



Rochester Hills

Minutes - Draft

City Council Regular Meeting

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
(248) 656-4600
Home Page:
www.rochesterhills.org

*J. Martin Brennan, Greg Hooper, Nathan Klomp, Vern Pixley, James Rosen,
Michael Webber and Ravi Yalamanchi*

Vision Statement: The Community of Choice for Families and Business

*Mission Statement: "Our mission is to sustain the City of Rochester Hills as the premier
community of choice to live, work and raise a family by enhancing our vibrant residential
character complemented by an attractive business community."*

Monday, February 22, 2010

7:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

*President Hooper called the Regular Rochester Hills City Council Meeting to order
at 7:00 p.m. Michigan Time.*

ROLL CALL

Present 7 - J. Martin Brennan, Greg Hooper, Nathan Klomp, Vern Pixley, James Rosen,
Michael Webber and Ravi Yalamanchi

Others Present:

*Ed Anzek, Director of Planning and Development
Bryan Barnett, Mayor
Dan Casey, Manager of Economic Development
Scott Cope, Director of Building/Ordinance Compliance
Paul Davis, City Engineer
Derek Delacourt, Deputy Director of Planning
Pamela M. Gordon, Director of Human Resources
Gerald Lee, Forestry Operations Manager
Jane Leslie, City Clerk
Jack Sage, Ordinance Inspector
Keith Sawdon, Director of Finance
John Staran, City Attorney*

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

**A motion was made by Webber, seconded by Pixley, that the Agenda be Approved as
Presented. The motion CARRIED by the following vote:**

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

PUBLIC COMMENT

David Kibby, 558 Whitney, commented that individuals stating that Strategic Planning Sessions between Council and the Administration are not held as public meetings are wrong, noting that he and other residents have attended these sessions in the past. He stated that an individual distributed flyers through City neighborhoods containing false information for the purpose of upsetting residents and disrupting Council, and commented that voters need to come to Council meetings with their questions to get verifiable answers.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

Mayor Barnett gave the following updates and announcements:

- *City snowplows worked all day during today's snowstorm and will be back on the streets at 1:00 a.m. Plows normally do not clear roads during rush hour traffic as productivity is reduced. While the City did not declare a snow emergency, residents are asked not to park in the street in order for the plows to fully clear the roads.*
- *The State of the City Address is scheduled for Wednesday, March 10, 2010 in Rochester College's Theater.*
- *The Community Outlook Luncheon is scheduled for Thursday, February 25, 2010 at 11:30 a.m., in Oakland University's Oakland Center.*
- *A significant fire occurred in the co-operative apartments off Mount Oak last night. While four units were lost, no one was injured. City firefighters were joined by crews from the City of Rochester.*
- *Fire Department personnel will provide blood pressure checks for City residents on the first and third Tuesday of the month from 11:00 to 11:30 a.m. in the Resource Library at City Hall. Residents are welcome to drop in during this time.*

Mr. Webber welcomed Peter Arbour and his daughter Lily, a student at Reuther Middle School, noting they are in attendance tonight as a part of Lily's quest to meet every elected official representing them at all levels of government.

Mr. Rosen expressed his appreciation to the City's snowplow drivers.

Mr. Brennan requested an update on the home at 1841 Crooks, noting that it is falling deeper into disrepair.

Mr. Pixley expressed his appreciation to the City's Fire Department for keeping City residents safe and extended his thanks to the City of Rochester Fire Department for their support and backup. He stated that Council welcomes feedback from residents who watch Council meetings at home.

President Hooper welcomed Peter and Lily Arbour. He noted that today's Oakland Press reported incorrectly that Council would be taking up a revision to the City's Ordinances dealing with Pit Bulls. He stated that this item is not on tonight's agenda; however, City Attorney John Staran will provide an update.

ATTORNEY MATTERS

City Attorney John Staran reported that the property at 1841 Crooks Road is part of a Designated Historic District, and the current property owner and the City's Historic Districts Commission (HDC) had been working together under promises by the owner that the property would be renovated and maintained in keeping with its historic character. He explained that the homeowner recently requested permission from the HDC to demolish the home, which was denied. He stated that this demolition request is now in the appeals process and a hearing will be held this Thursday, February 25, 2010. He commented that there are options that the City might choose to pursue, such as declaring demolition by neglect, and stated that he will update Council after the hearing.

Mr. Staran reported that a court hearing will occur on Wednesday, March 3, 2010, at the 52nd District Court, Third Division, to determine whether the two pit bulls involved in the attack and killing of a neighbor's dog on its own property are dangerous animals and should be destroyed. He noted that this is a very effective proceeding that comes under the State Dog Law. He stated that he will participate in the hearing and will report the results to Council. He commented that any recommended amendments to the City Ordinance will be from the standpoint to take a more preventative approach.

- 2010-0093** Adoption of Resolution to consider to meet in Closed Session immediately following the adjournment of the Regular Meeting held Monday, March 1, 2010 at 7:00 p.m. to hold a strategy session connected with the negotiation of collective bargaining agreements

Attachments: [Resolution.pdf](#)

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0039-2010

Resolved, that the Rochester Hills City Council hereby agrees to meet in Closed Session, as permitted by State Statute MCL 15.268, immediately following the adjournment of the Regular Meeting held Monday, March 1, 2010 at 7:00 p.m., Michigan Time, at the Rochester Hills Municipal Offices, 1000 Rochester Hills Drive, Rochester Hills, Oakland County, Michigan. The purpose of the Closed Session is to hold a strategy session connected with the negotiation of collective bargaining agreements.

