



Rochester Hills

Minutes

City Council Regular Meeting

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

*Susan M. Bowyer Ph.D., Ryan Deel, Dale A. Hetrick, James Kubicina,
Jenny McCardell, Stephanie Morita and Mark A. Tisdell*

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, June 18, 2018

7:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

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

ROLL CALL

Present 7 - Susan M. Bowyer, Ryan Deel, Dale Hetrick, James Kubicina, Jenny McCardell, Stephanie Morita and Mark A. Tisdell

Others Present:

*Bryan Barnett, Mayor
Tina Barton, City Clerk
Scott Cope, Building/Ordinance/Facilities Director
Lisa Cummins, Procurement Manager
Ken Elwert, Parks and Natural Resources Director
Pamela Gordon, Human Resources Director
Kristen Kapelanski, Planning Manager
Gary Nauts, Facilities Manager
Allan Schneck, Public Services Director
Leanne Scott, Deputy Clerk
Joe Snyder, Chief Financial Officer
John Staran, City Attorney*

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

A motion was made by Bowyer, seconded by Morita, that the Agenda be Approved as Amended to add legislative file 2018-0269 Notification of State Budget Approval which includes \$1,325,000.00 to fund major road construction in the City of Rochester Hills; Senator Marty Knollenberg, presenter under Presentations; to amend legislative file 2018-0261 Request for Michigan Liquor Control Commission approval for an application for a Transfer of a Class C Liquor License submitted by Banana Leaf, Inc., DBA Anchor Bar Michigan to read Class C Resort Liquor License; and to remove legislative file 2018-0245 Request for Approval of Traffic Control Order PK-111 for streets within University Hills Subdivision, Section 16 from the Consent Agenda for separate discussion. The motion carried by the following vote:

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

PRESENTATIONS

2018-0269 Notification of State Budget Approval which includes \$1,325,000.00 to fund major road construction in the City of Rochester Hills; Senator Marty Knollenberg, presenter

Mayor Barnett stated that there are a couple of roads in the community that have been problematic for the residents, and noted that the condition of Livernois has made it one of the worst. He explained that as a number of the roads are owned by other entities, the City must often coordinate with other jurisdictions, budgets, and timeframes for their repair. He pointed out that Livernois Road is owned by the Road Commission for Oakland County. He commented that State Senator Marty Knollenberg has been a very good friend of the City for many years, and Senator Knollenberg contacted him a few weeks ago as the State Budget was being finalized to ask how he might be able to advocate for the community. Mayor Barnett stated that he requested that funding for Livernois Road be allocated.

He noted that State Senator Knollenberg was instrumental in securing an allocation to be used for both Livernois and South Boulevard; and he announced that the City accepted a check for \$1.325 million. He stated that the South Boulevard work will start sometime on Friday or Monday, and the initial commencement of work on Livernois will occur just after the July 4 holiday. He expressed his thanks and appreciation on behalf of the City and City Council to State Senator Knollenberg for advocating for the community.

State Senator Marty Knollenberg stated that he also heard from his constituents about the condition of Livernois Road, and noted that the State Legislature recognizes that roads and infrastructure are priorities. He explained that subsequent to the revenue estimating conferences in mid-May it was determined that additional monies could be allocated. He pointed out that since 2015 the Legislature has pumped more than \$2.7 million into the road system.

Presented.

COUNCIL AND YOUTH COMMITTEE REPORTS

Rochester Hills Government Youth Council (RHGYC):

Mr. Deel introduced **Natalia Vaglia**, and stated that she is in her second year on the Rochester Hills Government Youth Council, is a senior at Adams High School,

is on Student Council, a member of DECA, Youth in Government, Key Club, and the National Honor Society. He mentioned that she is a student mentor at Adams as well, and caddies at Oakland Hills Country Club.

Ms. Vaglia reported that last Saturday, the RHGYC hosted its Annual 5K and raised \$3,500 to go toward Innovation Hills. She noted that the RHGYC could not have done this without their donors, sponsors, and volunteers. She thanked the community for its support.

Green Space Advisory Board (GSAB):

Dr. Bowyer reported that the GSAB hosted a hike of the Ruby Property on June 9. She noted that the hike had a good turnout of approximately 40 people despite the initial stormy weather. She gave kudos to Heidi Moore who coordinated the hike. She noted that the next hike will be July 14, 2018 at the Cloverport and Childress Green Spaces, located west of Rochester Road on the hills going down into Rochester. She explained that the properties cover approximately 12 acres of steep and hilly terrain down to the Clinton River.

