



Rochester Hills

Minutes - Draft

City Council Regular Meeting

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

*David J. Blair, Susan M. Bowyer Ph.D., Ryan Deel, Dale A. Hetrick, Stephanie Morita,
Theresa Mungioli and David Walker*

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 24, 2020

7:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

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

ROLL CALL

Present 7 - David Blair, Susan M. Bowyer, Ryan Deel, Dale Hetrick, Stephanie Morita, Theresa Mungioli and David Walker

Others Present:

*Bryan Barnett, Mayor
Tina Barton, City Clerk
Tim Matz, Captain/EMS Coordinator
Allen Schneck, Public Services Director
Leanne Scott, Deputy City Clerk
Joe Snyder, Chief Financial Officer
John Staran, City Attorney
Yitian Zhang, Rochester Hills Government Youth Council Representative*

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

A motion was made by Hetrick, seconded by Mungioli, that this matter be Approve the Agenda as Presented. The motion CARRIED by the following vote:

Aye 7 - Blair, Bowyer, Deel, Hetrick, Morita, Mungioli and Walker

COUNCIL AND YOUTH COMMITTEE REPORTS

Rochester Hills Government Youth Council (RHGYC):

President Deel introduced Yitian Zhang, RHGYC Representative.

Ms. Zhang reported that she is a student at International Academy and has been member of the RHGYC for one year. She announced that the RHGYC will be raising funds in March for Children's Hospital of Michigan's Oncology Unit; and CK Diggs and Leo's Coney Island will each host a fundraising day and will donate a portion of the proceeds for each diner who brings in a flyer. Donations can also be made via a link on the RHGYC's web page or by mailing a donation to the Community Foundation of Greater Rochester. She announced that the RHGYC's next meeting is set for Monday, March 9, 2020 at 6:00 p.m.

Green Space Advisory Board (GSAB):

Vice President Bowyer stated that the GSAB will host a winter hike on Saturday, March 7 at the Ruby Green Space property. There is no cost to attend the hike; however, registration is required via the City's website. Anyone interested in joining the hike should plan to meet at City Hall at 10 a.m. to carpool to the property.

Planning Commission:

Vice President Bowyer stated that the Planning Commission recommends approval of a preliminary Planned Unit Development (PUD) for Rochester University Townhomes. The proposed PUD consists of 70 townhomes on an eight-acre parcel north of Avon on the east end of Rochester University behind Rochester Church of Christ. She noted that the proposed PUD will add four acres to the conservation easement along the Clinton River abutting the Cloverport and Childress Green Spaces. The PUD will be presented at a future Council Meeting.

Southeast Michigan Council of Governments (SEMCOG):

Mr. Hetrick reported that SEMCOG is undertaking a public input survey regarding careers in the community. The results will help SEMCOG develop a plan for future education in southeast Michigan. A survey link will be available on the SEMCOG page on the City's website.

PUBLIC HEARINGS

2020-0046 FA 2020 1st Quarter Budget Amendment

Attachments: [022420 Agenda Summary.pdf](#)
[Public Hearing Notice.pdf](#)
[1st Qtr Budget Amendments Overview.pdf](#)
[1st Qtr Budget Amendments Backup.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer, presented the 1st Quarter Budget Amendments, and explained that total revenues are proposed to increase by \$1.3 million and total expenditures are proposed to increase by \$12.7 million, leaving a net decrease on Fund Balance of \$11.4 million. He stressed that the

majority of monies coming from Fund Balance were carried forward from 2019 projects to be completed in 2020. He mentioned that \$640,000 in new revenue comes from year one of a three-year FEMA Grant for the hire of eight additional firefighters. He stated that \$863,000 in operating expenses were carried over primarily consisting of the Local Development Finance Authority's Hamlin Road Development Agreement, Fire equipment consisting of thermal imaging cameras, radios, EMS laptops and tablets, the Master Thoroughfare Plan Update and the Parks Master Plan Update.

He noted that the largest portion of the increase in expenditures consists of \$11.2 million in Capital projects, of which \$11.15 million is carried over from 2019. He added \$50,000 of the increase is the result of moving preliminary engineering for projects scheduled for 2021 to 2020 to ready those projects for going out to bid. He noted that at the end of 2019, it was anticipated that \$8.1 million in projects would be carried over, and explained that three additional projects include the Auburn Road landscaping, Auburn Road alleyway, and Innovation Hills boardwalk and water feature work which were not completed in 2019.

He summarized the Amendments by fund:

- Major Roads is proposing to carry over \$1.8 million for Auburn Road Corridor landscaping.
- Local Streets is proposing to carry over \$600,000 for Auburn Road Alleyway reconstruction, wrapping up the 2019 Local Street Concrete Program.
- Pathway Rehabilitation Program proposes a carryover of \$100,000.
- Capital Improvement Fund projects include the Building Plan Review Table and Election Ballot Sorter.
- Water and Sewer Capital carryover of \$2.7 million is for the Bedford Square and Tienken Court Watermain Replacement, as well as a meter test bench.
- Facilities projects carried over include \$4 million in contracts already awarded for Innovation Hills water features and boardwalks.
- Auburn Road Corridor features including the plaza, restroom, splash pad, gateways and median landscaping, benches and lighting are carried over.
- City Hall compound gate wall and Fire Department signs are carried over.
- MIS is proposing to carry over \$1 million for the financial software upgrade.
- Fleet is requesting \$800,000 be carried over for eight pieces of equipment and vehicles.
- Transfers-out of \$695,000 to balance funding between the various funds include Fire's Safer Grant.

