Sheffield, for Parcel No. 15-22-226-016

Attachments: Agenda Summary.pdf; Map.pdf; Agreement.pdf; 0324 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 approves the Storm Water Maintenance Agreement, relative to the details of development and use, repair and maintenance of the storm water system, for Sheffield, for City File #05-016, between the City of Rochester Hills and Lombardo Rochester Hills LLC, 6303 Twenty-Six Mile Road, Washington, Michigan 48094, affecting property identified as 15-22-226-016.

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

Enactment No: RES0180-2006

2006-0347

Acceptance of the Warranty Deed for Auburn Road right of way granted by Ahmadiyya Movement in Islam, Inc., USA, for Parcel No. 15-28-300-026

Attachments: Agenda Summary.pdf; Map.pdf; Warranty Deed.pdf; 0347 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 warranty deed granted by Ahmadiyya Movement in Islam, Inc., USA, 8218 Wyoming Street, Detroit, Michigan 48024 to the City of Rochester Hills, 1000 Rochester Hills Drive, Rochester Hills, Michigan 48309, for Parcel No 15-28-300-026.

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

Enactment No: RES0181-2006

2006-0348

Acceptance of a Watermain Easement granted by Ahmadiyya Movement in

Islam, Inc., USA, for Ahmadiyya Muslim Center, for Parcel No. 15-28-300-026.

Attachments: Agenda Summary.pdf; Map.pdf; Easement.pdf; 0348 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 watermain easement granted by Ahmadiyya Movement in Islam, Inc., USA, 8218 Wyoming Street, Detroit, Michigan 48024 for the construction, operation, maintenance, repair and/or replacement of a watermain easement over, on, under, through and across land more particularly described as Parcel No. 15-28-300-026.

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

Enactment No: RES0182-2006

2006-0350

Approval of the Agreement for Maintenance of Storm Water Detention System, between the City of Rochester Hills and Ahmadiyya Movement in Islam, Inc., USA, for Ahmadiyya Muslim Center, for Parcel No. 15-28-300-026

Attachments: Agenda Summary.pdf; Map.pdf; Agreement.pdf; 0350 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 approves the Storm Water Detention System Maintenance Agreement, relative to the details of the development and use, repair and maintenance of the storm water system, for Ahmadiyya Muslim Center, for City File #02-013, between the City of Rochester Hills and Ahmadiyya Movement in Islam, Inc., USA, 8218 Wyoming Street, Detroit, Michigan 48024.

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

Enactment No: RES0183-2006

2006-0395

Approval of the Agreement for Maintenance of Storm Water Detention System, between the City of Rochester Hills and University Square Investment Co., LLC, a Michigan limited liability company, for University Shopping Center, for Parcel Nos. 15-07-476-009, 010 & 011

Attachments: Agenda Summary.pdf; Map.pdf; Agreement.pdf; 0395 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 approves the Storm Water Detention System Maintenance Agreement relative to the details of the development and use, repair and maintenance of the storm water system, for University Square Shopping Center, for City File #85-584.5, between the City of Rochester Hills and University Square Investment Co., LLC, a Michigan limited liability company, 39520 Woodward Avenue, Bloomfield Hills, Michigan 48304.

Further Resolved that the City Clerk is authorized to execute and deliver the Agreement on behalf of the City.

Enactment No: RES0184-2006

2006-0397

Acceptance of a Watermain Easement granted by University Square

Investment Co., LLC, for University Square Shopping Center, for Parcel Nos. 15-07-476-009, 010 & 011

Attachments: Agenda Summary.pdf; Map.pdf; Easement.pdf; 0397 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 watermain easement granted by University Square Investment Co., LLC, a Michigan limited liability company, 39520 Woodward Avenue, Bloomfield Hills, Michigan 48304, for the construction, operation, maintenance, repair and/or replacement of a watermain easement over, on, under, through and across land more particularly described as Parcel Nos. 15-07-476-009, 010 and 011.

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

Enactment No: RES0185-2006

2006-0381

Confirm Mayor's reappointment of Thomas Blackstone and Ernest W. Colling, Jr. to the Advisory Traffic and Safety Board for three (3) year terms to expire on June 30, 2009

Attachments: Agenda Summary.pdf; Blackstone CQ.pdf; Colling CQ.pdf; 0381 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Rochester Hills City Council hereby confirms the Mayor's appointment of Thomas Blackstone and Ernest W. Colling, Jr. to the Advisory Traffic and Safety Board for three (3) year terms to expire on June 30, 2009.

Enactment No: RES0186-2006

2006-0399

Request for Purchase Authorization - DPS/Engineering: Construction of an ADA accessible boat livery, concrete walkway and pads at Thelma G. Spencer Park in the amount not-to-exceed \$68,465.00 to Will H. Hall Construction, Flint, MI

Attachments: Agenda Summary.pdf; THA Recommendation.pdf; RFP Tabulation.pdf; 0399 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Rochester Hills City Council hereby authorizes the construction of an ADA accessible boat livery, concrete walkway and pads at Thelma G. Spencer Park in the amount not-to-exceed \$68,465.00 to Will H. Hall Construction, Flint, Michigan.

Enactment No: RES0190-2006

2006-0372

Request for Purchase Authorization - DPS/Engineering: Pavement Marking (Striping) Program for 2006, purchase order in the amount of \$30,909.00; R.S. Contracting, Inc., Casco Township, MI

Attachments: Agenda Summary.pdf; Pavement Marking Inventory.pdf; RCOC Bid Tabulation.pdf; RS06Letter.pdf; Tabulation.pdf; 0372 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Rochester Hills City Council hereby approves a purchase order

to R.S. Contracting, Inc., Casco Township, Michigan for the 2006 Pavement Marking (Striping) Program in the amount of \$30,909.00 as the lowest, responsive, responsible bidder utilizing the Oakland County Road Commissions bid.

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: RES0188-2006

2006-0431

Adoption of Resolution to set Special Joint Meeting with the Planning Commission for Tuesday, June 27, 2006 for the Presentation of the Draft Master Land Use Plan

Attachments: 0431 Resolution.pdf

This Matter was Adopted by Resolution on the Consent Agenda.

Resolved that the Rochester Hills City Council hereby sets a Special Joint Meeting with the Planning Commission for Tuesday, June 27, 2006 at 7:30 p.m. Michigan Time to be held at the Rochester Hills Municipal Offices, 1000 Rochester Hills Drive, Rochester Hills, Michigan. The purpose of the Special Joint Meeting is for a presentation of the distribution draft copy of the Master Land Use Plan.

Further Resolved that the City Clerk shall provide proper notice of the Special Joint Meeting pursuant to 15.265, Section 5(3) of the Michigan Open Meetings Act, Public Act No. 267 of 1976 as amended.

Enactment No: RES0189-2006

Passed The Consent Agenda

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

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

The following Consent Agenda Items were discussed and adopted by separate Motions:

2006-0363

Request for Purchase Authorization - DPS: Field Lamp Replacement and additional parts, including ballast, capacitors, fuses, lenses and parts as needed in the amount not-to-exceed \$31,944.00; Musco Sports Lighting, Incorporated, Oskaloosa, Iowa

Attachments: Agenda Summary.pdf; Bid Tabulations.pdf; 0363 Resolution.pdf

Mr. Ambrozaitis questioned the need to replace the light equipment at this time when the life expectancy is twenty-five years.

Mr. Alan Buckenmeyer, Parks Operations Manager, explained that the light bulbs are approximately five years beyond their life expectancy and there have been bulb failures. He noted that they are anticipating there may be other equipment failure that will need repair in addition to the bulb replacement.

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

Resolved that the Rochester Hills City Council hereby authorizes the complete

lamp replacement and additional parts including ballast, capacitors, fuses, lenses and parts as needed from Musco Sports Lighting, Incorporated, Oskaloosa, Iowa in the amount not-to-exceed \$31,944.00.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0191-2006

2006-0399

Request to Rescind Purchase Authorization - DPS/Engineering: Construction of an ADA accessible boat livery, concrete walkway and pads at Thelma G. Spencer Park in the amount not-to-exceed \$68,465.00 to Will H. Hall Construction, Flint, MI

Attachments: Agenda Summary.pdf; THA Recommendation.pdf; RFP Tabulation.pdf; 0399 Resolution.pdf

Mr. Lee Zendel, 1575 Dutton Road, requested that this item be removed from Consent Agenda for separate discussion, however, the Consent Agenda was finalized prior to asking if residents wished to remove an item. Therefore, the vote on this item was rescinded and reconsidered as a separate item.