Paint Creek Trailways Commission:

Dr. Bowyer noted that the Paint Creek Trail will not be closed this year as previously thought. The bridge work will be delayed as bids came in way over budget, and a redesign and rebidding will occur in the fall for next spring construction and closure of the trail between Dutton and Silverbell Roads.

Deer Management Advisory Committee (DMAC):

Dr. Bowyer reported that a Gardening and Landscaping with Deer Seminar will be held on Thursday, June 21, 2018 at 7:00 p.m. at City Hall. The DMAC, the City's Natural Resources Department, and Bordine's will be hosting the seminar to give residents some strategies for planting to ensure that the deer will not decimate the plants in the backyards.

Mr. Deel stated that he was very proud of the RHGYC members last Saturday raising \$3,500 for Innovation Hills. He noted that the members put in much work and did a great job. He noted that Mayor Barnett ran the 5K with his son, and Dr. Bowyer participated as well. He congratulated the RHGYC for the successful 5K.

Older Persons' Commission (OPC):

Mr. Kubicina announced that a Garden Walk will be held this Thursday from 10:00 a.m. to 5:00 p.m. Ticket information is available on the web at rochestergardenclub.org. He noted that the OPC will have their gardens as a stop on the walk and stated that those participating should stop at the OPC.

He noted that a Muscle Car Show is set for July 28, 2018 at the OPC from 9:00 a.m. to noon. The event is free and open to the public and will include family fun and prizes. Interested individuals can call Jeremy Ridky at 248-608-0295 for more information.

Rochester Auburn Hills Community Coalition (RAHCC):

Ms. McCardell announced that the RAHCC's Youth Action Committee provided free tickets for the screening of *The Incredibles* to the community with free popcorn and pop provided. She noted a public service announcement for teens to avoid peer pressure for using drugs and alcohol was shown prior to the movie screening. She mentioned that the successful event sold out two theaters.

ORDINANCE FOR ADOPTION

2018-0171 Request for Acceptance for Second Reading and Adoption - an Ordinance to amend Sections 138-2.101, 138.2.200, 138-2.203, 138-2.302, 138-4.300, 138-4.400, 13-4.423, 138-4.424, 138-4.426, 138-4.436, 138-4.439, 138-4.440, 138-5.202, 138-6.303, 138-7.105, 138-7.107, 138-8.200, 138-9.205 and 138-11.302 and Chapter 1 Article 10 of Chapter 138, Zoning, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to clarify language related to discretionary decisions, allow personal service businesses in the O-1 District, to clarify requirements related to State licensed residential facilities, to conform to State regulations for outdoor play areas at child care centers, to clarify regulations related to floor area requirements for assisted living and convalescent/nursing facilities, to add regulations for the temporary outdoor display and sale of goods, to adjust the nomenclature of items in the Planned Unit Development process, to change hotels from a permitted to a conditional use in the FB-3 Overlay District, to clarify regulations for accessory structures and to ensure consistency across various ordinance sections; to repeal conflicting or inconsistent ordinances, and prescribe a penalty for violations

Attachments: [061818 Agenda Summary.pdf](#)
[Suppl Presentation.pdf](#)
[Ordinance.pdf](#)
[060418 Agenda Summary.pdf](#)
[Suppl Presentation 060418.pdf](#)
[Memo Kapelanski 051118.pdf](#)
[Staran Letter 121517.pdf](#)
[Minutes PC 051518.pdf](#)
[PHN OP 051518.pdf](#)
[060418 Resolution \(Draft\).pdf](#)
[Resolution \(Draft\).pdf](#)

Kristen Kapelanski, Planning Manager, explained that the Ordinance presented for Second Reading and Adoption this evening is as it was presented at the last Council Meeting with no additional changes.

Dr. Bowyer questioned whether residents have given any feedback regarding these changes.

Ms. Kapelanski responded that there has been no comment.