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.

- 2010-0053** Approval of Minutes - City Council Special Meeting - December 7, 2009

Attachments: [CC Special Mtg Min 120709.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0040-2010

Resolved, that the Minutes of a Rochester Hills City Council Special Meeting held on December 7, 2009 be approved as presented.

2010-0054 Approval of Minutes - City Council Regular Meeting - December 7, 2009

Attachments: [CC Min 120709.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0041-2010

Resolved, that the Minutes of a Rochester Hills City Council Regular Meeting held on December 7, 2009 be approved as presented.

2009-0568 Approval of Minutes - City Council Regular Meeting - December 14, 2009

Attachments: [CC Min 121409.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0042-2010

Resolved, that the Minutes of a Rochester Hills City Council Regular Meeting held on December 14, 2009 be approved as presented.

2010-0046 Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for 5G Slag in the amount not-to-exceed \$17,000.00 through December 31, 2010; Edward C. Levy Company, Detroit, MI

Attachments: [Agenda Summary.pdf](#)
[BID Tabulation.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0043-2010

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order for 5G Slag to Edward C. Levy Company, Detroit, Michigan in the amount not-to-exceed \$17,000.00 through December 31, 2010.

2010-0047 Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for 22X Slag in the amount not-to-exceed \$5,000.00 through December 31, 2010; Edward C. Levy Company, Detroit, MI

Attachments: [Agenda Summary.pdf](#)
[BID Tabulation.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0044-2010

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Edward C. Levy Company, Detroit, Michigan in the amount not-to-exceed \$5,000.00 through December 31, 2010.

- 2010-0048** Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for 22A Road Gravel in the amount not-to-exceed \$36,000.00 through December 31, 2010; Tri-City Aggregates, Inc., Holly, MI

Attachments: [Agenda Summary.pdf](#)
[BID Tabulation.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0045-2010

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order for 22A Road Gravel to Tri-City Aggregates, Inc., Holly, Michigan in the amount not-to-exceed \$36,000.00 through December 31, 2010.

- 2010-0049** Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for Asphalt Paving Materials in the amount not-to-exceed \$28,500.00 through December 31, 2010; Ajax Materials Corporation, Troy, MI

Attachments: [Agenda Summary.pdf](#)
[BID Tabulation.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0046-2010

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order for Asphalt Paving Materials to Ajax Materials Corporation, Troy, Michigan in the amount not-to-exceed \$28,500.00 through December 31, 2010.

- 2010-0050** Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for Bituminous Cold Patching Materials in the amount not-to-exceed \$23,500.00 through December 31, 2010; Barrett Paving Materials, Inc., Troy, MI

Attachments: [Agenda Summary.pdf](#)
[BID Tabulation.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0047-2010

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order for Bituminous Cold Patching Materials to Barrett Paving Materials, Inc., Troy, Michigan in the amount not-to-exceed \$23,500.00 through December 31, 2010.

- 2010-0078** Request for Purchase Authorization - DPS/ENG: Blanket Purchase Order for shoulder right-of-way, detention basin and pathway mowing in the amount not-to-exceed \$50,750.00 through December 31, 2010; Kleen Kut, Gilbertsville, KY

Attachments: [Agenda Summary.pdf](#)
[Proposals Tabulation.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0048-2010

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Kleen Kut, Gilbertsville, Kentucky for shoulder right-of-way, detention basin and pathway mowing in the amount not-to-exceed \$50,750.00 through December 31, 2010.

2010-0064 Request for Purchase Authorization - PARKS/FORESTRY: Blanket Purchase Order for 2010 Spring and Fall Street Tree Planting in the amount not-to-exceed \$54,000.00; Michigan Lawn Maintenance d/b/a Sherman Nursery Farms, Columbus, MI

Attachments: [Agenda Summary.pdf](#)
[Proposals Tabulation.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0049-2010

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Michigan Lawn Maintenance, Inc. d/b/a Sherman Nursery Farms, Columbus, Michigan for 2010 Spring and Fall Street Tree Planting in the amount not-to-exceed \$54,000.00.

Passed the Consent Agenda

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

The following Consent Agenda items were discussed and adopted by separate motions:

2010-0089 Request for Purchase Authorization - DPS/ENG: Blanket Purchase Order for professional service costs for maintaining the Rochester Hills Supervisory Control and Data Acquisition (SCADA) system in the amount not-to-exceed \$60,000.00; Perceptive Controls, Plainwell, MI

Attachments: [Agenda Summary.pdf](#)
[2010 Service Proposal.pdf](#)
[Resolution.pdf](#)

Mr. Yalamanchi questioned if this is an annual maintenance cost, and if so, will this cost be consistent every year.

Paul Davis, City Engineer, responded that this will now be a yearly maintenance contract, and explained that the annual fee is \$36,000, with the remaining

\$24,000 being allocated for time and materials as needed to make minor improvements and add functionality to the system.

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0050-2010

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Perceptive Controls, Inc., Plainwell, Michigan for professional service costs for maintaining the Rochester Hills Supervisory Control and Data Acquisition (SCADA) system in the amount not-to-exceed \$60,000.00 and further authorizes the Mayor to execute a contract on behalf of the City.

