



Rochester Hills

Minutes

City Council Regular Meeting

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

*Erik Ambrozaitis, J. Martin Brennan, Greg Hooper, 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, May 18, 2009

7:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

President Hooper called the Regular Rochester Hills City Council Meeting to order at 7:03 p.m. Michigan Time.

ROLL CALL

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

Others Present:

*Ed Anzek, Director of Planning and Development
Bryan Barnett, Mayor
Scott Cope, Director of Building/Ordinance Compliance
Ron Crowell, Fire Chief/Emergency Management Director
Paul Davis, City Engineer
Bob Grace, Director of MIS
Mike Hartner, Director of Parks and Forestry
Captain Mike Johnson, Oakland County Sheriff's Department
Pamela R. Lee, Director of Human Resources
Pamela S. Lee, City Accountant
Jane Leslie, City Clerk
Roger Rousse, Director of DPS/Engineering
Keith Sawdon, Director of Finance
Paul Shumejko, Transportation Engineer
John Staran, City Attorney
Doug Walther, Deputy Director of Assessing*

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 - Ambrozaitis, Brennan, Hooper, Pixley, Rosen, Webber and Yalamanchi

(Mr. Yalamanchi exited at 7:04 PM and re-entered at 7:06 PM)

PUBLIC COMMENT

Monique Balaban, 1487 North Livernois, stated that the City should base decisions and actions on maintaining its quaint atmosphere, and commented that roads in the City should not allow more than three lane boulevards. She stated that the City should not consider amending any Ordinance to allow the use of high-powered weapons in the City. She commented that alcohol and inexperienced youthful drivers cause more accidents than deer, and stated that the City should be proactive regarding promoting traffic safety.

Peter O'Neill, 3696 Everett, requested that Council continue to support residents in their appeal to the Michigan Department of Transportation (MDOT) to address sound wall concerns along M-59.

Lee Zendel, 1575 Dutton Road, noted Allied Waste will not incur any costs to service vacant and foreclosed homes in the City, while they will still receive revenues. He noted that projects on Hamlin and Crooks Roads were included in prior Capital Improvement Plans, but were still not completed years later.

Melinda Hill, 1481 Mill Race Road, commented that May is National Preservation Month, designated to raise awareness about the power that historic preservation has to protect and enhance a community. She further stated that this is Michigan Week, and stated that Michigan boasts an abundance of cultural assets. She expressed concerns that the bridge work on Tienken Road should be accomplished without causing damage to the Stony Creek and Winkler Mill Historic Districts. She stated that replacing the current bridge with a bridge with an 80-ton truck weight capacity would visually and structurally destroy the character and stability of historic buildings in the Districts.

Alice Benbow, 1582 Northumberland, expressed concern over the City's fiscal stability and current rate of spending. She commented that she was frustrated by estimates of over \$1,000 in fees to research and provide copies of information she had requested under the Freedom of Information Act. She stated that she wished to be considered for an appointment to the Police and Road Technical Review Committee.

William Bidwell, 2055 Avoncrest, stated that government should be transparent. He requested that Mayor Barnett publicly denounce the Tienken Road expansion to Oakland County Executive L. Brooks Patterson and the Oakland County Road Commission. He stated that his First Amendment rights were violated by the termination of his remarks at a prior Council meeting.

Giuliana Deaconu, 3190 Fallen Oaks Court, stated that interested residents should attend the next Deer Management Advisory Committee, on May 19, 2009, as the meeting would include a seminar featuring Sandy Baker, a nationally-known expert on deer-proofing gardens.

Tonia Hasani, 3434 Connors, expressed her support of the inclusion of a sound barrier wall along M-59 and stated this wall would protect property values.

Alton Fields, 3650 Vardon Drive, stated he was in support of the installation of a sound wall on the north side of M-59 between John R and Rochester Roads. He noted that sound studies should not be done during rush hour times as traffic is moving along at lower speeds, and suggested these studies be done when traffic speeds reach as much as 80 miles per hour. He stated that the deer population in the area around his residence has greatly increased, noting that he has experienced damage from deer; and commented that he favored a deer management program.

Manuel Sanchez, 3729 Everett, requested Council's support for the installation of the sound wall along the M-59 corridor.

Noell O'Neill, 3640 Winter Creek, requested that Council members attend a meeting scheduled for Thursday, May 21, 2009 at 2:30 p.m. by the Michigan Department of Transportation (MDOT) to support residents' request for the installation of sound barriers along the M-59 corridor.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

President Hooper invited residents and Council to attend a public meeting on Thursday, May 21, 2009 at 2:30 p.m. scheduled by the Michigan Department of Transportation (MDOT) regarding sound walls along M-59. He stated the City would support residents in efforts to get sound walls approved.

Mr. Ambrozaitis echoed his support for a sound wall along M-59, and stated that the Historic District along Tienken Road should be preserved.

Mr. Pixley congratulated the Mayor, the City and the residents of Rochester Hills for the city's designation as being named one of the Top 100 Places to Live in the United States.

Mr. Webber thanked Monique Balaban and Joseph Podvin, Deer Management Advisory Committee Members, for their work on the Committee in arranging for the deer-proofing seminar. He announced that Council Members would be playing baseball against the Rochester Grangers during the upcoming Rochester Heritage Festival.

Mayor Barnett highlighted the following upcoming events:

- Rochester Heritage Festival, scheduled for Saturday, May 23, 2009 and Sunday, May 24, 2009 in the Rochester Municipal Park.
- The Rochester Politicos (elected officials from the cities of Rochester and Rochester Hills) vs. the Rochester Grangers in a Baseball Game on Saturday, May 23, 2009 at 1:00 p.m. during the Heritage Festival.
- The Memorial Day Ceremony and Parade, beginning at Mt. Avon Cemetery in Rochester at 9:15 a.m. on Monday, May 25, 2009, and ending at 10:45 a.m. at Veterans Memorial Pointe on Livernois Road.

- Paddlepooza, scheduled for Saturday, May 30, 2009 along the Clinton River. Registration begins at 7:30 a.m. Riverside Park in Auburn Hills and ends at the Rivercrest Professional Center on Avon Road. Participants are invited to kayak and canoe down the river.
- No-Haz Hazardous Waste Collection, set for Saturday, May 30, 2009 from 8:00 a.m. to 2:00 p.m. at Oakland University, in the parking lot near Foundation Hall.
- An Awareness Walk, a continuation of a visioning session for the Historic Districts Commission, is coordinated with the residents of the Winkler Mill Pond and Stony Creek Historic Districts, set for Saturday, May 30, 2009.
- City Hall will be closed on Monday, May 25, 2009, in observance of Memorial Day.

Mayor Barnett requested that City Attorney Staran clarify State Laws regarding allowing high-powered rifles in parks.

John Staran, City Attorney, stated that recent court rulings referring to State Firearms Law pre-empt the local prohibition of the possession of licensed weapons within a City Park. He stated that the City could be required to amend its Ordinance language regarding firearms possession to conform to State Law; however, he clarified that the City would not be permitting the use or discharge of any weapon within City Parks.