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

Whereas the Request for Purchase Authorization for an ADA accessible boat livery, concrete walkway and pads at Thelma G. Spencer Park was passed under the Consent Agenda during the June 7, 2006 Regular City Council meeting; and

Whereas the public in attendance at the June 7, 2006 Regular City Council meeting was not given the opportunity to remove an item from the Consent Agenda in error; and

Whereas a member of the public in attendance at the June 7, 2006 Regular City Council meeting did wish to remove the Request for Purchase Authorization for an ADA accessible boat livery, concrete walkway and pads at Thelma G. Spencer Park.

Be It Resolved that the Rochester Hills City Council hereby rescinds its authorization for the construction of an ADA accessible boat livery, concrete walkway and pads at Thelma G. Spencer Park in the amount not-to-exceed \$68,465.00 to Will H. Hall Construction, Flint, Michigan.

Be It Further Resolved that the matter be addressed following Public Comment and Council Discussion as requested by a member of the public in attendance at the June 7, 2006 Regular City Council meeting.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Attachments: Agenda Summary.pdf; THA Recommendation.pdf; RFP Tabulation.pdf; 0399 Resolution.pdf

Mr. Lee Zendel, 1575 Dutton Road, questioned how the City determines which purchases are included on the Consent Agenda.

Mayor Barnett and President Rosen explained that any item of less than \$100,000 and included in the budget will appear on the Consent Agenda.

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

Resolved that the Rochester Hills City Council hereby authorizes the construction of an ADA accessible boat livery, concrete walkway and pads at Thelma G. Spencer Park in the amount not-to-exceed \$68,465.00 to Will H. Hall Construction, Flint, Michigan.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0190-2006

PUBLIC HEARINGS

2006-0368

Request for Establishment of an Industrial Development District at 2960 Technology Drive

Attachments: Agenda Summary V2.pdf; Agenda Summary.pdf; Letter Cerutti 20060412.pdf; Memo Casey 20040617.pdf; 0368 Resolution.pdf

Mr. Dan Casey, Manager of Economic Development, explained that Bernal, Inc., citing aging technology resulting in inefficiencies and competitive disadvantages globally, had applied to the City for a tax abatement. He stressed that Bernal intended to make a substantial investment for a company of its size to address the matter.

Prior to addressing the specifics of the request, Mr. Casey provided a brief review of the City's tax abatement policy. He also stressed that any tax abatement is only on 50% of any property and would have no impact on existing taxes.

A brief recess was taken due to technical difficulties.

(RECESS 8:34 p.m. - 8:41 p.m.)

Mr. Casey explained that Bernal's application requested a twelve-year abatement on new investment up to \$4.75 million in new equipment, \$3.15 million of which could be acquired and in place by the beginning of 2007. He further noted that the project would retain eight employees and would create five new positions.

Mr. Kelly Lang, Chief Financial Officer and Mr. Luigi Pessarelli, Executive Vice President of Bernal, Inc., 2960 Technology Drive, presented the following information:

Bernal - Background and History

- Incorporated in 1972
- Manufactures rotary dies and packaging automation systems for the package printing and consumer products industries.
- Many Fortune 500 customers including Graphic Pkg., Mead Pkg., Shorewood Pkg., Johnson Controls, Kimberly Clark, and Kellogg (72% of Sales in USA; 28% International).

- Moved to Technology Drive in Rochester Hills in October 1992.
- Purchased by Cerutti OMG of Italy in July 2002.
- Operates as a Division of North American Cerutti which is located in a suburb of Milwaukee, Wisconsin.

Bernal - Competitive Situation

- Primary competitor from Holland entered the U.S. market:
 - * Started operations in North Carolina in 2003
 - * Hired Bernal's COO and several other former employees in 2004
 - * Opening a new 60,000 square foot facility in June 2006
 - * New facility filled with new state-of-the-art equipment
 - * Competitor's goal is to drive Bernal out of business
- Higher manufacturing cost in Detroit area (labor, taxes, etc.) than in many other parts of the U.S.

Bernal - New Product Development

- Introduced large dies (20" to 30" diameter / 100" wide) into market in 2001:
 - * Larger dies significantly reduce customer production cost
 - * Weight of larger dies cause excessive wear and tear on existing machine tools
 - * Created a need for larger weight capacity machine tools (\$3.1 million)
- Developed laser cladding process and introduced cladded dies into market in 2002:
 - * High alloy steel allows customer to attain longer life from cladded dies
 - * Lower cost to rebuild the cladded die
 - * Created a need for new laser cladding equipment (\$0.8 million)
- Further developed manufacturing capabilities for segmented dies
 - * Compete more effectively with Dutch company for segmented business
 - * Created a need for high speed / high accuracy equipment to mill small segments (\$0.7 million)

Bernal - Recent Financial History

- Revenue and Profit/Loss (before tax) by Year Since the Cerutti Purchase
 - * 2003 Sales \$17,434,107; Profit \$271,385; Y/E Employees 90
 - * 2004 Sales \$14,514,545; Loss (\$1,941,713); Y/E Employees 79
 - * 2005 Sales \$12,056,771; Loss (\$1,146,088); Y/E Employees 61
 - * 2006 Fcst \$13,500,000; Profit \$350,000; Current Employees 61
- Significant Changes to Business Since Cerutti Purchase
 - * Closed unprofitable segment in 2004 - reduction of 9 employees and \$3 million of revenue
 - * Moved machine design / assembly segment to Milwaukee in 2005 - reduction of 7 employees
 - * Restructured all departments to focus on die manufacturing
 - * Added sales personnel to aggressively pursue core die business

- *Recent Trend for Incoming Orders is Encouraging*
 - * *\$14.1 million of new orders in last 12 months*
 - * *\$ 6.1 million of new orders YTD through May (\$14.7 million annualized)*

Bernal - Cerutti Long Term Commitment

- *Cerutti is committed to position Bernal as the world's leading manufacturer of rotary dies and secure the company's future*
- *In 2003, North American Cerutti purchased the Rochester Hills building with no request for a tax abatement*
- *Bernal invested \$2 million in equipment from July 2002 through December 2005 with no request for tax abatement*
- *Bernal has committed to purchase equipment in excess of \$3.1 million in 2006 and is evaluating the purchase of an additional \$1.6 million of equipment in 2007 for which tax abatement is requested*
- *Ratio of equipment investment to revenue indicates Cerutti's strong commitment in Bernal*

Bernal - Options

- *Cerutti is evaluating several options for Bernal as described below:*
 - * *Install and operate the new equipment in Rochester Hills*
 - *Retain eight (8) employees in Rochester Hills*
 - *Potentially hire additional employees if volume indicates*
 - * *Install and operate the new equipment in Milwaukee while maintaining the Rochester Hills manufacturing facility*
 - *Layoff eight (8) employees in Rochester Hills*
 - *Potentially not hire additional employees if volume dictates*
 - * *Move Bernal to Milwaukee and operate all of North American Cerutti from one facility*
 - * *Move North American Cerutti to Rochester Hills and operate all of North American Cerutti from one facility*
 - * *Move Bernal to a state with lower labor, tax and operating costs*

Bernal Request

- *Cerutti is committed to Bernal and its business, but could consider different options for the location of the business operations*
- *Help build a relationship with Rochester Hills by demonstrating the City's commitment to Bernal*
- *Bernal requests the approval of its application for an Industrial Facilities Exemption Certificate to provide for personal property tax abatement of eight years*
- *Investments in new equipment will generate a substantial increase in tax revenues even considering the tax abatement*

Ms. Cynthia Grubbs, Account Manager for the Michigan Economic Development Corporation, spoke briefly in support of the requested abatement and assured Council

that the State would work with this company to facilitate any relocation of operations from Milwaukee to Michigan.

Ms. Cindy McMann from the Economic Development Department of Oakland County expressed the support of the County and County Executive L. Brooks Patterson for this company and its request for a tax abatement.