2010-0081 Request for Purchase Authorization - MAYOR/PARKS: Contract extension/blanket purchase order for Festival of the Hills Fireworks Display in the amount not-to-exceed \$64,000.00 through December 31, 2011; Melrose Pyrotechnics, Kingsbury, IN

Attachments: [Agenda Summary.pdf](#)
[Resolution.pdf](#)

Mr. Yalamanchi questioned whether this event is projected to receive one-hundred percent of its funding from private contributions. He requested that an update on donations received be provided as the event draws near.

Mr. Brennan questioned who handles the contributions and expenses.

Mayor Barnett responded that requests for donations usually go out in April or May, and the Greater Rochester Area Community Foundation takes in the donations and disburses checks for the expenses. He reported that approximately \$30,000 remains from last year's event; and each year, between \$60,000 and \$80,000 is received. He explained that the Administration anticipates donations will provide full funding. He commented that the City has money allocated in the budget as a placeholder; however, to date it has not been needed.

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0051-2010

Resolved, that the Rochester Hills City Council hereby authorizes the contract extension/blanket purchase order for Festival of the Hills Fireworks Display to Melrose Pyrotechnics, Inc. in the amount not-to-exceed \$64,000.00 through December 31, 2011.

PUBLIC HEARINGS

2010-0091 FY 2010 1st Quarter Budget Amendments

Attachments: [Agenda Summary.pdf](#)
[2010 - 1st Qtr Budget Amendment Detail.pdf](#)
[2010 - 1st Qtr BA Overview final.pdf](#)
[2010 - 1st Qtr Budget Adjustment Detail.pdf](#)
[Public Hearing Notice.pdf](#)
[Resolution.pdf](#)

Keith Sawdon, Director of Finance, stated that similar to last year's First Quarter Budget Amendment, the bulk of this Amendment is comprised of projects carried over that were not completed last year. He commented that revenues are amended upward by \$434,970 and expenditures are amended upward by \$5,055,000, utilizing \$4,643,490 from Fund Balance. He noted that monies put into Fund Balance from incomplete Capital Projects at the end of 2009 are now brought out to fund the carried-over projects.

President Hooper Opened the Public Hearing at 7:32 p.m. Seeing no public comment, President Hooper Closed the Public Hearing at 7:33 p.m.

Council Discussion:

Council made the following comments and inquiries on the Budget Amendment:

- As interest earning projections show shortfalls, can any projects be cut?
- What is the status of the Crooks Road Overlay and Walton Boulevard Rehabilitation Projects?
- Has the Administration looked into Federal funding or grants to complete the Americans with Disabilities Act (ADA) Compliance Study?
- Can the Vector Truck purchase be deferred?
- What percentage of the deferred Capital Projects is for Roads?
- Should the City be looking at extended timelines for projects?

Mr. Sawdon responded with the following:

- Projects are taken out of the budget if it is known that they will not be undertaken in a fiscal year, as are projects added as their timelines indicate they will be undertaken.
- The Administration has been working with the Parks Department to become ADA-compliant. This Budget Amendment contains the expenditure-side; and hopefully, the Administration can look to grants as a revenue source.
- The Budget Amendment also contains reclassification of certain expenditures; Government Accounting Standards Board (GASB) rules state that certain portions of project activities, such as Engineering Services, cannot be classified as Capital until a project goes to Construction. The Amendment contains approximately \$5,000,000 in Capital Expenditures, with \$1,491,350 for Major Roads, \$820,000 for Local Roads, \$1,017,550 for Pathways and \$321,000 for Facilities.

Paul Davis, City Engineer, responded to Council questions with the following:

- At one time, the intent was to use Tri-Party funding for the Crooks Road project. Both overlay work and expansion was explored for that section, coordinating with the Crooks Road Interchange project. The Michigan Department of Transportation

(MDOT), however, has deferred 243 road projects, including the Crooks Road Interchange. The City is trying not to spend money to rehabilitate that portion of roadway, only to have it ripped out.

- A second Federal Stimulus Program, Jobs for Main Street, has passed through the House of Representatives, but is stalled in the Senate. This second Stimulus could allow the Crooks Road Project to once again move forward.
- The Walton Boulevard Project is expected to move forward, and the Administration will most likely approach Council with a proposal to use the remaining Tri-Party monies for that work. It was originally projected to borrow from future years' Tri-Party Funding to complete that work; however, with Oakland County's reduction in the Tri-Party Program, this is not an option.
- Many of the projects carried over are beyond the Administration's control. The Hamlin Road Project, for example, was originally intended to be completed in one season; however, difficulties encountered with utility relocation and weather delayed the project.
- The City currently has three Vector Trucks. Two are fully depreciated and should be replaced, including one that was in a significant accident. The two older trucks will be replaced with one new truck. The vehicles are used extensively and respond to emergencies within the City. The Administration explored the option of contracting for services; however, in order to ensure emergency response times, the cost would be higher. The City has this money set aside for the purchase.

Mayor Barnett explained that project timing often changes, and stated that in developing the 2008 Budget, it was expected that an expansion of M-59 would not occur until 2020. He stated that last year's Federal Stimulus moved that project's timeline to a ninety-day notice. He commented that the Administration is confident that the projects contained in the Amendment can be accomplished this year.

Mr. Yalamanchi questioned whether the Amendment could be tabled until March.