Mayor Barnett requested that Paul Davis, City Engineer, be available in the Council Conference Room during the meeting to confer with any concerned residents regarding information regarding M-59 sound walls or the proposed replacement bridge on Tienken Road at Stony Creek. He commented that the proposed replacement bridge on Tienken Road at Stony Creek is planned for two twelve-foot lanes, two four-foot shoulders and a ten-foot pedestrian walkway.

He stated that there are approximately 283 foreclosed properties currently in the City, and that reports that there were 1,400 foreclosures in the city were erroneous and should have referred to the number of vacant lots.

ATTORNEY MATTERS

City Attorney John Staran had nothing to report.

PRESENTATIONS

- 2009-0208** Proclamation in Recognition of Gary Winkelman and Annette Kingsbury of the Rochester Observer and Eccentric newspaper for their outstanding journalism in Rochester Hills

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

Mayor Barnett commended Annette Kingsbury, Reporter and Gary Winkelman, Editor, Observer and Eccentric Newspapers, for their many years of service in reporting news of civic issues and events in the community.

Presented.

Whereas, the Observer and Eccentric staff members have always been supportive of Rochester Hills and have worked to not only cover, but also become part of the fabric of our community; and

Whereas, Annette Kingsbury and Gary Winkelman have always been professional and caring people. They are wonderful reporters and have provided excellent coverage in our community; and

Whereas, we could always rely on Annette and Gary to provide our citizens with the latest news and updates in a timely manner. Annette has provided great coverage for our Festival of the Hills and Families First Programs, and Gary has always provided insightful and professional editorial opinions; and

Whereas, we have relied on them to educate and inform our residents on ballot questions to candidates, and to do so with unfailing journalistic integrity; and

Whereas, we will all truly miss the paper and all the people associated with it.

Now, Therefore, Be It Resolved, that the Mayor and City Council of Rochester Hills hereby recognize the hard work and dedication of Annette Kingsbury and Gary Winkelman and wish them success in their future endeavors.

2009-0148 Presentation of 2009 Earl Borden Awards

Attachments: [Agenda Summary.pdf](#)

Brian Dunphy, Historic Districts Commission (HDC) Chairperson, presented a Historic Preservation Award to Mark and Micki Kowal for their renovation and preservation efforts of their home at 971 Runyon Road. He noted that the property was built in approximately 1915 adjacent to the Rochester Hills Museum at Van Hoosen Farm, and was restored to its original exterior condition. He then presented the Preservation Leadership Award to Deborah Larsen, author of *Hometown Rochester: A History of Avon Township, Rochester and Rochester Hills, Michigan*. He noted that all proceeds from sales of the book are going to the Rochester-Avon Historical Society.

Mr. Dunphy thanked Judy Bialk, Planning Assistant, and Derek Delacourt, Deputy Director of Planning and Development, for providing valuable support year-round to the HDC.

Presented.**2009-0192** Request for Acceptance of Fiscal Year 2008 CAFR (Comprehensive Annual Financial Report) by the auditing firm of Plante & Moran, PLLC

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

Joseph Heffernan, Partner, Plante & Moran, PLLC, presented the Comprehensive Annual Financial Report (CAFR) to Council, stating that although the news reports of economic conditions in Southeast Michigan were discouraging for local units

of government, an audit of the City's financial condition yielded a more positive result. He noted that property tax values in Southeast Michigan were projected to decline through 2011, State Shared Revenue cuts were recently announced in order to balance the State's budget, and interest rates in 2008 declined by almost fifty percent from 2007. He commented that building permits have declined as well; while costs, especially health care, have increased. He stated, however, that although these downward economic pressures would have an effect, the City was starting off in a better financial position than many other communities.

Short-Term Measure of Fiscal Health - Unreserved Fund Balance:

Mr. Heffernan stated that Plante & Moran has devised a "scorecard" utilizing four measures to evaluate the fiscal health of a community. Two short-term measures, evaluating Unreserved Fund Balance for the General Fund, and Unreserved Fund Balance for all Governmental Funds, show how the City spends the revenue it receives. He noted that the audit shows that Fund Balance has continued to trend upward from \$10 million in 2004 to \$13 million by 2008; however, he stated that Fund Balance would most likely begin a decline that would last for the next three or four years. He noted that the slight decline noted in 2008 for Fund Balance for all Governmental Funds was expected and was the result of road construction projects in the 2008 Budget and not considered a negative consideration.

Long-Term Measure of Fiscal Health - Governmental Net Assets:

Mr. Heffernan explained that long-term measures of fiscal health view a governmental entity on a full accrual basis, much as a business measures its balance sheet. He noted that two measures used on a government-wide basis view Unrestricted Net Assets as a conservative long-term measure of financial health; and Financial Net Assets adjusted for both Pension and Other Post-Employment Benefits. He noted that these assets are viewed over 20 or 30 years, and are adjusted for both Pension and Retiree Health Care obligations. He noted that these long-term figures show the same trends as the short-term figures, with increases in Unrestricted Net Assets and a slight decrease in Financial Net Assets for 2008, due to road construction projects undertaken in 2008.

Benchmarking to All Oakland County Communities:

Mr. Heffernan explained that the same four benchmarks are used to compare the City's financial position to other communities. These benchmarks show that Rochester Hills is above average in comparison to other Oakland County communities. He noted that many Oakland County communities have retiree health care and pension plans that are not fully funded.

Governmental General Revenues (excluding program revenues):
(in thousands)

	General Property Tax	State Shared Revenue	Investment Earnings	Cable Franchise Fees	Gain and Other
2006	\$29,986	\$ 5,342	\$ 4,901	\$ 968	\$ 707
2007	\$31,851	\$ 5,362	\$ 5,578	\$ 944	\$ 635
2008	\$32,792	\$ 5,270	\$ 3,862	\$ 978	\$ 866

Mr. Heffernan noted that General Property Tax is the City's most significant revenue source. He stated that General Property Tax revenue had been increasing; however, for 2009, this revenue source was expected to be relatively flat. A 4.5 percent decline in General Property Tax revenue was expected for 2010, an eight percent decline in 2011, a five percent decline for 2012, and a three percent decline beyond that year. He stated that State Shared Revenue has been relatively flat, with a slight decline from 2007 to 2008. He further commented that Governor Granholm last week said to expect an approximate decline in State Shared Revenue for 2009 of between 4.5 and five percent. He noted that State Shared Revenue is being reduced from the statutory side. He explained that Rochester Hills receives approximately \$5.25 to \$5.3 million dollars in statutory revenues; and noted that \$4.8 million is constitutional and has always been considered guaranteed revenue. He noted, however, that sales tax revenues were predicted to decline 4.5 to 5 percent for 2009 and stated that these declines were expected to continue into 2010. He commented that although the State Legislature could make additional reductions, this probably would not occur as it would penalize all communities, including those older urbanized communities reliant on statutory revenue sharing. Investment earnings, which dropped in 2008 because of the decline in interest rates, were expected to continue a downward trend in 2009; however expectations are that these rates would move upward somewhat. Cable Franchise Fees are continuing to be relatively stable.