Mr. Casey noted the following:

- While the company requested a twelve-year tax abatement, the City's policy caps personal property tax abatement at eight years.
- The \$4.75 million in investment represents \$256,805 in new taxes for all the taxing jurisdictions over the eight-year period.
- The City's portion of the tax abatement is \$55,338 over eight years.
- While the taxing jurisdictions will only receive half of the taxes generated by the new investment, they are gaining taxes they would not otherwise receive.
- Without Council's support, a great deal of this proposed investment could take place in Milwaukee.
- An ad hoc committee comprised of Mr. Casey; Ed Anzek, Director of Planning & Development; Julie Jenuwine, Director of Finance; and Kurt Dawson, City Assessor, reviewed the tax abatement application and found it to be substantially compliant with the City's policy.

President Rosen **Opened the Public Hearing at 9:00 p.m.**

There being no public comment, President Rosen **Closed the Public Hearing at 9:01 p.m.**

Mr. Casey, Mr. Pessarelli and Mr. Kelly addressed questions posed by City Council:

- Bernal is essentially proposing to double the value of their personal property resulting in a significant investment for a company of this size warranting strong consideration by Council.
- Bernal is on the right track for a strong future, but must do as much as possible to improve.
- While both Detroit and Milwaukee are highly industrialized areas, the Rochester Hills employees have the "know how" that can guarantee quality.
- The company has to weigh all economic factors.
- The tax abatement will not be the deciding factor for the company, but it will show Rochester Hills' commitment to retain Bernal.

Mr. Casey reminded Council that they must first establish the Industrial Development District before they can consider the actual tax abatement.

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

Whereas, North American Cerutti, as owner of certain industrial property in the City of Rochester Hills, Oakland County, Michigan, has filed a request with the City of Rochester Hills City Council for the establishment of an Industrial Development

District under the "Plant Rehabilitation and Industrial Development Districts Act of 1974," as amended; and

Whereas, the proposed industrial development district is that property located at 2960 Technology Drive, Rochester Hills, Michigan, more particularly described as:

A parcel of land containing Lots 2, 3, and 4, Rochester Hills Executive Park, part of the southwest ¼ of Section 29 and the southeast ¼ of Section 30, T.3N., R.11E., City of Rochester Hills, Oakland County, Michigan, according to the plat thereof recorded in Liber 199 of Plats, Pages 26, 27, 28, 29, and 30 of Oakland County records.

Whereas, the Rochester Hills City Council held a public hearing regarding this request at the Regular Meeting of June 7, 2006 at 7:30 p.m. in the Council Chambers, at 1000 Rochester Hills Drive, Rochester Hills, Michigan, during which the owner of the property and all interested parties were given the opportunity to be heard; and

Whereas, the establishment of an Industrial Development District is consistent with City objectives for industrial development and the creation of new employment opportunities.

Now, Therefore, Be It Resolved that the Rochester Hills City Council determines that the levies of ad valorem taxes are at a rate, when taken together with the rates of ad valorem taxes levied by any other taxing authority which levies taxes within the City of Rochester Hills, equals or exceeds \$30.00 for each \$1,000.00 of taxable value, and therefore is eligible for designation as an Industrial Development District pursuant to said Act; and

Be It Further Resolved that the above listed legal description is hereby designated as an Industrial Development District.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0192-2006

2006-0367

Request an Industrial Facilities Exemption Certificate (IFT), for personal property at 2960 Technology Drive

Attachments: Agenda Summary V2.pdf; Agenda Summary.pdf; Application Bernal.pdf; 0367 Resolution V1.pdf; Bernal Financial Analysis-Real Personal.pdf; Development Agreement.pdf; Letter Lang 20060511.pdf; 0367 Resolution.pdf

*President Rosen **Opened the Public Hearing at 9:06 p.m.***

PUBLIC COMMENT:

***Mr. Lee Zendel**, 1575 Dutton Road, expressed his support for granting the requested tax abatement.*

*There being no further public comment, **President Rosen Closed the Public Hearing at 9:07 p.m.***

COUNCIL DISCUSSION:

***Mr. Dan Casey**, Manager of Economic Development; **Mr. Kelly Lang**, Chief Financial Officer and **Mr. Luigi Pessarelli**, Executive Vice President of Bernal, Inc., 2960*

Technology Drive; **Ms. Cynthia Grubbs**, Account Manager for the Michigan Department of Economic Development; and City Attorney **John Staran**, addressed questioned posed by City Council members noting the following:

- The new equipment purchased will be assessed separately from the existing personal property.
- The Milwaukee plant focuses on the design and assembly of machines, while the Detroit plant is strong in the production of tools; strategically there is no reason to change this.
- While it would make sense economically to move the operations to an area with cheaper labor, it would result in a critical loss of worker "know how" that Bernal considers "our winning asset."
- When Energy Conversion Devices' tax abatement expires next year, there will be "some good revenue" coming to the City from their more recent investments.
- The difficulty in consolidating the two locations is that many of the employees will need to be relocated.
- The facility in Milwaukee is an older, built-out building, whereas the Rochester Hills building is newer with the ability to expand by approximately 20,000 square feet.
- There are many state programs that can assist Bernal in moving their operation to Michigan from Milwaukee in a cost efficient manner.
- There is a "claw back" provision in the development agreement that would require Bernal to reimburse the City for any abated taxes should the company relocate prior to the expiration of the requested abatement.
- There are processes in place to verify the level of investment as well as the number of new hires.
- If layoffs occur during the tax abatement period, the length of the abatement can be reduced.
- The company will be required to provide a certified annual survey insuring that they are meeting their obligations.
- The company will likely make their decision regarding location consolidation in 2007.
- The lifecycle of the new equipment is anticipated to be eight to ten years before obsolescence.

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

Whereas, Bernal, Inc., as owners of certain industrial property in the City of Rochester Hills, Oakland County, Michigan, are located within an Industrial Development District under the "Plant Rehabilitation and Industrial Development Districts Act of 1974," as amended; and

Whereas, the Industrial Development District is that property located at 2960 Technology Drive, Rochester Hills, Michigan, more particularly described as follows:

A parcel of land containing Lots 2, 3, and 4, Rochester Hills Executive Park, part of the southwest ¼ of Section 29 and the southeast ¼ of Section 30, T.3N., R.11E., City of Rochester Hills, Oakland County, Michigan, according to the plat thereof

recorded in Liber 199 of Plats, Pages 26, 27, 28, 29, and 30 of Oakland County records.

Whereas, Bernal, Inc. has made application to the Rochester Hills City Council for an Industrial Facilities Exemption Certificate under the above noted legislation; and

Whereas, the Rochester Hills City Council has reviewed the application and made the following findings:

- a. The granting of the Industrial Facilities Exemption Certificate, considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and currently in force, does not have the effect of substantially impeding the operation of the City of Rochester Hills or impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Rochester Hills in which the facility is located.
- b. Completion of the facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to create employment.
- c. Completion of the facility does not constitute merely the addition of machinery and equipment for the purpose of increasing productive capacity, but rather is primarily for the purpose and will primarily have the effect of providing a new facility on industrial property.
- d. The construction of the industrial facility meets the objectives of job creation within the established industrial corridor of the City of Rochester Hills.

Now, Therefore, Be It Resolved that pursuant to Section 9, (1) and (2) of Act 198 of Public Acts of 1974, as amended, the City Council of the City of Rochester Hills hereby approves the request of Bernal, Inc. for an Industrial Facilities Exemption Certificate for a period of eight years for personal property only; and

Be It Further Resolved that the accompanying Development Agreement between Bernal, Inc. and the City of Rochester Hills is hereby approved after review by the City Attorney as to form, and is to be sent to the Department of Treasury and the State Tax Commission along with this resolution.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0193-2006

(Recess 9:28 p.m. - 9:39 p.m.)