Mr. Sawdon responded that there are items contained in the Amendment that are already in the purchasing cycle that would be delayed. He noted that another Public Hearing might be required.

City Attorney John Staran stated that if the Budget Amendment were brought back to be adopted without change or for a decreased amount, there would not be a requirement for another Public Hearing; however, if there was any increase in expenditures, a second Public Hearing would be required.

Mr. Pixley stated that he supports the Budget Amendment as presented; however, he requests that before the Vector Truck purchase is made, the Administration return to Council with more information.

Mayor Barnett responded that the Administration will not move forward on that purchase without providing Council with more information.

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

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

Nay 1 - Yalamanchi

Enactment No: RES0052-2010

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

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

Whereas, the Public Hearing for the proposed 2010 1st Quarter Budget Amendments was noticed on February 4, 2010; and

Whereas, the proposed 2010 1st Quarter Budget Amendments were available for public viewing beginning on February 12, 2010; and

Whereas, at its February 22, 2010 meeting City Council held a Public Hearing on the proposed 1st Quarter Budget Amendments.

Now, Therefore, Be It Resolved that the Rochester Hills City Council hereby approves the following 2010 fund totals as amended:

101 - General Fund	\$ 25,901,360
202 - Major Road Fund	6,544,810
203 - Local Street Fund	7,557,720
244 - Drain Maintenance Fund	1,543,210
338 - SAD Street Improvements (1995 Series)	185,330
402 - Fire Capital Fund	205,500
403 - Pathway Construction Fund	1,740,300
592 - W&S Operating Fund	30,530,770
593 - W&S Capital Fund	5,781,620
631 - Facilities Fund	5,098,660
636 - MIS Fund	2,122,030
661 - Fleet Equipment Fund	4,013,910
848 - LDFA Fund	876,570

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

NOMINATIONS/APPOINTMENTS

- 2010-0038** Nomination/Appointment of one (1) Citizen Representative to the Green Space Advisory Board to fill the unexpired term of Paul Funk ending December 31, 2010

Attachments: [Agenda Summary.pdf](#)
[Appointment Form.pdf](#)
[Thomas Dohr CQ.pdf](#)
[Jim Kubicina CQ.pdf](#)
[Elizabeth Tilove CQ.pdf](#)
[020810 Agenda Summary.pdf](#)
[Nomination Form.pdf](#)
[Carol Donovan CQ.pdf](#)
[Richard Graham CQ.pdf](#)
[Notice of Vacancy.pdf](#)
[Suppl Corey Oliver CQ.pdf](#)
[Resolution.pdf](#)

Mr. Rosen stated that Council is obligated to ensure representation of a cross-section of the City on Boards, Commissions and Committees. He commented that one District should not be over-represented, nor should a single resident be appointed to more than one major committee.

President Hooper stated that Thomas Dohr, Jim Kubicina and Elizabeth Tilove were nominated at the February 8, 2010 Regular Meeting and instructed Council to vote for one individual for appointment to the Green Space Advisory Board.

Elizabeth Tilove received the unanimous vote of Council.

A motion was made by Webber, seconded by Pixley, that this matter be Adopted by Resolution to Appoint Elizabeth Tilove to serve as Green Space Advisory Board Representative to fill the unexpired term of Paul Funk to expire December 31, 2010. The motion CARRIED by the following vote:

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0053-2010

Resolved, that the Rochester Hills City Council appoints Elizabeth Tilove to serve as Green Space Advisory Board Representative to fill the unexpired term of Paul Funk ending December 31, 2010.

2010-0074 Nomination/Appointment of one (1) Citizen Representative to the Historic Districts Commission to fill the unexpired term of Melissa Luginski ending December 31, 2011

Attachments:

[022210 Agenda Summary.pdf](#)
[Steven Branstner CQ.pdf](#)
[Melinda Hill CQ.pdf](#)
[Nomination Form.pdf](#)
[Notice of Vacancy.pdf](#)
[Luginski resignation.pdf](#)
[Membership Criteria.pdf](#)
[Alice Benbow CQ.pdf](#)
[Ryan Deel CQ.pdf](#)
[Corey Oliver CQ.pdf](#)
[Linda Raschke CQ.pdf](#)
[Resolution.pdf](#)

President Hooper Opened the Floor for Nominations.

Mr. Pixley nominated Steven Branstner.

Mr. Rosen nominated Melinda Hill.

Seeing no further nominations, **President Hooper Closed the Floor for Nominations** and noted that as more than one individual was nominated, this item will return in two weeks for a vote.

Discussed.

NEW BUSINESS

2010-0075 Request for Purchase Authorization - HR: Contract/Blanket Purchase Order for Labor and Employment Legal Services in the amount of \$395,000.00 through January 30, 2013; Kemp Klein Law Firm, Troy, MI; Keller Thoma, P.C., Detroit, MI

Attachments: [Agenda Summary.pdf](#)
[Proposals Tabulation.pdf](#)
[Resolution.pdf](#)

Pamela Gordon, Director of Human Resources, stated that a selection committee was formed in October of 2009, and 19 different proposals for Labor and Employment Legal Services from various firms were reviewed. Four firms were interviewed, including Kemp Klein Law Firm and Keller Thoma, P.C.; and the selection committee unanimously recommended a transition to Keller Thoma. She explained that in consideration of the institutional knowledge and the 35 years of service from Kemp Klein, it is appropriate to make an extended transition. Work with Kemp Klein will be focused on existing contracts and day-to-day activities; while work with Keller Thoma will be in preparation for negotiations coming up in 2011. She introduced Dennis Dubay and Rick Fanning, Principals of Keller Thoma and noted that Mr. Dubay will be the lead attorney representing the City in the negotiations.