He pointed out that the City's updated capital outlay for 2020 will be \$49 million, using \$41 million from Fund Balance, leaving a net structural surplus to date of \$8 million in 2020. He added that this is considered an aggressive year for capital projects. He mentioned that DPS will be bringing a number of their 2020 capital projects to Council in the next few weeks.

President Deel Opened the Public Hearing at 7:12 p.m.

Lee Zendel, 1575 Dutton Rd., noted that two items that originally appeared in the 2016 Budget have been carried over to 2020 and have increased in cost by

\$18,000. He pointed out that an equipment trailer and water system truck have increased in cost and questioned why they were not purchased earlier at lower prices.

Seeing No Further Public Input, President Deel Closed the Public Hearing at 7:14 p.m.

Mr. Snyder requested **Allan Schneck**, Public Services Director, respond to Mr. Zendel's inquiry.

Mr. Schneck responded that oftentimes the purchase of a replacement vehicle is deferred after it has been fully depreciated if a scorecard reviewing their condition deems that they are still favorable for continued use.

Council Discussion:

Ms. Morita stated that she inquired earlier about some of the extras for the Auburn Corridor project such as the rebar tree sculptures and stated that last year those items were not in the original budget and were handled as a Budget Amendment. She noted that for two successive years these extras have not gone through the normal budgeting process.

A motion was made by Hetrick, seconded by Blair, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Blair, Bowyer, Deel, Hetrick, Mungioli and Walker

Nay 1 - Morita

Enactment No: RES0034-2020

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, the Public Hearing for the proposed FY 2020 1st Quarter Budget Amendments was noticed on February 6, 2020; and

Whereas, the proposed FY 2020 1st Quarter Budget Amendments were available for public viewing beginning on February 14, 2020; and

Whereas, at its February 24, 2020 meeting City Council held a Public Hearing on the proposed FY 2020 1st Quarter Budget Amendments.

Now, Therefore, Be It Resolved, that the Rochester Hills City Council hereby approves the following FY 2020 fund totals as amended:

TOTAL BUDGET SUMMARY	2020 Current Budget	Proposed Change	2020 Amended Budget
101 - General Fund	\$ 25,874,860	\$ -	\$ 25,874,860
202 - Major Road Fund	9,298,600	1,885,500	11,184,100
203 - Local Street Fund	11,356,580	580,220	11,936,800
206 - Fire Department Fund	11,954,280	641,200	12,595,480
207 - Special Police Fund	9,969,840	-	9,969,840
213 - RARA Millage Fund	683,470	-	683,470
214 - Pathway Maintenance Fund	657,250	5,000	662,250
226 - Solida Waste Fund	662,200	-	662,200
232 - Tree Fund	164,000	-	164,000
244 - Water Resources Fund	680,790	-	680,790
265 - OPC Millage Fund	1,193,310	-	1,193,310
299 - Green Space Fund	306,290	-	306,290
331 - Water Resources Fund	208,880	-	208,880
369 - OPC Building Refunding Debt Fund	748,170	-	748,170
393 - Municipal Building Refunding Debt Fund	830,850	-	830,850
402 - Fire Capital Fund	2,423,500	264,870	2,688,370
403 - Pathway Construction Fund	408,000	100,000	508,000
420 - Capital Improvement Fund	7,111,500	109,490	7,220,990
510 - Sewer Department	16,613,500	5,000	16,618,500
530 - Water Department	20,501,790	13,500	20,515,290
593 - Water & Sewer Capital Fund	17,837,940	2,717,500	20,555,440
595 - Water & Sewer Debt Fund	1,405,580	-	1,405,580
631 - Facilities Fund	15,847,610	4,199,710	20,047,320
636 - MIS Fund	3,681,670	1,019,550	4,701,220
661 - Fleet Fund	6,226,590	805,690	7,032,280
677 - Insurance Fund	415,000	-	415,000
736 - Retiree Healthcare Trust Fund	179,180	-	179,180
752 - Cemetery Perpetual Care Trust Fund	-	-	-
761 - Green Space Perpetual Care Trust Fund	305,200	-	305,200
844 - Brownfield Redevelopment Fund [Legacy]	180,320	-	180,320
848 - LDFA Fund	318,070	408,000	726,070
870 - RH Museum Foundation Fund	100	-	100
GRAND TOTAL - ALL FUNDS	\$ 168,044,920	\$ 12,755,230	\$ 180,800,150

PUBLIC COMMENT for Items not on the Agenda

Lee Zendel, 1575 Dutton Rd., stated that the Executive Director of the Michigan Wildlife Conservancy stated that the mass of the deer herd has enormous influence over the health of forests and wood lots, which support a vast array of wildlife. He noted that faced with a growing deer herd and little assistance from the State, many Michigan communities and some nature centers are taking up the battle to thin the deer herd. He mentioned that Meridian Township and the Blandford Nature Center in Grand Rapids recently announced plans to cull deer, joining the Cities of Marshall, Jackson, Ann Arbor, and Grand Haven and nature centers in Kalamazoo and Midland. He suggested that the City invite the Mayor of Ann Arbor to address Council regarding their four-year deer-culling program.

Lisa Winarski, 194 Bedlington, expressed her concern regarding the Mayor's involvement in the United States Conference of Mayors (USCM).

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.

2020-0068 Approval of Minutes - City Council Regular Meeting - August 26, 2019

Attachments: [CC Min 082619.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0035-2020

Resolved, that the Minutes of a Rochester Hills City Council Regular Meeting held on August 26, 2019 be approved as presented.