ORDINANCE FOR INTRODUCTION

2006-0115

Acceptance for First Reading - An Ordinance to amend Sections 102-61 through 102-64 of Chapter 102, Utilities, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to review the fund structure for Water and Sewage Disposal System Revenues, and to Repeal Conflicting Ordinances

Attachments: Agenda Summary.pdf; First Reading Agenda Summary.pdf; Ordinance Amendment Chapter 102.pdf; Ordinance re fund structures.pdf; Memo FSC to reconsider fund structure.pdf; First Reading Resolution.pdf; 0115 Resolution.pdf

Ms. Julie Jenuwine, Director of Finance, reviewed the City's water and sewer fund prior to its recent restructuring noting that it originally had the following six funds:

- Receiving Fund
- Operation & Maintenance Fund
- Replacement Fund
- Bond Interest & Redemption Fund
- Improvement Fund
- Surplus Fund

She explained that the ordinance dictated a hierarchy of how revenues should be placed into each fund.

Ms. Jenuwine indicated that upon her recommendation prior to setting water and sewer rates the previous year, Council restructured these funds, eliminating the Receiving Fund and the Surplus Fund. She noted that, although she recommended combining the Replacement and Improvement Funds into a Capital Fund, Council chose to keep them separate.

Ms. Jenuwine requested that Council reconsider this decision and combine those funds, explaining that the separate funds present some operating difficulties with regard to the City's accounting system. She further noted that it is likely that the Improvement Fund will need to be eliminated in the near future as the City is 90% developed and the need for new hookups is dwindling. She stressed that the money that would go into this newly combined fund would be the Capital and Lateral funds paid for hookups into the system that should not be used to subsidize water and sewer rates. Ms. Jenuwine also explained that she is also requesting a change to the ordinance to mirror other City ordinances that specify that "money revenues will first come in to pay the interest and principal on any bond issuance for the system." She described this request as a minor housekeeping measure.

PUBLIC COMMENT:

Ms. Melinda Hill, 1481 Mill Race, noted that Council wanted to keep those two funds separate as it was determined it would be "easier to track." She did not support combining the funds nor did she see the need for the change in the ordinance language to address bond repayment.

COUNCIL DISCUSSION:

Ms. Jenuwine explained that the structure of the Fixed Assets system in the JD Edwards accounting software used by the City's Accounting Department requires that the assets be divided between the two funds resulting in "a very tedious project to go through." She also noted that there could be difficulties determining which fund should fund certain projects when there is a question as to whether something is a replacement or an improvement.

President Rosen felt the changes were unnecessary, noting that "depreciation is fundamentally different than capital improvement."

Mr. Yalamanchi explained that the City Accountant Pam Lee had attended the Financial Services Committee meeting to describe the difficulties her department is experiencing with these separate funds. He noted that the Committee wanted to accommodate those difficulties. He stressed that he is not concerned with what the combined fund is called as long as the definition of the use of that fund remains the same.

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

Resolved that an Ordinance to amend Sections 102-61 through 102-64 of Chapter 102, Utilities, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to review the fund structure for Water and Sewage Disposal System Revenues, and to Repeal Conflicting Ordinances, is hereby accepted for First Reading.

The motion carried by the following vote:

Aye: Ambrozaitis, Duisternars, Holder, Hooper, Raschke and Yalamanchi

Nay: Rosen

2006-0197

Acceptance for First Reading - An Ordinance to amend Sections 54-741 through 54-743 of Article XII, Utilities, of Chapter 54, Fees, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to modify Water and Sewer Rates and Fees, Repeal Conflicting Ordinances, and Prescribe a Penalty for Violations

Attachments: Agenda Summary.pdf; First Reading Agenda Summary .pdf; Ordinance Amendment Chapter 54.pdf; Proposed Water Rates - Schedule A.pdf; Proposed Sewer Rates - Schedule B.pdf; Proposed Customer Charge - Schedule D.pdf; July 1 2006 preliminary rates to FS memo.pd

Ms. Julie Jenuwine, Director of Finance, described the changes to the water and sewer rates noting that they were thoroughly reviewed by the Financial Services Committee in conjunction with the Water & Sewer Board:

- Water rates will increase by 6.94% to \$2.62 per 100 cubic feet
- Sewer rates will increase by 7.37% to \$2.43 per 100 cubic feet

Ms. Jenuwine explained that the methodology for setting the rates was changed last year to a "break even" methodology that would result in Operating Revenues meeting Operating Expenditures. She noted that an additional aspect of this approach is there will be 90 days of operating fund balance and one year of annual depreciation totaling approximately \$9.0 million that would remain in the Operating Fund before any monies are swept into the Capital Fund. She stressed that this plan will have to be implemented over a period of approximately three years so as not to cause a significant increase in water and sewer rates. Ms. Jenuwine further noted that monies swept into the Capital Fund will be used to pay for the new DPS Facility.

In addition to the water and sewer charges, Ms. Jenuwine also noted the following increases:

Customer Charge

- 2% increase for Water to \$6.58 per bill
- 2% increase for Sewer to \$6.58 per bill

Capacity Charge

- 3% increase for Water to \$3.36 per bill
- 3% increase for Sewer to \$2.12 per bill

Non-Sewer Flat Rate

- 43% increase from \$18.08 to \$25.92

Ms. Jenuwine explained that this rate had not increased for many years and this increase was "a matter of catching that up."

Mr. Yalamanchi requested that the City follow the GASB 34 guidelines in terms of depreciation.

Ms. Jenuwine noted that the DPS Department is estimating more than 50 years depreciation on new materials. She assured Council that any changes to the depreciation schedule would be reviewed by the Financial Services Committee.

Mr. Ambrozaitis asked how the funding of the DPS Facility has impacted the water and sewer rates.

Ms. Jenuwine explained that the water and sewer rates were not impacted, but rather the \$12.5 million for the project will be taken from the Capital Fund and, thus, will not be available for future projects.

Ms. Holder reminded Council that water and sewer rates were subsidized for many years substantially reducing the Replacement Fund.

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

Resolved that an Ordinance to amend Sections 54-741 through 54-743 of Article XII, Utilities, of Chapter 54, Fees, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to modify Water and Sewer Rates and Fees, Repeal Conflicting Ordinances, and Prescribe a Penalty for Violations, is hereby accepted for First Reading.

The motion carried by the following vote:

Aye: Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Nay: Ambrozaitis

UNFINISHED BUSINESS

2005-0259 Request for Letter of Support for Federal Appropriation Request for Danish Village

Attachments: Agenda Summary.pdf; 081406 Agenda Summary - Second Reading.pdf; 080305 Agenda Summary - First Reading.pdf; Map aerial.pdf; Ordinance.pdf; Agenda Summary 040605.pdf; 040605 Resolution.pdf; Letter Great Lakes Capital 20050329.pdf; Tax Exempt Ord.pdf; 0259 R

Mr. Dan Casey, Manager of Economic Development, clarified that the matter before Council did not relate to any previous issues regarding Danish Village or Lutheran Social Services (LSS), but rather was a request for a resolution in support of a federal appropriations request made by LSS to Congressman Joe Knollenberg.

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

Whereas, Lutheran Social Services of Michigan owns and operates Danish Village, located at 2566 Walton Boulevard; and

Whereas, Danish Village was constructed in 1980 as a Section 202 housing project and contains 150 senior apartment units, of which more than 90% serve

low income seniors; and

Whereas, Danish Village has committed to achieve a minimum low income tenancy of 80% over the next 45 years; and

Whereas, Danish Village is seeking to upgrade its building and facilities, including adding air conditioning units and updating kitchen areas; and

Whereas, the City Council of Rochester Hills is committed to providing affordable housing options to its senior population.

Resolved that the Rochester Hills City Council hereby respectfully requests that Congressman Joe Knollenberg of the 9th District support Lutheran Social Services of Michigan's (LSSM) federal funding request of \$750,000 through the FY 2007 Department of Housing and Urban Development (HUD) Economic Development Initiatives account for renovation costs to Danish Village Apartments in Rochester Hills, Michigan.

The motion carried by the following vote:

Aye: Ambrozaitis, Duisternars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0194-2006

2006-0299

Approval of the Cost Participation Agreement for the Tienken Road Bridge Replacement over Paint Creek between the City of Rochester Hills and Board of Road Commissioners for Oakland County

Attachments: Agenda Summary.pdf; Non-Participating Cost Participation Agreement.pdf; Posens Premium Costs.pdf; Posens Force Account.pdf; Tienken Rd & Kings Cove Traffic Study 2002 Excerpt.pdf; CIP 2006 Tienken Rd & Bridge Rehabilitation.pdf; Tienken Road Bridge and Si

President Rosen reminded Council that this project was discussed at a previous Council meeting as well as a Work Session. He acknowledged receipt of a letter signed by approximately seventy residents of the City stating their opposition to Tienken Road being expanded to five lanes.