Mr. Dennis Dubay, Principal, Keller Thoma, P.C., stated that his firm submitted information outlining its history and background in contract negotiations and experience with Act 312 Arbitration, and its ramifications for the public sector employer. He noted that he can offer various approaches adopted by municipalities throughout the state as options to dealing with Act 312 cases, as his firm has been involved in hundreds and hundreds of cases.

Mr. Brennan questioned how much dual representation will be needed.

Ms. Gordon explained that while it is considered important to have both sets of attorneys available as needed, the work will be segregated to the greatest extent possible. She stated that during the transition, Kemp Klein will be used for

existing contract matters, disciplinary matters and pending investigations, as it would not be as cost-effective to bring in Keller Thoma.

Mr. Webber questioned Keller Thoma's succession plan for its principals.

Mr. Dubay responded that Mr. Fanning will transition into a principal role as necessary.

Mr. Rosen stated that he does not think of a transition period as dual representation; he sees it as a new firm taking on new negotiations and an existing firm being the source of institutional memory.

Ms. Gordon stated that she has discussed the transition plan with Tom Boyer, Kemp Klein, and noted that he has been totally cooperative.

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0054-2010

Resolved, that the Rochester Hills City Council hereby authorizes a Contract/Blanket Purchase Order for labor and employment legal services to be allocated during a planned transition between Kemp Klein Law Firm, Troy, Michigan and Keller Thomas, P.C., Detroit, Michigan based on \$115,000.00 requested for 2010 and \$140,000.00 per year for 2011 and 2012; for a total not-to-exceed amount of \$395,000.00 for three years and the option to renew with Keller Thomas for an additional two (2) years and further authorizes the Mayor to execute a contract on behalf of the City.

2010-0090 Request to consider opting out of a tax exemption of personal property acquired in 2009 by United Solar Ovonic, LLC, a certified Alternative Energy Technology Business, as permitted by Public Act 549 of 2002

Attachments: [Agenda Summary.pdf](#)
[Memo Dawson 020210.pdf](#)
[Attachment A.pdf](#)
[MNEA Packet United Solar.pdf](#)
[Exhibit C United Solar Tax Exemption.pdf](#)
[Resolution.pdf](#)

Dan Casey, Manager of Economic Development, explained that the Michigan Next Energy Authority (MNEA) began certifying companies as alternative energy companies after the MNEA's creation in 2005 by the Michigan State Legislature. He pointed out that two Rochester Hills companies were certified as alternative energy companies in 2005: Energy Conversion Devices and its subsidiary, Ovonic Materials; and United Solar Ovonic. He noted that at the end of each year, a certified company submits a list of alternative energy property acquired during that year to the MNEA Board to be certified. Once the property list is approved, the MNEA sends notice through the taxing jurisdiction where the equipment is located; and both the school district and the municipality have sixty days to make a determination whether to opt out of the tax exemption. He stated that the City makes the determination on behalf of Oakland County, Oakland Community College and the Oakland Intermediate School District. The exemption, if allowed, sunsets at the end of 2013, affecting budget year 2014.

Mr. Casey explained that the exemption request from United Solar Ovonic includes two pieces of equipment, with a total investment of \$452,726. If City Council opts out, it chooses to collect tax on the equipment. If Council chooses not to opt out, the Company will receive one-hundred percent exemption on that equipment through 2013. He explained that the impact to taxes for all years combined is \$9,206 for all jurisdictions combined, with \$4,232 as the City's portion. He pointed out that leases on the facility where the equipment is located are up at the end of this year and the Administration has been working closely with the company to ensure they are retained here in the City.

Mr. Yalamanchi requested that the Administration provide an update of all tax abatements and instances of opting-out of exemptions currently in existence.

Mr. Casey responded that companies receiving abatements are required to file yearly reports with the City and noted that he will provide a detailed report early in the spring after all reports are received.

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0055-2010

Whereas, on December 16, 2003 the Michigan NextEnergy Authority (MNEA) certified United Solar Ovonic, LLC as an alternative Energy Technology Business as permitted by Public Act 549 of 2002; and

Whereas, on December 15, 2009 the MNEA certified a list of equipment (See Attachment A for a list of equipment) as Alternative Energy Personal Property (the "property") making it exempt from taxes levied before January 1, 2013 as permitted by Public Act 549 of 2002; and

Whereas, notice of this action was received by the City of Rochester Hills Assessing Department on January 13, 2009; and

Whereas, the City Assessor has made the following determinations regarding the certified property (see attached memorandum):

1. It is property classified as personal rather than real property
2. It has not been previously subject to taxation under the general property tax act, and
3. It has not previously been exempted from taxes under the general property tax act; and

Whereas, exemption of the property will not impede the City's ability to provide service or have a detrimental impact on its fiscal stability.

Resolved, that the City of Rochester Hills is **not** opting-out of the exemption of the alternative energy personal property from local personal property taxes of United Solar Ovonic, LLC, a certified Alternative Energy Technology Business, as permitted by Public Act 549 of 2002, and

Be It Further Resolved, that the City Clerk should forward a certified copy of this Resolution to the Michigan NextEnergy Authority no later than Friday, March 5, 2010.