Governmental Program Expenses, Years Ended December 31 (in thousands)

	General Government	Public Works	Public Safety	Community/ Economic Development	Recreation & Culture	Interest on Debt
2006	\$ 6,299	\$10,138	\$16,632	\$ 1,153	\$ 4,475	\$ 2,231
2007	\$ 5,191	\$11,521	\$17,722	\$ 1,193	\$ 5,099	\$ 2,021
2008	\$ 5,181	\$12,446	\$18,700	\$ 1,204	\$ 6,626	\$ 1,823

Mr. Heffernan related that General Government has declined each of the last two years, and noted that this indicates that the spending in General Government has definitely being held in check. He commented that other service programs, such as Public Works and Public Safety, have continued to increase, due to inflation and outlay for Capital Expenditures. He noted that Community/Economic Development expenses have remained flat, Recreation & Culture has had an additional increase beyond inflationary pressures, and Interest on Debt declined as the City's total debt load has been reduced.

Water and Sewer Fund Activity, Years Ended December 31 (in thousands)

	Total Operating Revenue	Total Operating Expenses	Unrestricted Net Assets
2006	\$21,357	\$22,710	\$21,866
2007	\$24,458	\$23,983	\$15,378
2008	\$24,910	\$26,179	\$16,350

Mr. Heffernan noted that Water and Sewer expenditures were slightly higher than the revenues both in 2006 and again in 2008, however these increases were in part the result of non-cash depreciation expenses for the water and sewer lines. He commented that the Water and Sewer Fund is considered a healthy fund for the City.

He stated that it was the opinion of the Auditors that the City appears to be in good financial health, with a financial plan built on a conservative basis. He commented that the predictions are that at the end of five years, considering the expected reductions in property taxes and revenues, the City would be ahead of the target minimum Fund Balance if it made no changes. He stated that the City could make small changes to correct the structure of revenues and expenditures to improve its position; and noted that many communities that are not in as favorable of a financial position will have to make drastic changes.

***Lisa C. Manetta**, CPA, Associate, Plante & Moran, PLLC, explained the Audit process, and noted that once again the City receives a clean opinion for the year, the highest level of assurance the Auditors can provide. She highlighted the City's implementation of Governmental Accounting Standards Board (GASB) Standard Number 45, relating to accounting for Other Post-Employment Benefit obligations. She noted that the City is required to measure the liability for retirement obligations for individuals who have already retired and also those that are currently working but have accumulated those benefits, and recognize these obligations through an annual required contribution. As a result of this new Standard, a liability of approximately \$2 million was recorded in the Government Wide Financial Statements for the current year.*

***Mr. Heffernan** explained that the City chose to record one hundred percent of the obligation for the Supplemental Benefit Payment in the first year rather than amortizing this amount over a thirty-year period, and noted that this was an appropriate conservative approach to reporting this cost.*

***Ms. Manetta** noted that no significant adjustments to this audit were expected, and only very small corrections were made while completing the audit. She stated that Legislation proposed this year would change the formula under which property taxes are assessed and calculated. Currently, under Proposal A, Taxable Value is limited to increase either by the rate of inflation or five percent, whichever is less. Proposed legislation, requiring a vote of the people, would change the calculation where taxable value would no longer be allowed to increase when assessed*

value is decreasing. She commented that if approved, this change would most likely not go into place until 2011 and stated that property values might recover somewhat by then and lessen the impact. She noted that the opportunity exists for the City to transfer State Transportation Funding Program monies from the Major Road Fund to the Local Street Fund, should it be determined that there is a greater need for local street improvements and preservation. She stated that regulations allow a transfer of up to 50 percent of State funding received by the Major Fund to a Local Street Fund. With additional steps taken by a municipality, the percentage transferred could be higher than 50 percent. She verified that the City is now participating in the Certificate of Deposit Account Registry Service (CDARS) program, where increased FDIC coverage is attained by spreading deposits among several different banking institutions.

Council Discussion:

President Hooper questioned the amount of the liability for complying with GASB 45, noting that figures of both \$2 million and \$1.6 million were noted in the Audit.

Ms. Manetta responded that \$1.6 million is recorded under Governmental Activity and the remainder is recorded in the Water and Sewer Enterprise Fund.

Mr. Heffernan stated that this amount is reported as a liability, and net assets have been reduced by that amount.

President Hooper questioned the figures shown for Restricted Assets, and asked whether the County was holding funds on the City's behalf designated for specific projects. He questioned whether this money could be utilized on another Capital project.

Mr. Heffernan responded that Oakland County is holding \$1.3 million that the Water and Sewer Fund records as an asset. Oakland County can only spend this money on the City's behalf. He stated that he would have to review the Bond Ordinance, but expected that Water Bond money could be used on another water project; and Sewer Bond money could be used on another sewer project. He stated that if the project it was originally designated for was still in process, the money must be spent on that project. If funds remained upon project completion, these funds could be used at the City's discretion either to pay off the debt service on that same bond, or be used for another project of a similar nature. The contracts between Oakland County and local units do not allow for the return of the money to local units.

Mr. Ambrozaitis stated that while it is the norm for the City to be receiving awards for its accounting practices, he had concerns over potential shortfalls in the General Fund in the coming years. He expressed concern regarding the City's current rate of spending.

Mr. Heffernan stated that receiving a clean audit opinion did not in any way reflect on a City's financial health. He stated that a clean audit opinion signifies that the City's financial statements are a fair reflection of the City's financial standing.

He explained that a five-year financial projection is not intended to be a forecast; but would indicate a best guess of what would happen if no changes were made. He stated that these numbers were primarily based on very drastic reductions in property tax value and inflationary increases on total expenditures; and show the effect on Fund Balance. He further explained that these trends are indicative of every community in Oakland County; and stated that most communities have 75 percent of their spending within the General Fund. He noted that the manner in which the City funds Police, Fire and other Special Funds results in only 25 percent of the City's spending to be within the General Fund. He commented that the City is starting this period in a very healthy position; and would most likely make adjustments to spending in a managed manner.

Mr. Ambrozaitis commented that it appears that the City funds will be short four mills if current spending rates continue.

Mr. Rosen commented that it appears that even with the reduction in revenues, if the City makes no changes, in four or five years the City will still be at, or near, its targets for Fund Balance reserves. He commented that the timing of any changes would be important; and stated that the City should not wait until it is not in a good financial position.

Mr. Heffernan concurred, stating that at the end of 2013, the City's Fund Balance would be approximately \$1.7 million over minimum targets. He expressed his opinion, however, that he did not believe that the City should do nothing, noting that a steep decline could be difficult to turn around. He stated that it would be prudent for the City to start acting now.

Mr. Yalamanchi questioned how Act 51 currently allows the City to transfer 50 percent of funding from Major Roads to Local Roads and further questioned what conditions needed to be met to allow this transfer.

Mr. Heffernan explained that up to 50 percent of Act 51 monies could be transferred from Major Roads to Local Roads without conditions. If the City chose to transfer more than 50 percent of the current year's Act 51 Revenue, certain conditions must be met: An Asset Management System must be in place to evaluate a target for road conditions, an evaluation of current road conditions, and estimates of spending required to keep these roads in good condition. Further, a resolution by City Council must state that the Asset Management Plan has been reviewed and a certain dollar figure would be put into the Local Street Fund, to meet the goal of the Asset Management Plan.