PUBLIC COMMENT:

Ms. Eunice Jackson, 411 West Tienken Road, expressed opposition to a five-lane bridge on Tienken Road, which she felt would lead to the widening of Tienken Road to five lanes.

Ms. Melinda Hill, 1481 Mill Race, noted her opposition to the widening of the bridge, stating that it will force the City to widen the road to five lanes. She indicated that the City could have completed the bridge replacement and expanded the road to three lanes for what it will cost for the five-lane bridge alone.

Mr. Jay Rader, 375 West Tienken Road, expressed his opposition to a five-lane bridge and road, and questioned whether the speed limit can be reduced and whether there has been any consideration for noise barriers in that area.

COUNCIL DISCUSSION:

Mr. Ambrozaitis questioned whether it was "legal" for him to make a motion to approve a three-lane bridge and traffic light at Kings Cove.

Mr. John Staran, City Attorney, explained that it was likely a change such as that would

require agreement from the Road Commission for Oakland County (RCOC) due to the cost sharing agreement.

Mr. Paul Davis, City Engineer, noted that the project has been designed for a five-lane bridge. He stated that the change Mr. Ambrozaitis suggested would be "killing the project from the City's standpoint." He was unsure as to whether the RCOC would agree to the cost sharing agreement for a three-lane bridge.

President Rosen explained that to move forward with Mr. Ambrozaitis's motion, Council would have to refuse the current agreement and return to negotiations with the RCOC.

Mr. Yalamanchi noted that he spent time driving around in the area in question and described the many traffic difficulties he experienced. He further stated that he spoke to municipal workers in other cities to garner their opinions of the number of appropriate lanes for this bridge. He indicated that he felt a five-lane bridge would increase the safety of that area and would not necessarily result in a five-lane road.

Mr. Duistermars questioned whether the County is losing patience with the City, as Tienken Road is a County road.

Mr. Davis explained that while the City has always had a very good working relationship with the County and has completed many similar projects successfully, the County is "nervous and surprised" by Council's recent actions and it will likely have an impact as to how these types of projects are handled in the future. He noted it is likely the cost sharing agreement will be approved much earlier in the process prior to gaining the construction bid.

Mr. Duistermars questioned whether the County could simply complete the project without the participation or approval of Rochester Hills.

Mr. Staran explained that, as the County was looking for cost participation, it is more likely the project would not be completed at all.

Mr. Hooper indicated that when the Summit at Kings Cove was originally being developed the developer agreed to contribute to the cost of a traffic light at Kings Cove. He questioned whether that was still the case as ownership has since changed.

Mr. Davis noted that the current owner intends to contribute \$10,000 for the traffic signal.

Mr. Hooper made the following comments:

- The City Council on November 19, 2003 approved the design contract for a five-lane bridge.
- The RCOC will not participate in the project unless it is a five-lane bridge.
- If the City chooses to build a three-lane bridge it will lose the money from the RCOC and the Border & Corridor appropriation dollars and, thus, will have to pay the full cost of the three-lane bridge estimated at approximately \$3.0 million as opposed to \$1.2 million for the five-lane bridge.
- It is prudent to get the construction estimate prior to signing the cost sharing agreement.
- Tienken Road should remain three lanes according to the City-funded study conducted by Hubbell, Roth & Clark in 2002.
- The Federal dollars committed to the Tienken Corridor are based on Tienken Road remaining three lanes.

- *There is no sense in expending more dollars to study this matter any further.*
- *The bridge over the Clinton River Trail at Crooks and Hamlin is the width of five lanes and does not ruin the character of that neighborhood.*
- *A five-lane bridge is a long-term improvement to the road system.*

Ms. Raschke noted her support for a five-lane bridge citing safety concerns but also expressed her opposition to Tienken becoming a five-lane road.

Ms. Holder also expressed her support for a five-lane bridge for safety reasons and reminded her colleagues that the Tienken Road barricade in Auburn Hills may be removed one day and that may impact traffic flow on Tienken Road.

Mr. Ambrozaitis expressed his "sorrow" for this situation and his continuing concern that a five-lane bridge will result in a five-lane road.

President Rosen noted that he felt the bridge should have been three lanes but was resigned to and understood that five-lanes would be necessary. He noted that he would schedule a discussion for Council to evaluate the "long-term policy for Tienken Road."

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

Whereas, there are several funding sources proposed to fund the Tienken Road Bridge Replacement and Traffic Signal Project that include Tri-Party funds, federally appropriated Michigan transportation funds, Road Commission for Oakland County (RCOC) construction engineering and City major road funds; and

Whereas, the proposed Cost Participation Agreement is a mechanism to program the Tri-Party funds through the Board of Road Commissioners for the County of Oakland (BOARD); and

Whereas, upon execution of this Agreement, the BOARD shall submit an invoice to the City in the amount of \$590,810.50, which is 50% of the City's share; and

Whereas, the BOARD may invoice the City periodically as additional costs accrue, after the initial payment has been expended; and

Whereas, upon completion of the project construction, the BOARD shall submit an estimated final invoice to the City for the remainder of the City's share of the total estimated final project cost.

Resolved that the Rochester Hills City Council hereby approves all conditions of the Cost Participation Agreement between the Road Commission for Oakland County and the City of Rochester Hills for the Tienken Road Bridge Replacement over Paint Creek and the Traffic Signal Installation and authorizes the Mayor and Clerk to execute the agreement on behalf of the City.

The motion carried by the following vote:

Aye: Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Nay: Ambrozaitis

NEW BUSINESS

2006-0390

Request from Cameron Mitchell Restaurants, LLC to transfer 2006 Class C License located in escrow at 56808 Grand River, New Hudson, Oakland County, Michigan 48165 from RBCP, Inc. to 370 North Adams Road, Rochester, Hills, MI 48309

Attachments: Agenda Summary.pdf; 051806 Staff Report.pdf; 050306 Aikens Letter of Recommendation.pdf; Application.pdf; Floor plan.pdf; Department Reports.pdf; LCC Approval Notice.pdf; 052306 AIS Resolution.pdf; 0390 Resolution.pdf

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

Resolved that the request from Cameron Mitchell Restaurants, LLC to transfer ownership of 2006 Class C licensed business, located in escrow at 56808 Grand River, New Hudson, Michigan 48165, Lyon Township, Oakland County, from RBCP, Inc; and transfer location (Governmental Unit) (MCL 436.1531(1) to 370 North Adams Road, Rochester Hills, Michigan 48309, Oakland County, be considered for approval.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0196-2006

2006-0335

Request for Conditional Land Use Approval - City File No. 85-562 - C. J. Mahoney's, to allow outdoor seating for the sale of food and beverages in its restaurant located in Oakridge Plaza, on the west side of Rochester Road, north of Nawakwa, zoned B-3, Shopping Center Business, Parcel No. 15-34-226-038, Thomas Everson, applicant

Attachments: Agenda Summary.pdf; Map aerial.pdf; Report Staff 05-16-06.pdf; Plans.pdf; 0335 Resolution.pdf

Mr. Curtiss Pagels, 905 East Buell, Oakland Township; and Mr. Thomas Everson, 1850 Bromley, Rochester Hills, owners of C.J. Mahoney's, noted that their request to add outdoor seating to their restaurant was met with enthusiasm by their neighbors and that they were in agreement with the condition to limit the time frame for outdoor seating to May 15 through October 1st.

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

Resolved that the Rochester Hills City Council hereby approves the request for Conditional Land Use for outdoor sales and service of food for C. J. Mahoney's, City File No. 85-562, located at 3260 Rochester Road, based on the site plans dated received by the Planning Department January 30, 2006 with the following five (5) findings and subject to the following one (1) condition:

Findings:

- 1. The existing development does promote the intent and purpose of this chapter.**
- 2. The subject site has been designed, constructed, operated, maintained and managed so as to be compatible, harmonious and appropriate in appearance with the existing or planned character of the general vicinity, adjacent uses of land, the natural environment, the capacity of public services and facilities affected by the land use, and the community as a whole.**

3. The subject site is served adequately by essential public facilities and services, such as highways, streets, police and fire protection, drainageways, refuse disposal, or that the persons or agencies responsible for the establishment of the land use or activity shall be able to provide adequately any such service.
4. The subject site is not detrimental, hazardous, or disturbing to existing or future neighboring uses, persons, property or the public welfare.
5. The subject site does not create additional requirements at public cost for public facilities and services that will be detrimental to the economic welfare of the community.