- 2009-0044** Request for Purchase Authorization - BLDG: Increase to Blanket Purchase Order for Hazardous Waste Program and Collection Services in amount of \$12,643.52 for a new not-to-exceed total of \$102,643.52; Oakland County Waste Resource Management Division, Pontiac, MI

Attachments: [Agenda Summary.pdf](#)
[020909 Agenda Summary.pdf](#)
[NoHaz Documentation.pdf](#)
[020909 Resolution.pdf](#)
[Resolution.pdf](#)

Scott Cope, Director of Building/Ordinance Compliance, stated that this amount was included in the Third Quarter Budget Amendment for 2009, and this request is to raise the Blanket Purchase Order in order to authorize payment to the County.

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0056-2010

Resolved, that the Rochester Hills City Council hereby authorizes an increase to the Blanket Purchase Order for hazardous waste program and collection services to Oakland County Waste Resource Management Division, Pontiac, Michigan in the amount of \$12,643.52 for a new not-to-exceed total of \$102,643.52.

- 2010-0092** Request for Purchase Authorization - BLDG: 2010 Inter-Local Agreement for the 2010 Oakland County Household Hazardous Waste (No Haz) Program in the amount not-to-exceed \$99,830.31; Oakland County Waste Resource Management Division, Waterford, MI

Attachments: [Agenda Summary.pdf](#)
[Inter-Local Agreement.pdf](#)
[Suppl Oakland Co 2010 Est Costs.pdf](#)
[Resolution.pdf](#)

Jack Sage, Ordinance Inspector, stated that the significant changes for the 2010 Oakland County Household Hazardous Waste (No Haz) Program are that there will be an option for communities to limit the number of participants in the program, and communities not wanting to charge the \$10 fee to their residents can make other arrangements to cover the cost, but they have to do that on their own. He stated that the Rochester Hills residents comprised approximately thirty-three percent (33%) of the participants in 2009, and the participation for 2010 is projected to increase by forty percent (40%). He stated that eight communities will participate in 2010, noting that four communities have dropped out of the program.

Council members questioned how residency is verified, who will collect the monies, whether additional contributions will still be solicited, and how any donations will be credited to the participating municipalities.

Mr. Sage responded that identification is checked at the gate and non-residents are turned away. He explained Oakland County will collect the monies and credit funds back to the communities. Donations will still be solicited. He stated that the

communities opting to not charge a fee must develop a voucher system for their residents.

Scott Cope, Director of Building/Ordinance Compliance, stated that each community will have a representative in attendance to help with the program. He noted that approximately \$79,000 of the cost will be offset by revenues from the City's Single Waste Hauler Contract. He pointed out that the Administration will report to Council after the collection dates begin, and a determination can be made whether to limit the number of participating cars to reduce costs.

Mr. Yalamanchi suggested that the Administration look into collaborations with other companies that take items year round, citing Best Buy's program of taking recycled electronics.

Mr. Cope responded that the Administration can investigate this, and noted that electronics can also be sent to RecycleBank.

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0057-2010

Resolved, that the Rochester Hills City Council hereby authorizes the 2010 Inter-Local Agreement for the 2010 Oakland County Household Hazardous Waste (No Haz) Program and a blanket purchase order to Oakland County Waste Resource Management Division, Waterford, Michigan in the amount not-to-exceed \$99,830.31.

Further Resolved, that the Rochester Hills City Council encourages the Oakland County Board of Commissioners to authorize Oakland County Waste Resource Management Unit to continue the facilitation of the No Haz Program for an additional two (2) years (2011 and 2012).

2010-0041 Request for Purchase Authorization - PLANNING: Project budget for the M-59 Corridor Study and LDFA Infrastructure Master Plan Update in the amount not-to-exceed \$100,000.00; McKenna Associates, Northville, MI

Attachments: [Agenda Summary.pdf](#)
[Proposals Tabulation.pdf](#)
[011410 LDFA Minutes.pdf](#)
[Resolution.pdf](#)

Ed Anzek, Director of Planning and Development, stated that this is a two-fold study that is being funded one-hundred percent (100%) from the LDFA budget. One part of the study is to update the Local Development Finance Authority (LDFA) Infrastructure Management Plan. He explained that the update will guide decisions for future improvements and expenditures of LDFA monies. The second part of this study is to establish a vision for the area with appropriate, yet flexible, development standards to guide the development/redevelopment of this corridor. He noted that the Master Land Use Plan (MLUP) adopted in 2007 placed major emphasis on the M-59 corridor as the economic engine of the City.

Mr. Anzek reported that six firms responded to the Request for Proposal and

that McKenna Associates was the firm selected. He noted that McKenna will be joined with Spalding DeDecker Associates and Alexander Bogaerts + Associates; both of these firms are local to this area.

Council questioned how long the study will take, how often Council will be updated on the progress, and how much of its projected cost was deferred from the 2009 Budget.

Mr. Anzek responded that it is expected to take one-year to complete the study. He noted that McKenna proposes a substantial outreach with stakeholders in the area and the firm suggests that Council, the Planning Commission and the LDFA Board could schedule a joint meeting to review progress. He explained that \$50,000 of the cost was deferred from the 2009 Budget and was brought forward in the First Quarter Budget Amendment.