- 2019-0198** Request for Purchase Authorization - BUILDING/FACILITIES: Increase to the blanket purchase order for HVAC Preventative Maintenance and Repair Services in the amount of \$35,000.00 for a new not-to-exceed amount of \$77,000.00 through June 30, 2022; K&S Ventures, Inc., Auburn Hills, MI

Attachments: [022420 Agenda Summary.pdf](#)
[052019 Agenda Summary.pdf](#)
[052019 Resolution.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0036-2020

Resolved, that the Rochester Hills City Council hereby authorizes an increase to the blanket purchase order for HVAC Preventative Maintenance and Repair Services to K&S Ventures, Inc., Auburn Hills, Michigan in the amount of \$35,000.00 for a new not-to-exceed amount of \$77,000.00 through June 30, 2022.

- 2020-0067** Request for Purchase Authorization: BUILDING/FACILITIES: Increase to blanket purchase order for electrical supplies, including batteries in the amount of \$5,000.00 for a new not-to-exceed amount of \$30,000.00; Graybar Electric Company, Inc., Belleville, MI

Attachments: [022420 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0037-2020

Resolved, that the Rochester Hills City Council hereby authorizes an increase to the blanket purchase order for electrical supplies, including batteries to Graybar Electric Company, Inc., Belleville, Michigan in the amount of \$5,000.00 for a new not-to-exceed amount of \$30,000.00 through March 31, 2020.

- 2020-0061** Request for Acceptance of the Water Main Easement granted by Bedford Square Apartments, Limited Partnership, a Michigan limited partnership for Bedford Square/Tienken Ct. Water Main Replacement, Parcel No. 15-03-451-014

Attachments: [022420 Agenda Summary.pdf](#)
[Water Main Easement.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0038-2020

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby accepts a Water Main Easement for the construction, operation, maintenance,

repair and/or replacement of a water main on, under, through and across land more particularly described as Parcel #15-03-451-014, granted by Bedford Square Apartments, Limited Partnership, a Michigan limited partnership, whose address is 1685 Bedford Square Drive, Rochester Hills, Michigan, 48306, for Bedford Square/Tienken Ct. Water Main Replacement.

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

- 2020-0062** Request for Acceptance of the Water Main Easement granted by Bedford Square Apartments, Limited Partnership, a Michigan limited partnership for Bedford Square/Tienken Ct. Water Main Replacement, Parcel No. 15-03-451-030

Attachments: [022420 Agenda Summary.pdf](#)
[Water Main Easement.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0039-2020

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills hereby accepts a Water Main Easement for the construction, operation, maintenance, repair and/or replacement of a water main on, under, through and across land more particularly described as Parcel #15-03-451-030, granted by Bedford Square Apartments, Limited Partnership, a Michigan limited partnership, whose address is 1685 Bedford Square Drive, Rochester Hills, Michigan, 48306, for Bedford Square/Tienken Ct. Water Main Replacement.

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

- 2020-0066** Request for Approval of the Standard Agreement for Municipal Street Signs Posts (Agreement) between the City of Rochester Hills and the North Oak III Subdivision Homeowners Association for the upgrade of the public street sign posts at the entrance to their subdivision

Attachments: [022420 Agenda Summary.pdf](#)
[Street Sign Post Agreement.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0040-2020

Resolved, that the Rochester Hills City Council hereby approves the Standard Agreement for Municipal Street Sign Posts between the City of Rochester Hills and the North Oak III Subdivision Homeowners Association for the public street sign posts to be upgraded at the entrance of the subdivision.

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

Passed the Consent Agenda

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

Aye 7 - Blair, Bowyer, Deel, Hetrick, Morita, Munglioli and Walker

LEGISLATIVE & ADMINISTRATIVE COMMENTS

Responding to Public Comment, **President Deel** stated that Council is very aware of the deer population and deer collision issues in the city, and invited Mr. Zendel to present his ideas to the Deer Management Advisory Committee. In response to **Ms. Winarski**, he affirmed that the the USCM is a private organization of civic professionals, specifically mayors. He noted that Council Members have the Michigan Municipal League (MML), a similar organization that provides a myriad of services and guidance. He commented that he values Mayor Barnett's leadership on the USCM.

He expressed his appreciation to City Clerk Tina Barton, noting that The Oakland Press reported that she is demonstrating leadership in advocating for the City of Rochester Hills and clerks throughout the state to allow the earlier processing of absentee ballots. He stated that with three elections coming up this year and changes allowing no-reason absentee voting, it is imperative that City residents are ensured speedy, fair and proper processing of ballots. He thanked Clerk Barton and Deputy Clerk Leanne Scott for their leadership.

Vice President Bowyer responded to Public Comment noting that Ann Arbor's deer control budget is much higher than Rochester Hills, and questioned whether the residents would want taxes raised to the level they would need to be to have such an extensive program. She pointed out that deer are more prevalent in the northern area of the City. In response to Public Comment, she noted that the Mayor and Directors work 24 hours a day, seven days a week, any time they are needed. She added that the USCM pays for the Mayor's travel expenses, and all budgets for Director's travel are approved by Council and are commensurate to her travel budget at Henry Ford Hospital. She made the following announcements:

- Congratulations to St. John Lutheran School for being named Michigan Regional Champions for the Future City Team and competing at the National level. Thanks to City staff for hosting a tour for the team to understand water operations at the City.
- Upcoming Outdoor Engagement activities include the following:
 - * Sap to Syrup Pancake Breakfast, Saturday, March 14, 9:00 a.m. to noon. Rochester Hills Museum. \$7.00 per person.
 - * Investigating Innovation Hills, Thursday, March 19, 6:30 p.m. to 7:30 p.m. Guided tour of park and glow-in-the-dark pavers. \$5 per person.
 - * Fly Tying, Saturday, March 28, 10 a.m. to noon, Rochester Hills Museum. \$15 per person.
- The deadline for submitting a request for the Spring Street Tree Planting Program is the first Friday in March. Applications are available at <http://rochesterhills.org/trees>. The deadline for Fall planting is the first Friday in September.