Mr. Yalamanchi questioned the effect of decreased State Revenue Sharing and whether these reductions were projected to continue.

Mr. Heffernan explained that the City would receive a reduction in State Revenue Sharing for 2009 of approximately 4.5 percent from 2008, approximately \$300,000. He stated that the State is predicting an even greater decline for 2010.

Mr. Yalamanchi questioned Note Two on Page 38 of the Notes to Financial

Statements; and inquired whether there was a projection when the deficits indicated in Note Two would end.

Mr. Heffernan replied that this Note refers to Construction Code Fees. He explained that beginning in 2001, a new Construction Code Act mandated that local cities, townships and villages are not permitted to charge more than their actual cost for Construction Code activities. He commented that this leads to a growing negative number; and is an indication that Rochester Hills is complying with the Law. He further explained that there is no intention that cities should charge as much as their full cost for Construction Code Compliance. He stated that the State mandates that this be a cumulative number, for the period beginning January, 2001. He commented that this is not a particularly useful number to consider, but the City is complying with State mandates in reporting this figure.

Mr. Yalamanchi requested further explanation on the Supplemental Retirement Health Plan estimates, and questioned which figures were for pass-through amounts.

Mr. Heffernan replied that employees hired prior to a certain date receive health care paid through the Supplemental Retiree Health Plan. For employees hired after that date, there is a pass-through similar to that mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA) so that these retirees could continue to pay their own health care at no cost to the City. He indicated that the difference between what these retirees pay for their health care, and what current employees would pay if these retirees were not included in the City's health care plan, is deemed the Implicit Rate Subsidy. Actuarial estimates of this difference is approximately \$1 million to \$1.4 to \$1.5 million.

Mr. Yalamanchi questioned whether the City is required to recognize the entire liability.

Mr. Heffernan replied that the Implicit Rate Subsidy liability must be recognized over a period of up to thirty years. After review, it was determined to recognize the Supplemental portion immediately.

Mr. Brennan questioned whether it was the Auditors' opinion that the City was in excellent fiscal health. He further questioned whether it was the Auditors' opinion that the City would continue to act in a fiscally responsible manner. He commented that cities and townships in Michigan would be faced with the financial challenges of shrinking revenues; and that the only way to deal with these reductions would be to reduce services or raise taxes.

Mr. Heffernan responded that the City is in excellent financial health in comparison to other Oakland County communities. He further replied that the City has excellent Financial Staff, in the top five to ten percent. He commented that many city councils are faced with difficult decisions and he is recommending that every one of his clients utilize a five-year forecast. He further commented that the length of the decline would determine what structural deficit was realized, and would determine the need to cut costs or change the level of City services.

Mr. Brennan questioned whether the Audit found that the City was significantly deficient in any area.

Mr. Heffernan replied that it did not.

Mayor Barnett thanked Pam Lee, City Accountant, and the Accounting Department for their work. He also noted that Keith Sawdon, Finance Director, had done an excellent job in stepping into his role with the City. He commented that during the interview process, Mr. Sawdon stated that he wanted to bring the City into two or three-year budgets, similar to the way that Oakland County has been moving. He urged everyone to keep in mind that the City has been blessed by good Council and Administrative leadership in the past and was still in the top five to ten-percent of municipalities for financial strength. He stated that the City would contribute to Fund Balance this year; however, it would make responsible, managed decisions moving forward. He noted that the cost of general government has gone down 21 percent in the last three years; and Public Works and Public Safety have gone up. He noted that responsible decisions to maintain the service level that City residents expect for the taxes they pay will keep the City on balance; and some substantial changes will be made during the development of the 2010 Budget.

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

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

Enactment No: RES0139-2009

Resolved, that the Rochester Hills City Council hereby acknowledges receipt of the Comprehensive Annual Financial Report (CAFR) from the Administration and the auditing firm of Plante & Moran, PLLC, for the 2008 Fiscal Year.

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.

2009-0204 Request to Transfer Ownership of 2008 Class C licensed business, located at 2735 S. Rochester Road, Rochester Hills, MI, from Brinker Michigan, Inc. to Southwest Dining, Inc.

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0140-2009

Resolved, that the request to transfer ownership of 2008 Class C licensed business,

located at 2735 S. Rochester Rd., Rochester Hills, Michigan 48307, Oakland County, from Brinker Michigan, Inc. (a Delaware Corporation) to Southwest Dining, Inc. (an Indiana Corporation) be considered for approval.

2009-0205 Request to Authorize the permit application from the Road Commission for Oakland County (RCOC) for the Memorial Day Parade to be held on Monday, May 25, 2009

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0141-2009

Whereas, the Cities of Rochester Hills and Rochester jointly host the 2009 Greater Rochester Memorial Day Parade, conducted under the sponsorship of various associated veteran organizations; and

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

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

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

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

Be It Further Resolved that the parade route be scheduled for Monday, May 25, 2009, starting at 10:00 a.m. on Harding and Livernois Roads; and

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

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

Passed the Consent Agenda

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

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

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

(Mr. Rosen exited at 8:56 PM)

Present 6 - Erik Ambrozaitis, J. Martin Brennan, Greg Hooper, Vern Pixley, Michael Webber and Ravi Yalamanchi

Absent 1 - James Rosen

2009-0200 Request for Purchase Authorization - CLERK: Blanket Purchase Order for Official City Newspaper in the amount not-to-exceed \$65,000.00; C&G Newspapers, Warren, MI

Attachments: [Agenda Summary.pdf](#)
[Michael Bishop Memo.pdf](#)
[Proposals Tab.pdf](#)
[Resolution.pdf](#)

Lee Zendel, 1575 Dutton Road, requested an explanation of this item, and commented that \$65,000.00 appears to be an excessive amount.

Mr. Ambrozaitis questioned whether anyone from the Rochester Post was in attendance. He expressed concern that the Rochester Post must continue to be fair and unbiased in reporting City news.

President Hooper confirmed that no one from the Rochester Post was at the meeting.

Mr. Yalamanchi questioned whether the Rochester Post was delivered to all City households.

President Hooper responded that the Rochester Post was delivered to every residential household in the City.

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

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

Absent 1 - Rosen

Enactment No: RES0142-2009

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to C&G Newspapers, Warren, Michigan in the amount not-to-exceed \$65,000.00 through December 31, 2011 and further authorizes the Mayor to execute a contract on behalf of the City.

(Mr. Rosen re-entered at 9:00 PM)

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

2009-0206 Request to Amend the *City Council Rules of Procedure* to change the Synopsis of Council Meetings from being published in the newspaper to being posted on the City's website

Attachments: [Agenda Summary.pdf](#)
[051809 Agenda Summary.pdf](#)
[051809 Resolution.pdf](#)
[Resolution.pdf](#)

Mr. Ambrozaitis commented that he would like to see City continue to publish a Synopsis in the newspaper as well as post it to the City's website.

President Hooper requested an explanation of cost estimates to continue to publish the Synopsis.