Condition:

1. Dates of operation shall be from May 15th through October 1st.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0197-2006

2006-0384

Request for Blanket Purchase Authorization - DPS: Accept Bid and Award Contract for the "2006" Pathway Rehabilitation Project, blanket purchase order in the amount not-to-exceed \$145,096.96; to Pro-Line Asphalt Paving, Washington, MI

Attachments: Agenda Summary.pdf; Bid tabulation.pdf; 060706 Agenda Summary.pdf; 060706 Resolution.pdf; 0384 Resolution.pdf

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

Resolved that Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Pro-Line Asphalt for the "2006" Pathway Rehabilitation Project as the lowest responsive, responsible bidder in the amount of \$145,096.96 through June 30, 2007 and authorizes the Mayor and Clerk to execute a contract on behalf of the City.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0198-2006

2006-0386

Request for Purchase Authorization - DPS: Rock salt, blanket purchase order in the amount not-to-exceed \$153,615.00; Detroit Salt, Detroit, Michigan as primary vendor and North American Salt Company, Overland Park, Kansas, as secondary vendor

Attachments: Agenda Summary.pdf; Bid Tabulation .pdf; 0386 Resolution.pdf

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

Resolved that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Detroit Salt, Detroit, Michigan, as primary vendor and North American Salt

Company, Overland Park, Kansas, as secondary vendor, as the lowest and second lowest, responsive, responsible bidder in a cooperative purchase from Michigan Intergovernmental Trade Network (MITN) for the purchase of rock salt, in the amount not-to-exceed \$153,615.00 through June 30, 2007.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0199-2006

2006-0392

Request for Approval - Adams Road Relocation Cost Participation Agreement between the City of Rochester Hills and the Road Commission for Oakland County (RCOC)

Attachments: Agenda Summary.pdf; Cost Share Agreement.pdf; 0392 Resolution.pdf

Mr. Paul Davis, City Engineer, explained that this project, which has been in progress for many years, is finally coming to fruition. He noted that the construction bid had come in much lower than anticipated and it is likely that the money the City has already expended on such things as right-of-way acquisitions and some utility relocations, may be the only cost the City will need to contribute. He then briefly described the actual relocation and its impact on the immediate area, noting that he has more detailed design plans he can share with Council members if they so choose.

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

Resolved that the Rochester Hills City Council approves the Cost Participation Agreement for Construction of the Adams Road Relocation Project, Auburn Road to M-59 between the City of Rochester Hills and the Board of Road Commissioners of the County of Oakland and authorizes the Mayor and Clerk to execute the agreement on behalf of the City. In addition, authorizes the payment of the City's share, identified in the Cost Participation Agreement, in the amount of \$541,870, which is 50% of the City's share of the estimated total local match of \$1,087,500 to be paid upon invoice, and any additional cost that accrues through the term of the agreement, if funds are budgeted.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0200-2006

2006-0180

Salary Recommendation for Directors' Equity Adjustment Pool - 2007

Attachments: Agenda Summary.pdf; 052306 Staff Report - Equity Adj.pdf; 022806 RH Director Salaries.pdf; Director_Deputy Differentials dtd 051506.pdf; Director_Deputy Salary order.pdf; 2005 Directors Survey.pdf; AIS Resolution.pdf; 0180 Resolution.pdf; 0180 Resolution.

Ms. Pam Lee, Director of Human Resources, stated that she was available to address questions from Council.

President Rosen noted that Council would have a general discussion of all compensation issues on the agenda, however, each individual resolution would be adopted separately.

PUBLIC COMMENT:

Ms. Melinda Hill, 1481 Mill Race, stressing that she would be referring to positions only and not those individuals who fill them, questioned the proposed 5% salary increase for the City's Fire Chief noting that its a new appointment that was still due for a performance appraisal. She also questioned the reduction in the recommendation for the directors' performance pool of \$10,000. She recommended it be increased to \$20,000. She stated that she did not see the need to increase the Mayor's salary by 2%, noting that the monies should be used to hire "a qualified assistant to the Mayor." She also stated, "I think our City Council, for a strong mayor form of government, is under compensated."

Mr. Lee Zendel, 1575 Dutton Road, agreed with Ms. Hill that the Mayor's salary should not be increased above \$100,000 annually and that the City Council is not paid enough.

COUNCIL DISCUSSION:

Mr. Ambrozaitis requested that raises be kept as low as possible and stated that he opposes any pay increase for City Council members.

Addressing various questions posed by Council members, Ms. Lee noted that the 5% increase for the Fire Chief was recommended to address an impending closing of the pay differential between the Fire Chief and his Deputy in 2008. Ms. Lee further noted that it is her professional opinion that the City's directors are paid at a fair and competitive rate. She explained that although there is a City vehicle designated for the Mayor's use, he has chosen to utilize his personal vehicle. She indicated that there has been some discussion as to whether a car stipend may be appropriate for the Mayor.

Ms. Holder, Chairperson of the Administration & Information Services Committee, stated that the Committee did not recommend a compensation increase for City Council.

A motion was made by Hooper, seconded by Rosen, that this matter be Adopted by Resolution.

Whereas, pursuant to Article III, Section 5 of the City Council Policy for Salaries for Department Directors, "at the last regular meeting of the City Council in the month of June, the AIS Committee shall make a written recommendation to the Council concerning the total equity, general, and performance adjustments, if any, for the compensation for the Department Directors as a group for the succeeding fiscal year"; and

Whereas, the Administration & Information Services (AIS) Committee has reviewed and discussed the information provided by the Administration regarding equity pay for Directors and recommends to City Council that a five-percent (5%) equity adjustment for the Fire Chief position be budgeted for Fiscal Year 2007 to the Department Directors' Equity Pool.

Be It Resolved that the Rochester Hills City Council hereby concurs with the recommendation of the AIS Committee and approves a five-percent (5%) equity adjustment, in the amount of \$4,336.91 for the Fire Chief position to be budgeted for Fiscal Year 2007 to the Department Directors' Equity Pool.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke and Rosen

Nay: Yalamanchi

Enactment No: RES0201-2006

2006-0178

Salary Recommendation for Directors' General Adjustment Recommendation - 2007

Attachments: Agenda Summary.pdf; 052306 Staff Report - Gen Adj.pdf; 022806 RH Director Salaries.pdf; Proposed 2007 increases 2%, 2.5%, 3%.pdf; 022806 RH Empl Grp Wage Adj.pdf; 2005-2006 Survey - Exempt Wage Adj.pdf; 2006 MML Quick Poll Prelim Results.pdf; 2005 Consume

Ms. Pam Lee, Director of Human Resources, clarified that all full-time City employees are eligible for the longevity pay benefit, not just directors.

Mr. Yalamanchi suggested that the City administration examine the deputy director positions in the City and determine their necessity.

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

Whereas, pursuant to Article III, Section 5 of the City Council Policy for Salaries for Department Directors, "at the last regular meeting of the City Council in the month of June, the AIS Committee shall make a written recommendation to the Council concerning the total equity, general, and performance adjustments, if any, for the compensation for the Department Directors as a group for the succeeding fiscal year"; and

Whereas, the Administration & Information Services (AIS) Committee has reviewed and discussed the information provided by the Administration regarding a general salary adjustment for Directors and recommends a General Salary Adjustment of a two-percent (2%) increase to budgeted funds for Department Directors' base salaries for Fiscal Year 2007.