Mr. Hetrick reported that he attended the Fire Department's Award Ceremony on Saturday, and met an individual whose life was saved by EMS staff. He noted that Fire Chief Sean Canto stated that six percent of the individuals who have this type of cardiac arrest do not survive.

Mayor Barnett made the following announcements:

- The Community Outlook Breakfast sponsored by the Rochester Regional Chamber of Commerce was held this morning. Great announcements were made from Rochester University and Oakland University regarding E-Sports. The City's announcements highlighted Innovation Hills and the Auburn Road Corridor.
- The City recently received two awards from the Michigan Concrete Association's Excellence in Concrete for the Auburn Road Corridor Project and Innovation Hills' glow-in-the-dark pathways. Congratulations to the DPS and its Engineering team.
- The Reptile Roundup drew in 160 people at the museum to grab snakes, frogs, spiders, and other reptiles. The outdoor education program has been very successful, receiving much positive feedback.
- The City recently held a breakfast to recognize its Crossing Guards, who work exceptionally hard every day no matter the weather. The City is always looking for more guards.
- Census Day 2020 is April 1. Residents will begin to receive information and an invitation to participate in early March. This year the Census information can be entered completely online. The City has a Complete Count Committee and will be engaging the Older Persons' Commission and Rochester Avon Recreation Authority for help. Participation in 2000 was only 72 percent in the City and improved to 86 percent in 2010, putting the City in the top two municipalities in Michigan for participation. He suggested everyone engage their social networks and requested help from those with electronic signs. He commented that an expenditure of \$15,000 to \$20,000 in 2010 netted a return of approximately \$1.4 million over ten years. City Clerk Tina Barton will be leading the City's efforts.

In response to Public Comment, he noted that the City has a great connection with the Ann Arbor administration and connects with them frequently. He pointed out that Ann Arbor's budget for deer control is in the hundreds of thousands of dollars range as opposed to the City's deer budget of \$5,000 to \$8,000. He stated that he is proud of the City's association with the USCM, and stated that it is a 501(c)3 non-profit organization with a main focus on advocacy, similar to the Michigan Municipal League and the Southeast Michigan Council of Governments. He stated that part of his job is to be an advocate for what is important to this community. He noted that the City has received many grants over the years and discovered the RecycleBank program, the number one recycling program in the country, as a result of his membership in the USCM. He added that because residents donated their recycle points, the schools received over \$115,000. He stated that there is an extensive list of benefits provided by the USCM.

ATTORNEY'S REPORT

City Attorney John Staran had nothing to report.

NOMINATIONS/APPOINTMENTS

2020-0065 Acceptance of Resignation of Steve Reina from the Historic Districts Commission

Attachments: [04272020 Agenda Summary.pdf](#)
[Appointment Form.pdf](#)
[Long CQ.pdf](#)
[McGunn CQ.pdf](#)
[Morlan CQ.pdf](#)
[04132020 Agenda Summary.pdf](#)
[Nomination Form.pdf](#)
[Calderwood CQ.pdf](#)
[Frederiksen CQ.pdf](#)
[Hauser CQ.pdf](#)
[Hunter CQ.pdf](#)
[McCracken CQ.pdf](#)
[Zimmerman CQ.pdf](#)
[Notice of Vacancy.pdf](#)
[022420 Agenda Summary.pdf](#)
[Reina Resignation Letter.pdf](#)
[022420 Resolution.pdf](#)
[Resolution \(Draft\).pdf](#)

President Deel commented that Steve Reina recently tendered his resignation from the Historic Districts Commission and stated that Mr. Reina was a great contributor to the City. He requested Council accept the resignation.

Ms. Morita expressed her thanks to Mr. Reina and stated that he has gone out of his way to find ways to serve our community. She stated that she will be sad to see him go.

A motion was made by Morita, seconded by Mungioli, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 7 - Blair, Bowyer, Deel, Hetrick, Morita, Mungioli and Walker

Enactment No: RES0097-2020

Resolved, that the Rochester Hills City Council hereby accepts the resignation of Steve Reina as a member of the Historic Districts Commission effective February 12, 2020.

NEW BUSINESS

2020-0063 Request for Purchase Authorization - FIRE: Blanket Purchase Order for the purchase of emergency medical supplies in the amount not-to-exceed \$173,800.00 through February 10, 2023; Bound Tree Medical, LLC., Dublin, Ohio

Attachments: [022420 Agenda Summary.pdf](#)
[Farmington Hills Suppl Proposal Info.pdf](#)
[Resolution \(Draft\).pdf](#)

Tim Matz, Captain/EMS Coordinator, stated that the Fire Department is requesting Council authorize a Blanket Purchase Order for emergency medical supplies. He explained that the City has worked with Farmington Hills for several years now for a cooperative bid for advantageous pricing.

A motion was made by Hetrick, seconded by Mungioli, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 7 - Blair, Bowyer, Deel, Hetrick, Morita, Mungioli and Walker

Enactment No: RES0042-2020

Resolved, that the Rochester Hills City Council hereby authorizes a blanket purchase order for the purchase of emergency medical supplies to Bound Tree Medical, LLC., Dublin, Ohio in the amount not-to-exceed \$173,800.00 through February 10, 2023.

Further Resolved, that the City's acceptance of the proposal and approval of the award of a contract shall be contingent and conditioned upon the parties' entry into and execution of a written agreement acceptable to the City.