Jane Leslie, City Clerk, responded that the Observer and Eccentric's charge was \$5.82 per column inch. She explained that bids received during this request for proposal increased that amount to \$12.00 per column inch. She noted that the Detroit Newspaper Agency's bid was \$248.00 per column inch. She stated that the Open Meetings Act requires the availability of Minutes within eight business days, and the City's Synopsis fulfills this obligation. She stated that charter townships and villages are required to publish a synopsis, but cities are not..

Mr. Ambrozaitis questioned whether the Clerk's Office saw this change as a prudent move.

Clerk Leslie responded that this was a way to cut expenditures.

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

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

Enactment No: RES0152-2009

Resolved, to Vote to Amend the City Council Rules of Procedure, Article V, Section .04 (a)(iii), from stating that a brief Synopsis of each meeting of the Council will be published in a newspaper to stating that it will be published on the City's website at their next Regular Meeting on June 1, 2009.

NOMINATIONS/APPOINTMENTS

2009-0196 Request to Confirm the Mayor's re-appointments of Thomas Blackstone and Ernest Colling, Jr. to the Advisory Traffic and Safety Board for three (3) year terms expiring June 30, 2012

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

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

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

Enactment No: RES0144-2009

Resolved, that the Rochester Hills City Council hereby confirms the Mayor's re-appointments of Thomas Blackstone and Ernest Colling, Jr. to the Advisory Traffic Board for three (3) year terms expiring June 30, 2012.

NEW BUSINESS

2009-0201 Request for Purchase Authorization - DPS/GARAGE: Blanket Purchase Order for rock salt for the winter season 2009-2010 in the amount not-to-exceed \$236,390.00 through June 30, 2010; Detroit Salt Company LLC, Detroit, MI

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

Roger Rousse explained that this is an annual purchase in preparation for the City's Winter Maintenance Program, and commented that there was a slight increase in the amount for this year.

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

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

Enactment No: RES0145-2009

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Detroit Salt Company LLC, Detroit, Michigan for the purchase of rock salt for the winter season 2009-2010 in the amount not-to-exceed \$236,390.00 through June 30, 2010.

(Recess - 9:03 PM - 9:18 PM)

2009-0203 Review of the City's past policy decisions regarding road improvements of 3-lane and 4-lane residential boulevards, or 5-lane roads

Attachments: [Agenda Summary.pdf](#)
[Rosen Discussion Points.pdf](#)
[2000 Tienken Rd Corridor Study.pdf](#)
[2002 Tienken Rd Traffic Study.pdf](#)
[2002 Maps.pdf](#)
[080686 Reg CC Minutes excerpt.pdf](#)
[082086 Spec CC Minutes excerpt.pdf](#)
[052489 Reg CC Minutes excerpt.pdf](#)
[071889 PC Minutes excerpt.pdf](#)
[050692 Reg CC Min excerpt.pdf](#)
[061092 Spec CC Meeting excerpt.pdf](#)
[071592 Reg CC Minutes excerpt.pdf](#)
[120199 Spec CC WS Minutes excerpt.pdf](#)
[031500 CC WS Minutes excerpt.pdf](#)
[082300 Reg CC Minutes excerpt.pdf](#)
[102500 Spec CC WS Minutes excerpt.pdf](#)
[102500 Reg CC Minutes excerpt.pdf](#)
[030701 DPS Presentation.pdf](#)
[030701 Reg CC Minutes excerpts.pdf](#)
[040401 Reg CC Minutes excerpt.pdf](#)
[080702 Reg CC Min excerpt & attachments.pdf](#)
[012203 CC WS Minutes excerpt & attachments.pdf](#)
[051409 Ltr from RCOC w Attachments.pdf](#)
[Process for Environmental Assessment.pdf](#)
[Resolution.pdf](#)

President Hooper explained that he had requested City staff assemble information from prior City discussions regarding five-lane roads in the City, particularly Tienken Road. He stated that the City requested a letter from RCOC clarifying the current status of the three projects that are proposed for Tienken Road; and a letter received from Tom Blust, Director of Engineering for RCOC, outlines the current status of these three projects:

- The Tienken Road Bridge over Stony Creek would be replaced with a two-lane bridge and include a pedestrian safety pathway on the south side.
- The Washington Road Paving Project is currently scheduled for 2011, and would result in a two-lane road. The local match for this project is 20 percent, with ten percent City funding (approximately \$375,000), and ten percent County funding.
- The Livernois to Sheldon Road portion of Tienken Road was inserted into Congressman Joe Knollenberg's SAFETEA-LU upon request by former Mayor Somerville. A 20 percent local match for funding this project exists as well, split ten percent City and ten percent County funds. The City's portion of this project is estimated at approximately \$1.35 million.

President Hooper recapped that over the past 23 years, the City has done a number of studies, developed two Master Traffic Thoroughfare Plans, and hired Orchard Hiltz & McCliment and Hubbell, Roth and Clark to do a Tienken Road Corridor Study. The same firms were hired to prepare a Tienken Road Bridge Study. In all cases, a three-lane cross section was recommended on Tienken from Livernois to Sheldon. He questioned whether any of the information contained in these prior studies were used or considered in the Environmental Assessment (EA) process.

Mr. Bill McEntee, Director of Environmental Concerns, RCOC, responded that this information was considered in the EA process.

President Hooper questioned whether Tienken Road would be included on the Road Commission's priority list in the foreseeable future if the Federal Earmark were not in place.

Mr. McEntee stated that he did not see this project in any budget, other than through the Federal Grant. He commented that Tienken Road would most likely remain as it is unless the City approached RCOC with a proposal.

President Hooper questioned the amount of Tri-Party funding the City allocates each year.

Paul Davis, City Engineer, responded that this amount is \$400,000.

Mr. McEntee explained that projects on roads that are on the Federal Aid system are eligible, and RCOC and the respective cities do apply for this funding. He confirmed that it is possible that a project such as this could apply for Federal funds through the regular Federal Aid Task Force funding method. This has not been proposed, however, because this project is included in the Federal Government SAFETEA-LU program.

President Hooper inquired how the project could be funded if the Federal Earmark was not utilized.

Mr. McEntee responded that Tienken Road would then fall in line with all other eligible and much-needed projects in the County. He stated that a request for funding in this manner would generally originate from the local community.

President Hooper questioned whether a three-lane road would qualify under the Earmark and inquired whether the Federal Government made the final determination.

Mr. McEntee replied that the project has to provide a level of service improvement and a safety improvement commensurate with the project cost. He indicated that the Federal Highway Administration (FHA) makes the decision on eligibility based on safety, congestion and cost improvements. He noted that the FHA determines eligibility before a formal public meeting would be held; and again, at the end of the Public Hearing process prior to the right-of-way phase.

President Hooper questioned whether a strict set of guidelines is followed, or could any negotiations be made.

Mr. McEntee responded that any proposal must accommodate the existing and proposed traffic volumes in the corridor; and he noted that RCOC is currently updating traffic volume projections. If volumes justify a particular cross-section and it is within the funding constraints of the project, the FHA would most likely grant approval. He stated, for example, that if an eight-lane boulevard were proposed, but traffic volumes did not justify such a road, it would most likely not be approved. He further stated that if a proposed construction cost exceeded the Earmark,

it would also most likely not be approved.