Be It Resolved that the Rochester Hills City Council hereby concurs with the recommendation of the AIS Committee and approves a General Salary Adjustment of a two-percent (2%) increase to budgeted funds for Department Directors' base salaries for Fiscal Year 2007, bringing it to \$909,601.56.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0202-2006

2006-0179

Salary Recommendation for Directors' Variable Performance (Discretionary) Pool - 2007

Attachments: Agenda Summary.pdf; 052306 Staff Report - Var. Perform.pdf; 030106 Director Perform Bonus.pdf; 2004 CC Appt Review Policy.pdf; AIS Resolution.pdf; 0179 Resolution.pdf

Council consensus was to increase the recommended directors' variable performance pool amount from \$10,000 to \$20,000 and encourage its use on a merit basis for superior job performance.

A motion was made by Yalamanchi, seconded by Hooper, that this matter be Adopted by Resolution.

Whereas, pursuant to Article III, Section 5 of the City Council Policy for Salaries for Department Directors, "at the last regular meeting of the City Council in the month of June, the AIS Committee shall make a written recommendation to the Council concerning the total equity, general, and performance adjustments, if any, for the compensation for the Department Directors as a group for the succeeding fiscal year"; and

Whereas, the Administration & Information Services (AIS) Committee has reviewed and discussed the information provided by the Administration regarding a Variable

Performance (Discretionary) Pool for Directors and recommends \$10,000.00 be established to provide for bonus pay, separate from base pay, for the Fiscal Year 2007.

Whereas, City Council, after review of the Directors' Variable Performance (Discretionary Pool), has determined it wants to increase the amount recommended by the AIS Committee of \$10,000 to \$20,000 and encourage its use on a merit basis for superior job performance.

Be It Resolved that the Rochester Hills City Council hereby approves a Variable Performance (Discretionary) Pool for Directors of \$20,000.00 be established to provide for bonus pay, separate from base pay, for the Fiscal Year 2007.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0203-2006

2006-0181

Salary Recommendation for Mayor - 2007

Attachments: Agenda Summary.pdf; 052306 Staff Report - Mayor salary.pdf; FT Wage Adj.pdf; Rev Mayor_Council Salaries 2005.pdf; AIS Resolution.pdf; 0181 Resolution.pdf

Mr. Yalamanchi noted that regardless of who the mayor is, that individual serves as the Chief Executive Officer of the City and should be compensated as such. He stressed he is not in support of any salary cap on the mayor's position.

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

Whereas, pursuant to Article IV, Section 3 of the City Council Policy for Salary and Fringe Benefits for Mayor, "at the last regular meeting of the City Council in the month of June, the AIS Committee shall make a written recommendation to the Council concerning the base annual salary and fringe benefits for the Mayor for the succeeding fiscal year"; and

Whereas, the Administration & Information Services (AIS) Committee has reviewed and discussed the information provided by the Administration regarding a salary recommendation for the Mayor and recommends a two percent (2%) salary adjustment for the Fiscal Year 2007 and that fringe benefits continue to apply.

Be It Resolved that the Rochester Hills City Council hereby concurs with the recommendation of the AIS Committee and approves a two percent (2%) salary adjustment in the amount of \$1,946.64 to the Mayor's salary for the Fiscal Year 2007, for a total amount of:

\$99,278.64

Be It Further Resolved that the fringe benefits continue to apply.

The motion carried by the following vote:

Aye: Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Nay: Ambrozaitis

Enactment No: RES0204-2006

2006-0182

Salary Recommendation for City Council - 2007

Attachments: Agenda Summary.pdf; 052306 Staff Report - Council salary.pdf; 2005 Survey - Mayor_Council Salaries.pdf; CC Wage Adjustments.pdf; Rev Mayor_Council Salaries 2005.pdf; AIS Resolution.pdf; 0182 Resolution.pdf

Mr. Ambrozaitis stated that he will never vote to give himself a raise.

A motion was made by Yalamanchi, seconded by Ambrozaitis, that this matter be Adopted by Resolution.

Whereas, pursuant to Article V, Section 3 of the City Council Policy for Compensation for the Members of City Council, "at the last regular meeting of the City Council in the month of June, the AIS Committee shall make a written recommendation to the Council concerning the compensation for the members of Council for the succeeding fiscal year"; and

Whereas, the Administration & Information Services (AIS) Committee has reviewed and discussed the information provided by the Administration regarding a salary adjustment for members of Council and recommends that the compensation for the Rochester Hills City Council, in the form of a yearly salary for Fiscal Year 2007 remain the same as Fiscal Year 2006.

Be It Resolved that the Rochester Hills City Council hereby concurs with the recommendation of the AIS Committee and approves the compensation for the Rochester Hills City Council, in the form of a yearly salary for Fiscal Year 2007 to remain the same as Fiscal Year 2006 in the amount of:

City Council President - \$7,850.48 per year
City Council Member - \$6,577.43 per year

Be It Further Resolved that the City Council Members shall continue to receive per diem compensation in the amount of Sixty Dollars (\$60.00) for attendance at those meetings pursuant to City Council Attendance / Per Diem Compensation Policy, in excess of Thirty-two (32) meetings per year.

The motion carried by the following vote:

Aye: Ambrozaitis, Duisternars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0205-2006

2006-0183

Salary Recommendation for Boards & Commissions - 2007

Attachments: Agenda Summary.pdf; AIS Resolution.pdf; 0183 Resolution.pdf

Mr. Hooper questioned why Brownfield Redevelopment Authority (BRA) members are not compensated.

City Attorney John Staran explained that compensation for BRA members is prohibited by State law.

A motion was made by Yalamanchi, seconded by Hooper, that this matter be Adopted by Resolution.

Whereas, pursuant to Article VI, Section 3 of the City Council Policy for Per Diem Pay for Boards and Commissions, "at the last regular meeting of the City Council in the month of June, the AIS Committee shall make a written recommendation to the Council concerning the compensation for the members of Council for the succeeding fiscal year"; and

Whereas, the Administration & Information Services (AIS) Committee has reviewed and discussed the information provided by the Administration regarding the rate of per diem pay for members of Boards & Commissions and recommends to City Council that the rate of per diem pay for members of Boards & Commissions for the Fiscal Year 2007 remain the same as Fiscal Year 2006.

Be It Resolved that the Rochester Hills City Council hereby concurs with the recommendation of the AIS Committee and approves the per diem rate of pay for members of Boards & Commissions and recommends to City Council that the rate of per diem pay for members of Boards & Commissions for the Fiscal Year 2007 remain the same as Fiscal Year 2006 and be set at Seventy-five dollars (\$75.00) for the Chairperson, and Sixty-five dollars (\$65.00) for the Members per meeting attended, for the following Boards and Commissions:

Building Authority
Construction/Fire Prevention Code Board of Appeals
Economic Development Corporation
Historic Districts Commission
Planning Commission
Zoning Board of Appeals/Sign Board of Appeals

Further Resolved that the per diem fee for Fiscal Year 2007 for Members of the Board of Review remain the same as Fiscal Year 2006 and be set at One Hundred dollars (\$100.00) per meeting attended.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0206-2006

2006-0339

Approval of Amendments to City Council Policy for Review of Performance Appraisals for Council Appointed Directors

Attachments: AIS Agenda Summary.pdf; 031606 CC Policy.pdf; AIS Resolution.pdf; 0339 Resolution.pdf

Ms. Pam Lee, Director of Human Resources, explained that the suggested changes to the Council's policy for reviewing their appointed directors represented "housekeeping" issues. She noted that "it makes more sense" for Council to review the appraisals annually and nearer the directors' employment anniversary date, as that is when the appraisals are completed by the Mayor.

A motion was made by Yalamanchi, seconded by Ambrozaitis, that this matter be Adopted by Resolution.

Resolved that the Rochester Hills City Council concurs with the recommendation of the Administration & Information Services (AIS) Committee and approves the amendments to the City Council Policy for Review of Performance Appraisals for City Council Appointed Department Directors as follows:

Article I: Section 2, shall read:

"It is the desire of the City Council AIS Committee to periodically monitor the performance of its appointed directors based on an an bi-annual review of the performance appraisal completed by the Mayor, as well as a self-evaluation and/or additional comments provided by the Council appointee.

Article II: Section 3, sentence 2 shall read:

"The Director of Human Resources shall copy the self-assessment and any attachments to the Mayor and forward the appraisal, justification regarding the proposed bonus pay and self-assessment and attachments to City Council members bi-annually by the end of January the month following completion of the appraisal period.