2020-0064 Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for Ready Mix Concrete Materials in the amount not-to-exceed \$140,860.00 through December 31, 2021; Paragon Ready Mix, Utica, MI; Superior Materials, LLC., Farmington Hills, MI

Attachments: [022420 Agenda Summary.pdf](#)
[Bid Tabulation.pdf](#)
[Resolution \(Draft\).pdf](#)

Allan Schneck, Public Services Director, stated that the request is to approve entering into an agreement with both Superior Materials and Paragon Ready Mix for as-needed ready-mix materials for use on both Major and Local Roads.

A motion was made by Mungioli, seconded by Walker, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 7 - Blair, Bowyer, Deel, Hetrick, Morita, Mungioli and Walker

Enactment No: RES0043-2020

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order for ready mix concrete materials to Paragon Ready Mix, Utica, Michigan as the primary vendor and Superior Materials, LLC., Farmington Hills, Michigan as the secondary vendor in the amount not-to-exceed \$140,860.00 through December 31, 2021.

Further Resolved, that the City's acceptance of the proposal and approval of the award of a contract shall be contingent and conditioned upon the parties' entry into and execution of a written agreement acceptable to the City.

2020-0071 Request to place the Older Persons' Commission (OPC) Operating Millage Renewal on the August 4, 2020 Primary Election Ballot

Attachments: [022420 Agenda Summary.pdf](#)
[OPC Operational Millage Presentation.pdf](#)
[OPC Operational Millage Memo.pdf](#)
[Ballot Language.pdf](#)
[Resolution \(Draft\).pdf](#)
[Resolution \(Revised\).pdf](#)

Renee Cortright, Executive Director, and **Tim Soave**, Finance Director, Older Persons' Commission (OPC) were in attendance.

Ms. Cortright stated that the OPC Governing Board is requesting Council's approval to place a ballot question on the August 4, 2020 Primary Ballot to renew the original 0.25 operating millage and increase the levy by 0.07 mills for a total levy of 0.32 mills for ten years. All three communities in the Interlocal Agreement will be asked to include this proposal on their August ballots. She stated that the renewal is vital to the sustainability of the OPC and pointed out that while facilities and programs have changed and expanded over the years, there has been no increase in the millage rate for OPC since 1984. She mentioned that the demographic of 55-plus residents in Rochester Hills is expected to increase by 71 percent from 2010 to 2030.

She explained that the OPC Board and staff have worked hard to meet the increasing demand for programs and services within the current millage including the elimination of full-time positions and other expenditure reductions, and revenue increases. She mentioned that 64 percent of the OPC's funding support comes from other sources. She listed a number of anticipated capital expenditures that were determined by a facility assessment undertaken last year by Frank Rewold and Son, including HVAC unit replacements and other major capitalization improvements expected within the next ten years.

President Deel stated that it is very important to maintain the City's commitment to the quality of life and services to our senior population. He expressed appreciation to the OPC for everything it does for the community.

Mr. Hetrick stated that as a current and former member of the OPC Governing Board and current OPC member he can affirm that the facility does a great job for those who use it, and he acknowledges that the facility needs maintenance and updates as time goes on. He supported placing the millage on the ballot.

John Staran, City Attorney, noted that a revised draft of the ballot language was provided to Council and noted two additional changes. He explained that the fiscal years listed in line four of the revised draft should be changed to 2021-2030 inclusive, and the word "of" deleted within a parenthetical reference to the Headlee Amendment.

Ms. Morita stated that she sat on the OPC's Finance Committee as ballot language was discussed and developed. She noted that it is important to convey to voters that while this operating millage will keep the lights on and the doors open and will help with air conditioning updates and floor replacement, it will not provide sufficient funds to make any major capital improvements. She stated that the OPC is aware that supplemental fundraising and other revenue sources will be required. She commented that the Committee reviewed a

timeline of revenue and expenditures over ten years and acknowledged that there were opposing views on the Finance Committee on the amount of millage to be requested. She stated that this is the amount that the OPC had to ask for in order to avoid hitting deficit status and to keep the doors open. She commented that this was a tremendous task undertaken by OPC staff and committee members.

Ms. Mungoli requested further clarification on comments made relative to where the money will be used and if funds generated from the millage will cover the facilities issues mentioned such as the HVAC or pool maintenance.

Ms. Cortright responded that a ten-year capital plan has been developed by the Finance Committee and those items are intended to maintain the building at its current level.

Ms. Mungoli questioned whether there would be a second millage request in the future to cover facility improvements.

Ms. Cortright responded that there would not.

Vice President Bowyer stated that the OPC has shown that in order to maintain operations it had to lay off staff and cut back on expenditures. She commented that the OPC is running on a thin budget and questioned whether the millage will allow the OPC to restore staff levels.

Mr. Soave responded that no layoffs were undertaken; however, vacant positions were cut and some hours were downgraded. He explained that a reorganization was undertaken last year to streamline operations and improve efficiency, resulting in sufficient staff and good structure.

A motion was made by Hetrick, seconded by Walker, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 7 - Blair, Bowyer, Deel, Hetrick, Morita, Mungoli and Walker

Enactment No: RES0044-2020

Resolved, that the Rochester Hills City Council hereby approves the placement of the following Older Persons' Commission (OPC) Operating Millage Renewal proposal on the August 4, 2020 Primary Election ballot:

BALLOT QUESTION

OPERATING MILLAGE FOR OLDER PERSONS' COMMISSION

Shall the City of Rochester Hills renew and continue to levy 0.2334 mill (\$0.2334 per \$1,000) (reduced by the Headlee Amendment from the original 0.25 mill) and also levy an additional 0.0866 mill (\$0.0866 per \$1,000) for a total of 0.32 mill (\$0.32 per \$1,000) for ten (10) years, 2021 through 2030 inclusive, on the taxable value of all property assessed for taxes in the City to fund activities and services for older persons and operation, equipping and maintenance of an older persons activities center? If approved and levied in full, this will provide an estimated revenue of \$1,230,240 in the first year.