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0058-2010

Resolved, that the Rochester Hills City Council hereby authorizes the project budget for the M-59 Corridor Study and LDFA Infrastructure Master Plan Update to McKenna Associates, Northville, Michigan, in the amount not-to-exceed \$100,000.00.

2010-0080

Request for Purchase Authorization - FISCAL/ACCOUNTING: Contract Extension/Blanket Purchase Order for Printing and Distribution Services for Water and Sewer Utility Bills in the amount not-to-exceed \$224,874.00 through March 31, 2013; Utilitec, Troy, MI

Attachments: [Agenda Summary.pdf](#)
[Cost Summary.pdf](#)
[Proposal Tabulation.pdf](#)
[Resolution.pdf](#)

Keith Sawdon, Director of Finance, explained that the Administration issued a Request for Proposal in 2008 for the printing and mailing of utility bills, and the City has been pleased with the vendor selected and would like to execute the remaining three-year phase of the five-year contract.

Public Comment:

Lee Zendel, 1575 Dutton, questioned whether the City could move to web billing.

Council Discussion:

Mr. Yalamanchi questioned whether the City could phase out the mailing of bills and move toward paperless statements, possibly within a six-month timeframe.

Mr. Sawdon responded that after this contract cycle, the City would be looking at e-bills. He explained that the current utility billing system has been in place for a long time and might have to be upgraded to accommodate e-billing. He commented that he was expecting a one- to two-year timeframe to investigate

the City's options and how the current software will integrate with an e-billing system.

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0059-2010

Resolved, that the Rochester Hills City Council hereby authorizes the contract extension/blanket purchase order for printing and distribution services for water and sewer utility bills to Utilitec, Troy, Michigan in the amount not-to-exceed \$224,874.00 through March 31, 2013.

2010-0095 Request for Authorization to Use Surplus Bond Proceeds to Redeem Part of Outstanding Bonds

Attachments: [Agenda Summary.pdf](#)
[2005 WS- Defeasance Analysis.pdf](#)
[Resolution.pdf](#)

Keith Sawdon, Director of Finance, explained that in May of 2005, the City entered into a contract with the Drain Commissioner's Office, now the Water Resources Commissioner, to issue bonds to build Extension Number Five of the City's Water System; and noted that at the time, the project cost was estimated at \$3,800,000. He stated that when the project was finalized, \$900,000 was left over in bond proceeds. He proposed that the excess proceeds be used to defease the existing coupons out into the future; and noted that by going through this defeasance, the debt schedule would be reduced by \$1,344,581.71, including an estimated \$444,581.71 in interest. He explained that while these bonds are not callable until 2012, the funds will go into an escrow account and be used for State and Local Government Securities designed for this purpose.

Mr. Brennan questioned whether this money could be used for any other future bond payments and questioned what interest would be earned by the funds if the defeasance was not done.

Mr. Sawdon responded that the proceeds can only be applied to Extension Number Five and stated that current interest rates are only from one-half to two percent. He noted that the coupons are currently being paid down at the rate of four-and-a-half percent and stated that it is not prudent for the City to leave these funds at the County.

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

Aye 7 - Brennan, Hooper, Klomp, Pixley, Rosen, Webber and Yalamanchi

Enactment No: RES0060-2010

WHEREAS, pursuant to the provisions of Act No. 342, Public Acts of Michigan, 1939, as amended ("Act 342"), the City of Rochester Hills (the "City") and the County of Oakland (the "County"), acting by and through its Water Resources Commissioner as county agency, have entered into the Oakland County Water Supply and Sewage Disposal Systems for Rochester Hills - Extension No. 5A Project Contract, dated May 1, 2005

(said contract hereinafter referred to as the "Contract"); and

WHEREAS, the County has issued its Oakland County Rochester Hills Water Supply and Sewage Disposal System Bonds, Series 2005, dated December 1, 2005 in the original principal amount of \$3,800,000 (the "Prior Bonds"), which Prior Bonds were issued by the County pursuant to the Contract to defray the cost of acquiring and constructing water supply system and sewage disposal system improvements as described in the Contract; and

WHEREAS, the Prior Bonds remain outstanding in the aggregate principal amount of \$3,250,000, mature in various principal amounts in the years 2010 through 2025 and bear interest at rates per annum which vary from 4.00% to 4.50%; and

WHEREAS, the City has determined it is in its best interests that surplus bond proceeds be used to redeem part of the Prior Bonds.

THEREFORE, BE IT RESOLVED:

1. The County is requested and authorized to use surplus proceeds of the Prior Bonds and investment earnings thereon, presently determined to be \$894,568.29 (the "Surplus Proceeds"), for the purpose of redeeming part of the outstanding Prior Bonds (as shall be determined by the County) in inverse order of maturity on April 1, 2012, which date is the first redemption date of the Prior Bonds.
2. The City authorizes the County to enter into an escrow agreement for the purpose of redeeming part of the Prior Bonds in accordance with the immediately preceding paragraph. The City acknowledges and agrees that the County's costs and expenses related to such redemption and escrow agreement shall be paid from the Surplus Proceeds.
3. All resolutions and parts of resolutions, insofar as the same may be in conflict herewith, are hereby rescinded.