A motion was made by Bowyer, seconded by Kubicina, that this matter be Accepted for Second Reading and Adoption by Resolution. The motion carried by the following vote:

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0158-2018

Resolved, that an Ordinance to amend Sections 138-2.101, 138.2.200, 138-2.203, 138-2.302, 138-4.300, 138-4.400, 13-4.423, 138-4.424, 138-4.426, 138-4.436, 138-4.439, 138-4.440, 138-5.202, 138-6.303, 138-7.105, 138-7.107, 138-8.200, 138-9.205 and 138-11.302 and Chapter 1 Article 10 of Chapter 138, Zoning, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to clarify language related to discretionary decisions, allow personal service businesses in the O-1 District, to clarify requirements related to State licensed residential facilities, to conform to State regulations for outdoor play areas at child care centers, to clarify regulations related to floor area requirements for assisted living and convalescent/nursing facilities, to add regulations for the temporary outdoor display and sale of goods, to adjust the nomenclature of items in the Planned Unit Development process, to change hotels from a permitted to a conditional use in the FB-3 Overlay District, to clarify regulations for accessory structures and to ensure consistency across various ordinance sections; to repeal conflicting or inconsistent ordinances, and prescribe a penalty for violations is hereby accepted for Second Reading and Adoption and shall become effective on Monday, June 25, 2018 following its publication in the Oakland Press on Sunday, June 24, 2018.

2018-0223 Request for Acceptance for Second Reading and Adoption - an Ordinance to delete Section 84-6 Fences of Chapter 84 Property Maintenance Code and amend Sections 134-4, 134-5, 134-6, 134-7 and 134-9 of Chapter 134 Signs of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to delete language related to fencing that has since been moved to the Zoning Ordinance and clarify regulations related to signs, repeal conflicting or inconsistent ordinances, and prescribe a penalty for violations

Attachments: [061818 Agenda Summary.pdf](#)
[Ordinance.pdf](#)
[060418 Agenda Summary.pdf](#)
[Memo Kapelanski - description of amendments 05-11-18.pdf](#)
[060418 Resolution \(Draft\).pdf](#)
[Resolution \(Draft\).pdf](#)

Kristen Kapelanski, Planning Manager, stated that this proposed Ordinance was approved for First Reading on June 4, 2018, and she noted that no changes have been made for the Second Reading.

A motion was made by Hetrick, seconded by Deel, that this matter be Accepted for Second Reading and Adoption by Resolution. The motion carried by the following vote:

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0159-2018

Resolved, that an Ordinance to delete Section 84-6 Fences of Chapter 84 Property Maintenance Code and amend Sections 134-4, 134-5, 134-6, 134-7 and 134-9 of Chapter 134 Signs of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to delete language related to fencing that has since been moved to the Zoning

Ordinance and clarify regulations related to signs, repeal conflicting or inconsistent ordinances, and prescribe a penalty for violations is hereby Accepted for Second Reading and Adoption and shall become effective on Monday, June 25, 2018 following its publication in the Oakland Press on Sunday, June 24, 2018.

2018-0222 Request for Acceptance for Second Reading and Adoption to amend Section 2-275 of Article VI, Purchasing, of Chapter 2 Administration, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to increase the Mayor's Purchasing authority limit, and repeal conflicting ordinances

Attachments: [061818 Agenda Summary.pdf](#)
[Ordinance.pdf](#)
[060418 Agenda Summary.pdf](#)
[060418 Resolution \(Draft\).pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer, explained that the Ordinance presented for Second Reading this evening will amend the City's Purchasing Ordinance that was adopted in 1999 and currently allows staff to make purchases and enter into contracts in an amount up to \$1,000 before competitive quotes are required. He noted that over the past 19 years the purchasing power of that initial \$1,000 has eroded due to inflation. For the Bureau of Labor Statistics CPI inflation calculator, that \$1,000 in 1999 requires just over \$1,500 to maintain the same purchasing power in 2018. To allow for greater operational efficiency of City staff, including staff in the field and administratively, it is requested to increase the existing threshold from \$1,000 to \$2,000. He stated that it is intended that this revised threshold will provide operational flexibility for City staff for many years to come. He introduced Lisa Cummins, Procurement Manager. He pointed out that this proposed Ordinance was accepted for First Reading on June 4, 2018.