_____ Yes

_____ No

2020-0070 Request for Approval of an Opt-Out provision for House Bill 5229

Attachments: [022420 Agenda Summary.pdf](#)
[RTA Presentation.pdf](#)
[Resolution \(Draft\).pdf](#)
[SUPPL Resolution \(Revised\).pdf](#)

Joe Snyder, Chief Financial Officer, **Thomas Kuhn** and **Adam Kochenderfer**, Oakland County Commissioners, and **State Rep. Michael Webber** were in attendance.

President Deel stated that a plan was announced by the State Legislature to amend the Municipal Partnership Act of 2011, resulting in House Bill 5229 with a goal of developing a proposal to expand regional transit in Oakland, Washtenaw, and Wayne Counties that would be placed on the November 2020 ballot. He noted that Mayor Barnett requested that the estimated financial impact to the City of Rochester Hills and its residents and businesses of a potential millage levy by the Regional Transit Authority (RTA) be presented to Council.

Mayor Barnett stated that before Council considers the request to approve an Opt-Out provision for House Bill 5229 he asked County Commissioners Kuhn and Kochenderfer and State Representative Webber to provide some input from their perspectives. He added that he requested Mr. Snyder review some financial implications for Council's consideration. He pointed out that as of now there is no plan as the bill has not yet been passed and may be changed. He mentioned that while there may be residents that love the idea of introducing public transportation to the community, there may be others who disagree with the idea.

He explained that he spoke with Senate Majority Leader Mike Shirkey, Speaker of the House Lee Chatfield, and Detroit Mayor Mike Duggan to understand how this may move forward for the region and its impact for Rochester Hills.

Mr. Snyder stated that he would present the potential financial impact to the City of a Regional Transit Authority (RTA) millage. He explained that House Bill 5229 will allow for regional authorities to levy up to five mills; and he noted that he would review the financial impacts from both a three-mill RTA levy as well as a five-mill levy. He stated that for residents in the Rochester Community School District where the majority of the City's population resides, a three-mill levy would increase the current total millage from 31.3195 to 34.3195, or a 9.6 percent tax bill increase. If set to five mills, the overall millage would increase to 36.3195, or a 16 percent tax bill increase.

He pointed out that the City only receives 33 percent of the total tax bill, and the remaining taxes are collected on behalf of the schools and Oakland County. For a taxpayer with an average home sale price of \$320,459 and a taxable value of approximately one-half of that sale price, their tax bill would increase from approximately \$5,000 to \$5,480 for a three-mill increase, and \$5,800 for a

five-mill increase. Over a 20-year period, the RTA millage fund would generate an estimated \$11,679 for three mills and \$19,466 for five mills.

He reviewed information from the City's most recent public opinion survey, and noted the responses to the following questions:

- "Making public transportation available on select major roads in Rochester Hills would have a positive effect on the community." Survey results yielded that 38 percent of respondents agreed, 30 percent were uncertain, and 31 percent disagreed.
- "If you agree, what is the maximum addition to your property tax bill you would be willing to pay to fund public transportation?" Sixty percent of respondents to this question indicated that they did not want to pay more than \$50.

Mayor Barnett stated that he received word that the State House would be taking up discussion on the proposed legislation this week.

State Representative Webber explained that the RTA was put into place in 2011 and 2012, and came to a vote in Oakland, Macomb, Wayne and Washtenaw Counties in 2016. The votes showed that Macomb did not want to be a part of the RTA. There was discussion in 2018 whether to revisit the issue on the ballot. In the meantime, Washtenaw and Wayne Counties have been working hard trying to do something cooperatively, which has led to a discussion about the municipal partnership agreements that are currently in place.

Commissioner Kuhn stated that his concern with the proposed legislation is that it limits the authority of the local government entity most capable of understanding the needs of the residents with regard to transit or any other tax issue and gives authority to the County Executive and County Government. The legislation does not allow any control or input by the elected leaders of the community. He stated that it is important to have the opt-out supported by Representative Webber and proposed by State Senator Ruth Johnson and others and would allow local municipal government to have control over important issues such as public transit.

Commissioner Kochenderfer stated that he wished to be very clear that the issue is not whether Council believes that the residents could use better public transit options in the region, and he commented that he personally believes that there are some gaps that could be filled. He noted that tonight's discussion is about a very specific piece of legislation and whether Rochester Hills' residents would receive value for the dollars represented. He noted that if it were put to a vote of the people and 80 percent of the residents did not see the value, the levy could still be forced on Rochester Hills. He stated that Representative Webber has been working on this, Mayor Barnett has been talking to leadership in both the House and the Senate, and the caucus of the Board of Commissioners has expressed its concerns to the House and the Senate. He stated that he would strongly encourage Council to propose a resolution to send to the State Legislature conveying its views, as this bill could move forward any day.

Mayor Barnett pointed out that this particular proposal does not include Macomb County, and stated that this would not geographically benefit the City

and would limit the benefit of public transportation accessibility to the City's south and southwest regions. He commented that while he has a personal belief that public transportation is something that the region could benefit from, as Mayor he needs to view this as a cost-benefit analysis. He mentioned that a survey undertaken by SMART yielded that it would not receive the support of 50 percent of the voters; and he noted that Rochester Hills has historically had the lowest affirmative votes on any SMART or RTA proposal. He stated that Rochester Hills needs a seat at the table in the discussion.