2009-0255 Discussion relative to the determination and approval of Local Road Millage language to be placed on the August Primary Election ballot

Attachments: [Agenda Summary.pdf](#)
[Ballot Question Option A.pdf](#)
[Ballot Question Option B.pdf](#)
[012510 Agenda Summary.pdf](#)
[121409 Agenda Summary.pdf](#)
[Spreadsheet sorted by CC Ranking.pdf](#)
[Spreadsheet sorted by Area.pdf](#)
[Spreadsheet sorted by Timing.pdf](#)
[Spreadsheet sorted by No Action Needed.pdf](#)
[081009 Agenda Summary.pdf](#)
[Replacement Millage Ballot Question \(Rev 072809\).pdf](#)
[072709 Agenda Summary.pdf](#)
[Final Spreadsheet Strgly Rec 2009.pdf](#)
[Final Spreadsheet Strgly Rec 2009 In Process.pdf](#)
[Final Spreadsheet 2010+.pdf](#)
[Road Debt Schedule \\$1.6 million.pdf](#)
[Replacement Millage Ballot Question \(072209\).pdf](#)
[071309 Agenda Summary.pdf](#)
[062909 Agenda Summary.pdf](#)
[Final Report to Council.pdf](#)
[Suppl 012510 Preliminary Millage Forecast #2.pdf](#)
[Suppl 012510 Mayor's memo w attachments.pdf](#)

President Hooper noted that in addition to requesting that City Attorney John Staran develop proposed ballot language for Option A discussed at the February 8, 2010 Council meeting, he also asked Mr. Staran to prepare language for Option B for comparison and discussion.

Public Comment:

Dave Kibby, 558 Whitney, stated that Council should keep the language simple to explain to the voters that this tax would fix their roads. He commented that residents should not be upset that Council is electing to place a proposal on the ballot, as it is proof that local government still believes that the residents should be involved in the discussion.

Lee Zendel, 1575 Dutton, commented that Council should wait until after tomorrow's elections in neighboring communities before deciding to act.

Council Discussion:

Mr. Pixley stated that in his discussions with members of the community, concerns were raised whether this ballot proposal would raise taxes. He noted that the ballot proposal being considered would not raise taxes and would keep the tax rate where it is currently and deploy those dollars to fix the streets. He commented that he preferred Option B and questioned whether explanatory language could be included along with an average figure-per-household.

City Attorney John Staran noted that while there is nothing unlawful or illegal about including this type of language in the ballot proposal, this information is usually included in the explanatory materials distributed.

Mr. Webber stated that a Rochester Hills proposal would be different than those being sought in neighboring communities as this is a replacement of an expiring

millage and not a tax increase. He commented that after presenting both Option A and Option B to the Police and Road Funding Technical Review Committee (PRTRC), the PRTRC unanimously preferred Option B, noting that Option A could be confusing and construed by the public as a tax increase.

Mr. Yalamanchi stated that while he appreciates the PRTRC's recommendation, he still favors Option A as it sets one millage for the long-term. He commented that Option B provides that as the graduated millage increases, other streets can be added as they deteriorate and need to be replaced; and commented that both options should contain language that the total millage rate will remain 9.706.

President Hooper commented that it was his opinion that Option A will confuse the voters and noted that there will always be opposition to any proposal. He stated that if the Proposal is not successful on an August ballot, there will still be an option to place something on the November ballot.

Mr. Webber questioned what Council could legally do in support of a proposal.

Mr. Staran explained that there are limitations under Michigan Campaign Finance Act that prohibit the use of public funds and resources to promote passage or defeat of any ballot question or candidate in place before the voters at an election. Council members are allowed to provide opinion-neutral, balanced, informative material. He stated that nothing prohibits Council members from expressing their own personal views, including their support of a proposal; however they cannot put this view of support on a City flyer and send it to the residents.

Mr. Rosen questioned whether a Political Action Committee (PAC) could be formed as long as no public money was involved. He questioned whether any other election dates could be considered this year and what other communities had upcoming millage proposals.

Mr. Staran responded that a PAC could be formed, as long as no public money is involved.

Clerk Jane Leslie responded that the first Tuesday in May is also an election day; however, there is no official action to require that date be used.

Mr. Yalamanchi stated that he could not support Option B as it does not provide new revenues for 2011, 2012 and 2013.

Mr. Sawdon noted that the total dollar amount for Option B is \$1,131,564.00.

A motion was made by Webber, seconded by Pixley, that this matter be Adopted by Resolution to Approve Option B as a ballot question and direct that it be placed on the August Ballot, with the total estimated dollar value of \$1,131,564.00 if levied in full in the 2011 tax year. The motion CARRIED by the following vote:

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

Nay 2 - Rosen and Yalamanchi

Enactment No: RES0061-2010

Resolved, that the Rochester Hills City Council approves Option B as a ballot question and directs that it be placed on the August Ballot, with the total estimated dollar value of \$1,131,564.00 if levied in full in the 2011 tax year.

COUNCIL COMMITTEE REPORTS

Mr. Rosen reported that today's Strategic Planning and Policy Review Technical Review Committee meeting was cancelled due to the heavy snow.

ANY OTHER BUSINESS

None.

NEXT MEETING DATE

Regular Meeting - Monday, March 1, 2010 - 7:00 PM

ADJOURNMENT

There being no further business before Council, President Hooper adjourned the meeting at 9:44 p.m.

*GREG HOOPER, President
Rochester Hills City Council*

*JANE LESLIE, Clerk
City of Rochester Hills*

*MARY JO WHITBEY
Administrative Secretary
City Clerk's Office*

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