President Hooper questioned who would fund the difference if the EA process returns a recommended project cost that exceeds the Earmark, and whether the project would be cancelled at that point. He questioned the time constraints of the Earmark.

Mr. McEntee responded that the City and RCOC would then make a decision to fund the project to a higher level, or seek funding from another Federal source. He explained that the City and RCOC had three years to commit to spend the money, to the point of obligating funds and hiring a contractor. He stated that he did not know the specific deadline date. Beyond that time, the money would most likely go back into Federal funds for redistribution. He noted that it would take time to reach a point to obligate the funds, and stated that the right-of-way phase frequently takes over a year. He stated that there would be two allocations, including a right-of-way phase and a construction phase.

President Hooper questioned whether the Road Commission would ever unilaterally make a decision that was not supported by the City Council of Rochester Hills and proceed. He questioned what stopping points existed where the Council could determine it did not wish to proceed.

Mr. McEntee replied that at times projects like traffic intersections or signals are undertaken unilaterally, but it would be unlikely that RCOC would commit to a \$10 million dollar project for something the City does not want. He stated that the City could make a determination after RCOC has an indication from the FHA as to what project they would approve, along with detailed drawings of a proposed project, most likely in September or October of 2009. He stated another opportunity would exist when the decision is made to go to the final design and right-of-way phase of the project, most likely in December or January.

President Hooper questioned whether there would be an opportunity in July.

Mr. McEntee responded that an informational meeting would be held in the community in July to present updated traffic count volumes and review cost estimates and alternatives for a five-lane road, a three-lane road, a boulevard, or a no-build option.

Public Comments:

David Tripp, 960 East Tienken Road, announced that the Friends of the Tienken Road Corridor would hold a public meeting on June 3, 2009, at 7:00 p.m. at Rochester High School to discuss the proposed widening project. He stated that RCOC has spent substantial time designing a project that does not fit the intent of the area.

Scot Beaton, 655 Bolinger, thanked Ms. Leslie for compiling historical material. He requested that Council consider re-adopting its past policy against five-lane roads.

Steven Sheko, 48403 Dequindre Road, commented that the City should not consider widening Dequindre Road.

James Johnson, 1172 Sparkle Court, commented that current economic conditions do not warrant expanding roads. He stated that he did not wish for Council to make decisions that affected the public without input.

Alan Sheidler, 1650 Washington Road, requested that Council consider residents that will be impacted by decisions made, and stated that home values and quality of life would be affected. He commented that Rochester Hills' roadways should not be used as a driveway for those who commute through to other cities.

Tom Noyes, 46461 Dequindre Road, stated that he desired a three-lane road for any improvement to Dequindre, between Auburn and M-59.

Melinda Hill, 1481 Mill Race Road, stated that she thought this discussion would focus more on past road policies regarding road improvements. She stated that public input should be the first part of a Tienken Road Project. She commented that 25 years ago, Council decided that it wanted to maintain itself as a bedroom community.

Diane Sklar, 46151 Dequindre, stated that she was opposed to a five-lane highway on Dequindre and stated that her home has already sustained damage as a result of the proximity of the current roadway.

Tina Blomberg, 46125 Dequindre, stated she opposed a five-lane highway for Dequindre, citing safety reasons.

Doug Bringham, 254 Cross Creek Boulevard, stated that as a civil engineer, he believes that the bridge over Stony Creek is substandard. He commented that he would like to see it replaced with a bridge that is slightly wider, but avoiding the nearby homes. He stated that the roads do not need to be wider on either side of the bridge.

Alice Benbow, 1582 Northumberland, stated that five-lane roads would destroy this area's charm. She commented that the public should attend the RCOC meeting to be held on Thursday, May 21, 2009 at 9:30 a.m., at the County offices at 1200 North Telegraph Road.

President Hooper requested Staff and Mr. McEntee address questions raised during Public Comments.

Mr. Davis responded to public questions with the following:

- Critical Bridge funding available will only allow for the replacement of a two-lane bridge with a two-lane bridge. The Stony Creek bridge will be replaced with a two-lane bridge.
- The replacement of the bridge over Stony Creek will be allowed to meet updated standards for lane width and pedestrian accommodations.
- The Historic Districts Commission will have the opportunity to review the

project as to the aesthetic look of the bridge.

- RCOC is moving forward with a project through Federal funding to improve Dequindre Road with a five-lane extension from Square Lake in Troy through Auburn. This project was rated a number one priority in the City's 2008 Master Thoroughfare Plan. He noted that each project considered would have people fronting the roads that may not agree with the Plan.

Mr. Rosen recalled that in the 1990 Master Thoroughfare Plan, Dequindre Road was listed second after Crooks in priority ranking. He stated that Dequindre has been first, second or third priority in three different plans over time.

President Hooper stated that the City conducted a statistically-accurate survey of the City as a whole, a portion of which was devoted to roads.

Roger Rousse, Director of DPS/Facilities, explained that the survey, conducted by Oakland University, indicating that 66 percent of the residents of the community consider traffic congestion in the community to be a great concern. In this survey, Tienken Road was rated number four on the list of roads for concern. He further explained that each time a new Transportation Bill is authorized, a call goes out to local communities for projects. Mayor Somerville took advantage of this opportunity to re-prioritize projects, and submitted Tienken Road as the project of her choice, noting that the City had received a number of complaints of cut-through traffic and of traffic congestion on alternate routes. Based on traffic counts at the time, RCOC agreed with the decision to submit Tienken Road. Mayor Somerville believed at the time that a Dequindre Road project was many years away.

President Hooper inquired when traffic counts would be updated as a part of the Tienken Road process. He also questioned whether the Federal Earmark could be transferred to a different project.

Mr. McEntee stated that RCOC was currently obtaining updated counts. He further stated that Federal Earmarks are very specific to a project, and commented that an Act of Congress would be required to change them. He outlined the project phases completed to date, and an approximate schedule of what would occur next:

- The EA began with an informational meeting held in the community this past December or January.
- Since that meeting, RCOC has expanded the depth of the alternatives and is coordinating the EA with the appropriate agencies, including the State's Historic Preservation Office, the Michigan Department of Natural Resources and the Department of Interior.
- After comments are gathered from the various agencies, a noise and air quality analysis performed, and new traffic volumes assembled, a public information meeting will be held. He stated the most likely date for this meeting would be July 7, 2009.
- The proposed project would then be submitted to the Federal Highway Administration and MDOT for review and approval. A formal hearing would not be held until those agencies approved the project scope and agreed that it is a fundable project. He stated that FHA and MDOT review of the EA typically

takes four months. He commented that he expected FHA's response to occur in September or October of 2009.

- A public hearing would be scheduled and the public given a minimum of 15 days to review the document.

- After the public hearing, RCOC will make a recommendation and request a Finding of No Significant Impact (FONSI) from the FHA, based on the alternative selected. At that point, the FHA would authorize RCOC to move to the next phase of the project.

President Hooper questioned how the City's Master Traffic Thoroughfare Plan was used in the planning and design of the City's road system. He questioned how many public meetings were held during the process to develop the Plan.