Mr. Webber stated that the RTA is already in place and is a mechanism for the four counties to work together to come up with a plan, and County Administration under L. Brooks Patterson was able to negotiate safeguards and powers for Oakland County within the RTA mechanism. He commented that while the RTA is far from perfect, without House Bill 5229 it remains the mechanism to work together to formulate a plan. He mentioned that it is his opinion that the 2016 plan failed to gain support because it did not show the service provided to areas like Rochester Hills would be worth the amount of money that would be given up.

Public Comment:

Lee Zendel, 1575 Dutton Road, noted that he attended a recent meeting regarding the legislation and stated that a meeting facilitator stated that the Bill does not mention the RTA as the recipient of the money. He questioned whether it is a way to circumvent the Headlee Amendment and commented that he doubted that more than a handful of residents would ever make use of the transportation. He questioned whether the legislation could remove an opt-out clause, and asked how the proposed legislation could be stopped.

Tim Soave, Finance Director for the Older Persons' Commission, stated that he has been one of two Oakland County representatives on the RTA for the past six years. He noted that this is not RTA legislation and the RTA is not a part of it and would have no authority over it or say on how it operates or what millage it requests. He explained that should the Bill pass, it would set up a separate Municipal Partnership (MPA) with a separate board. He commented that there have been unsuccessful attempts to amend the RTA over the years. He commented that he does not like the fact that the northern and western areas would receive fewer services and yet pay the same as the southern and southeast areas that would receive more.

Council Discussion:

President Deel stated that House Bill 5229 would amend the Municipal Partnership Act to allow voters to approve a municipal partnership tax by a majority vote within each county and would exempt any transit tax from the county's overall millage cap. He commented that these levies would be exempt from Headlee rollback under the legislation and would allow County government to bring the proposal to the ballot through a vote of the Board of Commissioners rather than resolutions and support from each individual municipality in the user area. He stated that he sees the economic development benefits to mass transit and that it is particularly helpful to those with mobility issues; however, he

agrees with Mayor Barnett that his concern is with ensuring that any deal that comes through will result in a return on investment for Rochester Hills residents. He commented that he has not seen any assurances in the legislation as it is currently proposed that Rochester Hills will receive any services for its tax dollars and no assurance that its tax dollars would not be used to pay legacy costs for prior mass transit systems that it has received no benefits from, such as SMART or the Q-Line. He stated that Rochester Hills needs a seat at the table, and he cannot in good conscience support such a proposal without an opt-out.

Ms. Mungoli stated that she has been working with a number of partisan groups to actively engage elected officials in Lansing to try and get a sense of their support of this legislation. She urged the public to contact their State Representatives to express support or concern for this legislation, and continue to call the County to reinforce the no vote. She noted that the OPC earlier in the meeting presented a request to place their millage on the ballot as over the years the original 0.25 mills declined over time due to the Headlee Amendment. She stressed that the proposed legislation does not have Headlee protections in place and will keep being levied at three to five mills throughout, increasing tax bills as home values increase. She questioned how the legislation would impact development in the community, noting that renters, homeowners, and residents of senior and adult-living communities would be penalized and might see a move to Macomb as more attractive.

Mr. Hetrick questioned whether opting out could come in the form of a ballot proposal to the residents.

State Representative Webber responded that there is not enough time for such a proposal. The proposed legislation would result in the three counties developing a plan together. He noted that his amendment states that it is a vote of the legislative body of the Council; and Council could gain input by a Public Hearing or Town Hall presentation of the financial numbers. Should the legislation be successful, there would be a proposal on the November ballot. With opt-out language, Rochester Hills would choose whether to participate.

Mr. Hetrick questioned the connection between the legislation and the RTA.

Mr. Webber responded that while the RTA is already in place, a MPA would be another mechanism. He commented that while the RTA is not perfect, it includes safeguards that the Patterson administration was able to negotiate that are not currently in the legislation for the MPA, and make the legislation more difficult to support.

Mr. Hetrick noted that with no safeguards, any municipality could get stuck with legislation it does not want. He stated that Council needs to fulfill its obligation as representatives of Rochester Hills especially for something as potentially costly as a transportation millage.

Vice President Bowyer commented that mass transportation has missed the boat by 20 years and it is her belief that electronic and autonomous vehicles will revolutionize transportation over the next ten years. She stated that requesting

over \$10 million to run a bus from South Boulevard to Tienken Road on Rochester Road would only be a waste of taxpayer money. She commented that \$800 can buy many Uber rides to go anywhere. She concurred that it would most likely be used by a handful of people, and riders would still need to get to where the bus line travels. She commented that she supports having an opt-out function.

Mayor Barnett pointed that voters would be asked to support a proposal before a definite plan is created. He commented that during his 13 years as Mayor, he has received a significantly low volume of calls pertaining to public transportation; and stated that the majority of calls he has received specifically pertain to the OPC. He noted that the OPC provides great public transportation and thousands of rides, and at some point should look how to enhance that service. He stated that the City uses every metric it possibly can to engage residents' interest and there is a consistent message that public transportation is not a high priority. He commented that while the City is not an isolationist, it wants to protect and stand up for what it feels is important.

Ms. Morita noted that she and Ms. Mungioli have reviewed the language in the proposed resolution, and suggested removing reference to the RTA in several areas on page two where they thought it was not appropriate. She commented that Ms. Mungioli would suggest an amendment to the motion.

President Deel asked City Attorney John Staran to provide his thought on the references to the RTA versus the MPA.

Mr. Staran responded that he believed that in most places in the resolution where reference is made to the RTA, it is appropriate that it remains there; however, there were several paragraphs including the general area where Ms. Morita mentioned where it could be eliminated or changed. He suggested that the amended motion would be appropriate and Administrative Staff can make the changes to capture Council's intent.