The motion carried by the following vote:

Aye: Ambrozaitis, Duisternars, Holder, Hooper, Raschke, Rosen and Yalamanchi

Enactment No: RES0207-2006

2006-0419

Refer discussion regarding upcoming Millage issues to City Council Communication Committees

Attachments: Agenda Summary.pdf; 0419 Resolution.pdf; 0419 Minutes.pdf

Council discussed various scenarios by which expiring and proposed new millages could be addressed, either by individual communication committees or via joint communication committee meetings.

Mr. Yalamanchi stressed his belief that the issues not be "discussed in isolation." He recommended that the City seek renewal only of the Pathways and Police II millages and then seek a "comprehensive solution" to be implemented next year.

Ms. Holder pressed her colleagues to consider asking voters for a millage to support Parks, stressing that it is necessary to look at "needs versus wants."

Mr. Hooper suggested that to pursue a millage renewal this year and then approach voters next year for more funds would likely be unsuccessful.

Council consensus was to refer the Pathways Millage to the Community Development & Viability Committee, the Police funding issue to the Public Safety Committee and the possible Parks Millage to the Leisure Activities Committee.

Discussed

2006-0436

Discussion of Pathways Millage

Attachments: Agenda Summary.pdf; Current Pathway Ballot Language.pdf; 080206 Agenda Summary.pdf; Referral Pathway Millage Resolution.pdf; Referral Pathway Millage Notice.pdf; 0112 Agenda Report.pdf; 0436 Agenda Report.pdf; 080206 Resolution.pdf; 0436 Supplemental Info

A motion was made by Yalamanchi, seconded by Ambrozaitis, that this matter be Referred by Resolution to the Community Development & Viability Committee.

Resolved that the Rochester Hills City Council hereby refers the matter of the expired Pathways Millage to the Community Development & Viability (CDV) Committee for its review.

Be It Further Resolved that the CDV Committee, following their review of the issue, shall return a recommendation to City Council as to whether a renewal and/or increase of the Pathways Millage should be sought via a ballot question.

The motion carried by the following vote:

Aye: Ambrozaitis, Duisternars, Holder, Raschke, Rosen and Yalamanchi

Nay: Hooper

2006-0439

Discussion of Police Millage

Attachments: 060706 Referral Notice to PS.pdf; 0439 Agenda Report.pdf

A motion was made by Raschke, seconded by Duistermars, that this matter be Referred by Resolution to the Public Safety Committee.

Resolved that the Rochester Hills City Council hereby refers the matter of the expiring Police II Millage to the Public Safety Committee for its review.

Be It Further Resolved that the Public Safety Committee, following their review of the issue, shall return a recommendation to City Council as to whether a renewal of the Police II Millage should be sought via a ballot question, or whether a more comprehensive Police Millage should be sought via a ballot question.

The motion carried by the following vote:

Aye: Ambrozaitis, Duistermars, Holder, Hooper, Raschke, Rosen and Yalamanchi

2006-0438

Discussion of Parks Millage

Attachments: Referral Notice.pdf; Millage memo 061906.pdf; 0438 Minutes.pdf

A motion was made by Raschke, seconded by Hooper, that this matter be Referred by Resolution to the Leisure Activities Committee.

Resolved that the Rochester Hills City Council hereby refers the matter of a potential Parks Millage to the Leisure Activities Committee for its review.

Be It Further Resolved that the Leisure Activities Committee, following its review of the issue, shall return a recommendation to City Council as to whether a Parks Millage should be sought via a ballot question.

The motion carried by the following vote:

Aye: Duistermars, Holder, Hooper, Raschke and Rosen

Nay: Ambrozaitis and Yalamanchi

2006-0416

Request to Establish City Council Administrative Technical Committee called: Environmental Clean-up and Oversight Committee.

Attachments: Agenda Summary.pdf; Memo Mayor Barnett 072506.pdf; 060706 Agenda Summary.pdf; Proposed Committee Parameters.pdf; 0416 Resolution.pdf; 0416 Resolution.pdf

President Rosen explained the purpose of this proposed committee to provide oversight of such projects as the Adams/Hamlin and REI/Madison Park developments, noting the City Council's responsibilities under the consent judgments. He stressed that while this would be a "working committee" it would not involve visits to the remediation sites, but rather "to sit down with the consultant and make sure everything is going the way it should go for the betterment of the City." He indicated that the consultant's fee was estimated at approximately \$75,000.

Mr. Hooper questioned whether this new committee would be duplicating the work of the Brownfield Redevelopment Authority (BRA). He expressed concern that the Council

may be micro managing as opposed to empowering the appropriate existing committees.

President Rosen, while acknowledging that the BRA does approve the remediation work plan, explained that this new committee would provide Council with the confidence that "we know what's going on" and "everything is happening in the right way." He stressed that, "We have a lot of responsibility here." He also explained that this new committee will hopefully prevent these situations from occurring again.

Mr. John Staran, City Attorney, agreed that this committee would serve a different function from the BRA, and stressed the special circumstances of these two "very significant development projects."

Mr. Ambrozaitis expressed his concern for the cost of the consultant and asked that Council "spend only what's absolutely necessary."

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

Whereas, the Rochester Hills City Council has determined it is in the best interest of the neighbors, the immediate area, and the community as a whole to oversee the environmental cleanup at the Adams / Hamlin and Madison / REI sites; and

Whereas, Council has determined that the best way to monitor the environmental clean up is through an Administrative Technical Committee.

Now, Therefore, Be It Resolved that the Rochester Hills City Council hereby establishes the Environmental Clean-up and Oversight Committee as follows:

Name of Committee: Environmental Clean-up and Oversight Committee

Purpose:

- * **To provide City Council oversight with respect to the specific consent judgments for the Aragona (Adams / Hamlin) site and the Madison / REI site. In addition, to provide an opportunity to explore policy initiatives in order to prevent similar situations in the future.**
- * **To oversee and monitor the remediation and clean up of the sites by reviewing the results of testing programs.**
- * **To review the plans for remediation and clean up, to determine if best practices are being used. Ascertain if plans meet environmental requirements of the State and Federal Governments and provide input and/or comments to EPA and/or MDEQ as appropriate.**
- * **To monitor actual clean up and remediation efforts to assure that execution is according to approved plans.**

Reporting:

The committee shall meet as necessary to accomplish the purpose, but not less than once every six months. The committee will keep records of its meetings that are distributed to the City Council and Administration as appropriate. The committee shall report its progress to the City Council at least twice per year following the required meetings, or more often as necessary to inform the Council of important events.

Consulting Services:

The Technical Committee may be assisted by an environmental consultant as provided for in the Consent Judgments for both the Adams / Hamlin site and the Madison / REI site. The cost of consulting services

shall be recovered to the extent possible as provided by the Brownfield Redevelopment Plans.

Membership:

The membership of the Technical committee should include:

Two Members of City Council
Members of the City Administration as designated by the Mayor

Be It Further Resolved that the City Council President is authorized to work with the Mayor and Staff to appoint and organize the committee and hold initial meetings in order to more fully define the purpose, scope and function of the committee and to report back to the City Council.

The motion carried by the following vote:

Aye: Ambrozaitis, Duisternars, Raschke, Rosen and Yalamanchi

Nay: Holder and Hooper

Enactment No: RES0260-2006

COUNCIL COMMITTEE REPORTS

Leisure Activities Committee

Mr. Ambrozaitis, Chair of the Leisure Activities Committee, noted that the meeting was cancelled.

Community Development & Viability Committee

Mr. Hooper, member of the Community Development & Viability Committee, noted that the Chair and Vice Chair were chosen during the last meeting.

Planning Commission

Mr. Hooper, Council's representative on the Planning Commission, listed two developments that were discussed and noted that the Russ Shelton dealership is pursuing expansion via conditional rezoning.

Mr. Staran noted that the Russ Shelton expansion will be the first conditional rezoning the City Council will review.

ANY OTHER BUSINESS

None.

NEXT MEETING DATE

Regular Meeting - Wednesday, June 21, 2006 at 7:30 p.m.

ADJOURNMENT

There being no further business before Council, President Rosen adjourned the meeting at 12:47 p.m.

*JAMES ROSEN, President
Rochester Hills City Council*

*JANE LESLIE, Clerk
City of Rochester Hills*

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

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