Mr. Davis responded that the Plan is a broad picture of the City's road network and delineates the City's road improvement needs. He noted that generally there are more needs than funds available; and the Plan allows the City to set priorities. He stated that a number of public meetings were held during Plan development, and further commented that the Plan was a "living document" and required periodic updates as conditions change.

Council Discussion:

Mr. Rosen stated that the Planning Department lays the groundwork for Council to set the character of the community, as the Planning Department is responsible for the development of the Master Land Use Plan and the Master Transportation Plan. He stated that the Council has endorsed the Master Land Use Plan and the Master Transportation Plan. The Master Transportation Plan lists Tienken Road with a three-lane alternative, based in part by topography. He noted the elevation changes on Tienken and recalled that topography was a consideration in the past for Adams Road as well. He commented that a four or five-lane road would change the character of that portion of the community. He noted that RCOC officials commented that the County does not do what a city does not want them to do, and stated that the City could take the opportunity to tell RCOC that it does not want a four or five-lane road. He stated that the City could not build its way out of congestion, and noted that by providing a left-turn lane, a good portion of the congestion on Tienken would be alleviated.

Mr. Ambrozaitis commented that he had voted against the five-lane bridge on Tienken at Paint Creek. He commended the Historic Districts Commission for their involvement and City pride, and noted that the Historic Districts should be left alone. He stated that if a five-lane road were installed, the city would never be the same. He expressed concerns over the State's recent mandate to raise speed limits on gravel road, particularly on Livernois north of Tienken. He stated that the Mayor should speak out publicly against a four or five-lane road.

Mr. Pixley questioned whether a Federal Earmark had ever been changed. He questioned whether changing the Earmark could be an option.

Mr. McEntee that he was not aware of any changes that had been allowed to an Earmark. He stated that the FHA would expect a commensurate improvement in safety and mobility, given the investment.

Mr. Pixley responded that he did not support a four or five-lane road for Tienken or widening through the Historic District; however, it was his opinion that the City did not have enough information to act this evening. He stated that the traffic counts should be reviewed and the EA completed before Council should take action.

Mr. Yalamanchi stated that he concurred with Mr. Rosen's desire to communicate the City's intentions to the Road Commission, commenting that he was in strong support of the three-lane option. He questioned what would happen next if the City acted tonight against a four or five-lane road.

Mr. McEntee stated that he assumed RCOC would continue to the Public Hearing phase, but if this presented an option the FHA would not approve or fund, the process may be stopped. He stated that based on traffic volumes, the preferred alternative could vary throughout the corridor. He stated that the alternative developed might conflict with City Council actions; and stated that if volumes indicate that the road should have more capacity than three lanes would provide, the project would most likely not get to the funding stage, design and right-of-way acquisition, or construction.

Mr. Yalamanchi commented that the City would have a better idea once the EA was completed.

Mr. McEntee concurred, stating that while a five-lane alternative has been discussed in concept, it has not been formally proposed. He noted that the many times the RCOC finds that a community does not agree with a project; and noted that adjustments are made wherever possible.

Mr. Yalamanchi questioned whether Congressman Peters had been contacted to explore whether funding could be used for a three-lane road.

Mayor Barnett responded the City had discussions with FHA personnel to review language in the Bill, and noted that a variety of factors had to be considered. He noted that the EA would review a no-build, three, four and five-lane options. He noted that an Act of Congress could be a last resort.

Mr. Yalamanchi stated that he was strongly in favor of a three-lane road and that the City should explore whether a three-lane road would maintain the funding. He commented that the City should explore whether this funding could be used on another project within the City. He questioned what the total cost estimate was for the Tienken Road project. He suggested that Council postpone any decision until the EA was completed and released to the public.

Mr. Webber questioned whether a motion by Council tonight might influence RCOC by conveying the City's intentions.

Mr. McEntee responded that Council's position would be added to the EA at the time of the public hearing, during the 15-day phase where public comments are submitted. He stated that often, RCOC request that local communities adopt resolutions after the EA determines what alternative is proposed.

Mr. Webber stated that there is a public frustration with the speed of the process. He stated that Council clearly does not want a five-lane road on Tienken; however, his concern is how to keep the Earmark funding within the community. He stated that the City's last resort would be to lose that money.

Mr. Rosen stated a Point of Order, indicating he wished to comment regarding the postponement of this motion.

Mayor Barnett stated that he agreed that the postponement of consideration of this item was appropriate. He stated that the completion of the EA made sense and would provide the City with the information it needed.

Mr. Brennan stated that he had disclosed to Council in a prior meeting that he is an independent contractor for the RCOC and stated that he had not yet received a determination whether he could vote on this item; therefore, he would have to abstain from voting this evening.

Mr. Rosen suggested that Council could resolve to convey its opinion to RCOC this evening, and that postponement was not necessary.

Mayor Barnett commented that if a motion regarding the desire for no four or five-lane road were to pass, it was his understanding that the FHA would stop the process. He stated an RCOC letter to the City urged Council not to pass a motion tonight that would impact the EA from moving forward.

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

Whereas, the Road Commission for Oakland County is reviewing the Environmental Assessment for the widening of Tienken Road from west of Livernois Road to Sheldon Road in Rochester Hills; and

Whereas, the Road Commission for Oakland County widening plans were a result of a so-called "earmark" in the Federal budget that was set aside specifically to widen Tienken Road in this area; and

Whereas, the Road Commission for Oakland County originally considered a 4-lane boulevard or a 5-lane undivided road as the design cross-section and is now including consideration of a 3-lane cross-section at the request of the City of Rochester Hills; and

Whereas, the Master Thoroughfare Plan for the City of Rochester Hills and its most recent update in 2008 planned a 3-lane cross-section for this same segment of roadway, except for the existing improvements at the intersection of Rochester Road; and

Whereas, the Rochester Hills City Council has historically opposed excessive widening of City roads to 5-lanes, and now has a policy to consider road widening on a case-by-case basis; and

Whereas, the Rochester Hills City Council has considered the alternatives for improving Tienken Road between Livernois and Sheldon Roads on a case-by-case basis and concludes that it does not favor either a 4-lane boulevard or 5-lane undivided cross-section,

because of the undesirable effects such construction would have on the surrounding community; and

Whereas, the Rochester Hills City Council has considered the alternatives for improving Tienken Road between Livernois and Sheldon Roads on a case-by-case basis and concludes that it favors a 3-lane cross-section because of the improvement in traffic flow and the reduction in congestion such construction would have without significant undesirable effects on the surrounding community.

Now, Therefore, Be It Resolved, that the Rochester Hills City Council recommends to the Road Commission for Oakland County that improvement to Tienken Road between Livernois and Sheldon Roads be a 3-lane cross-section segment of roadway, except for the existing improvements at the intersection of Rochester Road; and

Be It Further Resolved, that the Rochester Hills City Council recommends to the Road Commission for Oakland County to conclude its Environmental Assessment for this portion of Tienken Road with the conclusion that the 3-lane cross-section has the least adverse impact to the surrounding community of the three alternatives considered.