Ms. Mungioli noted that she would amend the motion on the floor to include removing references to the RTA where not appropriate and update the acronyms in the resolution as necessary.

Ms. Morita stated she would support the amendment.

A motion was made by Mungioli, seconded by Morita, that this matter be Adopted by Resolution with the removal of the references to Regional Transit Authority (RTA), where they are not appropriate. The motion CARRIED by the following vote:

Aye 7 - Blair, Bowyer, Deel, Hetrick, Morita, Mungioli and Walker

Enactment No: RES0045-2020

Whereas, the Regional Transit Authority ("RTA") was established in 2012 to manage and secure transportation resources, significantly enhance mobility options, improve quality of life for residents, and increase economic viability for the City of Detroit, Wayne County, Macomb County, Oakland County, and Washtenaw County; and

Whereas, House Bill 5229 would amend the Municipal Partnership Act (the "Act"). HB

5229, if passed, will allow Wayne, Oakland, and Washtenaw counties to create a three-county regional transit plan by a majority vote of the electors within each jurisdiction, not count millages levied by municipal partnerships toward constitutional and statutory tax limitations, and restrict municipal partnership tax revenue funds to be used only for the transportation purposes or other purpose approved by voters; and

Whereas, in 2016, a regional 20-year, 1.2 mill property tax increase ballot proposal was defeated in Macomb and Oakland, while Wayne and Washtenaw voters approved it; and

Whereas, HB 5229 would exempt Macomb County due to its voters' strong opposition to the 2016 ballot proposal; and

Whereas, the RTA's vision is to create a region with sufficient and secure funding to support enhanced public transportation options that will ensure accessibility; satisfy the integrated mobility needs of the community; and promote livable, healthy, and sustainable growth. Passage of HB 5229 by the legislature is likely to undermine the RTA's vision; and

Whereas, the RTA's primary role will be to link communities where gaps in service exist with the AARTA, DDOT, and SMART bus systems; and

Whereas, as stated by the late Oakland County Executive L. Brooks Patterson and confirmed by the Crain's Detroit Business article dated November 19, 2010 and the current RTA website program map, the RTA plan is unlikely to provide any discernable benefit for the City of Rochester Hills or its residents; and

Whereas, based on 2019 total real and personal property values and the proposed 2018 transit tax millage rate of 1.5 mill, the City of Rochester Hills has a total 2019 taxable value of over \$3.6 billion, and would contribute over \$5.2 million in transit taxes in the first year alone; and

Whereas, if it is decided that 1.5 mills will not generate adequate tax revenue due to Macomb County's exemption, HB 5229 will allow the transit tax millage to be increased; and

Whereas, if a conservative 2% annual growth factor is applied over the life of the 20-year 1.5 mills timeframe, the City of Rochester Hills transit tax contribution grows to an estimated \$126 million with no discernable benefit to the taxpayers. (The 2019 City of Rochester Hills year-over-year change in taxable value was 4.7%); and

Whereas, if the Oakland County Board of Commissioners decide to levy the maximum millage of 5 mill for 20-years allowed under the Act, the total transit tax contribution from the City of Rochester Hills increases to an estimated \$422 million with no discernable benefit to the taxpayers; and

Whereas, A proposed tax rate for the 2020 ballot in November has not yet been determined; and

Whereas, RTA and County Officials have refused to confirm whether or not transportation funds levied under the Act will be diverted to buy down a balloon loan for the Q Line rail on Woodward Avenue, or used to pay off unfunded Pension and OPEB liabilities for AARTA, SMART, or DDOT transportation authorities; and

Whereas, both the RTA General Manager and Oakland County Executive went on record

to state the intent of the RTA is not to combine services with AARTA, SMART, or DDOT for purposes of improving operational efficiencies or achieving cost reductions; and

Whereas, there has not been a definitive RTA plan, a specific list of associated costs, and a viable operational plan shared with the City of Rochester Hills for review; and

Whereas, the northern and western members of the Oakland County Association of Township Supervisors vehemently oppose the current transit tax millage plan because, based on available information, there is not expected to be a tangible return on their communities' millage investment if the ballot question were to pass.

Now, Therefore, Be It Resolved, the City of Rochester Hills implores the members of the Michigan Legislature and the Oakland County Board of Commissioners to oppose HB 5229 unless an opt-out clause is added, which would allow Oakland County communities that are not expected to receive any direct benefit from the RTA plan to be exempt from the millage, or alternatively, to allow the residents of an Oakland County community the right to vote on an opt-in or opt-out option.

Be It Further Resolved, a certified copy of this Resolution shall be forwarded to the following: Governor Whitmer, Oakland County Executive Coulter, Oakland County Commissioners Kochenderfer and Kuhn, State Senator McMorrow, State Representative Webber, State Transportation Commission, Northern Oakland County Communities, Michigan Townships Association, Michigan Municipal League, SEMCOG Executive Director, and Executive Director of RTA, for the purposes of requesting the State and County to allow Oakland County communities the ability to opt-out of the RTA plan, or alternatively, to allow the residents of the affected Oakland County community the right to vote on an opt-in or opt-out option.

ANY OTHER BUSINESS

None.

NEXT MEETING DATE

- Regular Meeting - Monday, March 16, 2020 - 7:00 p.m.

ADJOURNMENT

There being no further business before Council, it was moved by Mungioli and seconded by Walker to adjourn the meeting at 9:04 p.m.

*RYAN DEEL, President
Rochester Hills City Council*

*TINA BARTON, MMC, Clerk
City of Rochester Hills*

MARYJO PACHLA
Administrative Associate II

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