Council did not vote on the above motion. Based on discussion, Council proposed the following motion:

2009-0203 Review of the City's past policy decisions regarding road improvements of 3-lane and 4-lane residential boulevards, or 5-lane roads

Attachments: [Agenda Summary.pdf](#)
[Rosen Discussion Points.pdf](#)
[2000 Tienken Rd Corridor Study.pdf](#)
[2002 Tienken Rd Traffic Study.pdf](#)
[2002 Maps.pdf](#)
[080686 Reg CC Minutes excerpt.pdf](#)
[082086 Spec CC Minutes excerpt.pdf](#)
[052489 Reg CC Minutes excerpt.pdf](#)
[071889 PC Minutes excerpt.pdf](#)
[050692 Reg CC Min excerpt.pdf](#)
[061092 Spec CC Meeting excerpt.pdf](#)
[071592 Reg CC Minutes excerpt.pdf](#)
[120199 Spec CC WS Minutes excerpt.pdf](#)
[031500 CC WS Minutes excerpt.pdf](#)
[082300 Reg CC Minutes excerpt.pdf](#)
[102500 Spec CC WS Minutes excerpt.pdf](#)
[102500 Reg CC Minutes excerpt.pdf](#)
[030701 DPS Presentation.pdf](#)
[030701 Reg CC Minutes excerpts.pdf](#)
[040401 Reg CC Minutes excerpt.pdf](#)
[080702 Reg CC Min excerpt & attachments.pdf](#)
[012203 CC WS Minutes excerpt & attachments.pdf](#)
[051409 Ltr from RCOC w Attachments.pdf](#)
[Process for Environmental Assessment.pdf](#)
[Resolution.pdf](#)

A motion was made by Yalamanchi, seconded by Webber, to postpone this matter until the Environmental Assessment is completed and presented to the public and City Council. The motion CARRIED by the following vote:

Aye 4 - Hooper, Pixley, Webber and Yalamanchi

Nay 2 - Ambrozaitis and Rosen

Abstain 1 - Brennan

Enactment No: RES0147-2009

Resolved, to postpone this matter until the Environmental Assessment is completed and presented to the public and City Council.

2009-0209 Request to Accept the Water Service Contract between the Detroit Water & Sewerage Department and the City of Rochester Hills

Attachments: [Agenda Summary.pdf](#)
[DWSD Contract.pdf](#)
[DWSD Exhibit B.pdf](#)
[Resolution.pdf](#)

Roger Rouse, Director of DPS/Engineering stated that the Administration has been in negotiation with the Detroit Water and Sewerage Department (DWSD) concerning water purchase cost and methodology by which the City is charged on an annual basis. He noted that the rate-setting process is different from the past as there is now an attempt to incorporate public suburban community input into the rate setting process. He noted that 116 communities will be governed by this agreement and stated that approximately half of those have agreed to date. He commented that it was his opinion that the rate negotiated was fair and reasonable. He stated that the City's water conservation program and ordinance language would affect the rates somewhat; and the Administration was seeking clarification on how these factors would impact rates.

President Hooper commented that this agreement is a model contract that all of the communities have adopted; he noted that the only difference between the City and other communities would be Exhibit B, including figures for demand and peak hour.

Mr. Brennan stated that as a member of the Water and Sewer Committee Technical Review Committee, he had been watching the process very closely and he would be ready to accept the recommendation. He stated that he looked forward to the City constructing water reservoirs in the City to stabilize flows and reduce costs further.

Mr. Yalamanchi questioned whether the language was a standard agreement within all the communities.

Mr. Rouse stated that the methodology for determining peak day, maximum day and peak hour rates was standard. He commented that specific characteristics of each community were added in, such as distance, elevation, volume and peak hours.

Mr. Yalamanchi questioned whether the City's odd/even Watering Ordinance was being enforced.

Mr. Rouse stated that this was an administrative policy and was voluntary.

Mr. Rousse stated that 42 communities were reviewed and only Southgate had mandatory odd-even watering days. He noted that the City's Watering Ordinance went into effect in August of 2008 and has not provided enough data to influence rates. He noted that Ordinance would provide more data in two years and hopefully lead to renegotiation of a reduction in rates.

Mr. Yalamanchi questioned how other communities were compared to Rochester Hills.

Mr. Rousse stated that DWSD gave examples of other communities and what they did to lower demand and control their water rates.

Mr. Yalamanchi stated that the City should adopt a formal Ordinance if it would lower rates.

Mr. Rousse explained that water was the single largest purchase in the City. He noted that a water storage option could reduce peak and maximum day rates, the City could save as much as 40 percent each year, and noted this could be potentially as much as \$4 million based on current rates. He commented that the cost of water reservoirs could have a very short payback period.

Mr. Rosen stated that he would like to see data as to what the current Ordinance limiting irrigation systems to 12:00 midnight to 5:00 a.m. would do to rates.

Mr. Rousse stated a water storage facility would be a long-term project. He noted that the City could confirm the effect of a conservation program during this process.

President Hooper stated that DWSD has the option of increasing rates even after the adoption of an ordinance.

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

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

Enactment No: RES0146-2009

Resolved, that the Rochester Hills City Council hereby accepts the Water Service Contract as submitted by the Detroit Water and Sewerage Department and authorizes the Mayor and City Clerk to execute a contract on behalf of the City.

2009-0163 Update on the City's five-year Financial Forecast

Attachments: [Agenda Summary.pdf](#)
[Financial Forecast 2010-2014.pdf](#)
[Financial Forecast 2010-2014 \(Revised\).pdf](#)

A motion was made by Brennan, seconded by Webber, that this matter be Postponed until the City Council Regular Meeting on Monday, June 1, 2009.

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

Nay 1 - Hooper

2009-0164 Adoption of the Fiscal Year 2010 City Council Goals and Objectives

Attachments: [Agenda Summary.pdf](#)
[Strategic Plng Committee Spreadsheet.pdf](#)
[Strategic Plng Cmte Sprdsht w/ Pg #s.pdf](#)
[Resolution.pdf](#)

A motion was made by Brennan, seconded by Webber, that this matter be Postponed until the City Council Regular Meeting on Monday, June 1, 2009.

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

Nay 1 - Hooper

Enactment No: RES0162-2009

COUNCIL COMMITTEE REPORTS

Older Persons' Commission:

Mr. Yalamanchi reported a Strategic Planning Meeting was scheduled for Wednesday, May 20, 2009 at 5:00 p.m. at the Older Persons' Commission facility on Letica.

ANY OTHER BUSINESS

Mr. Ambrozaitis inquired whether City Attorney Staran had any updated information regarding the speed limit on Livernois Road north of Tienken, and the possible implementation of a foreclosure registration process for the City.

City Attorney Staran responded he had no new information regarding speed limits. He reported that he had obtained a copy of Farmington's Foreclosure Registration Ordinance and had forwarded it to the Building Department along with his preliminary suggestions.

NEXT MEETING DATE

- Regular Meeting - Monday, June 1, 2009 - 7:00 PM

ADJOURNMENT

There being no further business before Council, President Hooper adjourned the meeting at 11:28 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 July 27, 2009 Regular City Council Meeting.