A motion was made by Morita, seconded by Deel, that this matter be Accepted for Second Reading and Adoption by Resolution. The motion carried by the following vote:

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0160-2018

Resolved, that an Ordinance to amend Sections 2-275 of Article VI, Purchasing, of Chapter 2 Administration, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan to increase the Mayor's Purchasing authority limit, and repeal conflicting ordinances is hereby Accepted for Second Reading and Adoption and shall become effective on Monday, June 25, 2018 following its publication in the Oakland Press on Sunday, June 24, 2018.

PUBLIC COMMENT for Items not on the Agenda

Deb Barno, 660 Bolinger Street, announced that the Deer Management Advisory Committee along with the Parks and Natural Resources Department will be hosting a Gardening and Landscaping with Deer seminar this coming Thursday at City Hall

at 7:00 p.m. She requested that residents register for the free seminar by contacting the Parks Department at 248-656-4673 or register online at the City's website www.rochesterhills.org/deer to provide an idea of how many people will attend.

Richard Amacher, 504 Campus Road, requested that the City address a gypsy moth infestation in the area between Campus Road and Old Perch. He noted that approximately 60 trees have been identified in the immediate area that are losing canopy and foliage, and these trees appear to be dying. He suggested that the City be proactive now to provide funding to assess the infestation this year so that BT spray can be applied by air early next year.

Paul Busch, 505 Campus Road, urged the City to address the gypsy moth infestation. He noted that he has 13 oak trees and 10 blue spruces on his property that are all infected, and four trees have been completely stripped of foliage. He stated that this infestation is far worse than the one that occurred 14 years ago. He commented that they cannot enjoy the outdoors due to the droppings and hanging caterpillars. He stated that the residents need the City's help to treat them for the next cycle.

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.

2018-0244 Approval of Minutes - City Council Regular Meeting - June 4, 2018

Attachments: [CC Min 060418.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0161-2018

Resolved, that the Minutes of a Rochester Hills City Council Regular Meeting held on June 4, 2018 be approved as presented.

2018-0240 Request for Acceptance of the Sanitary Sewer Easement granted by North Hills Real Estate Company, LLC, a Michigan limited liability company, for The Commons South

Attachments: [061818 Agenda Summary.pdf](#)
[Sanitary Sewer Easement.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0162-2018

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby accepts the sanitary sewer easement from North Hills Real Estate Company, LLC, a Michigan limited liability company, whose address is 18161 E. 8 Mile Road, Eastpointe, Michigan 48021, for the construction, operation, maintenance, repair and/or

replacement of a sanitary sewer over, on, under, through and across land more particularly described as for Parcel Nos. 15-34-301-016 & 017, for The Commons South.

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

- 2018-0241** Request for Acceptance of the Watermain Easement granted by North Hills Real Estate Company, LLC, a Michigan limited liability company, for The Commons South

Attachments: [061818 Agenda Summary.pdf](#)
[Watermain Easement.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0163-2018

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby accepts the watermain easement from North Hills Real Estate Company, LLC, a Michigan limited liability company, whose address is 18161 E. 8 Mile Road, Eastpointe, Michigan 48021, for the construction, operation, maintenance, repair and/or replacement of a watermain over, on, under, through and across land more particularly described as for Parcel Nos. 15-34-301-016 & 017, for The Commons South.

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

- 2018-0242** Request for Acceptance of the Storm Sewer Maintenance Agreement between the City of Rochester Hills and North Hills Real Estate Company, LLC, a Michigan limited liability company, for Commons South

Attachments: [061818 Agenda Summary.pdf](#)
[Storm Sys Maint Agreement.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0164-2018

Resolved, that the Rochester Hills City Council hereby approves the storm sewer system maintenance agreement, relative to the details of the development and use, repair and maintenance of the storm sewer system from North Hills Real Estate Company, LLC, a Michigan limited liability company, whose address is 18161 East 8 Mile Road, Eastpointe, Michigan 48021, for Parcel Nos. 15-34-301-016 & 017 for the Commons South.

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

- 2018-0253** Request for Purchase Authorization: DPS/ENG: Blanket Purchase Order/Contract for the 2018 Pavement Striping Program in the amount of \$43,181.33 with a 5% project contingency in the amount of \$2,159.07 for a total not-to-exceed contract amount of \$45,340.40; R.S. Contracting, Inc., Casco, MI

Attachments: [061818 Agenda Summary.pdf](#)
[RCOC-Bid Comparison.pdf](#)
[RCOC-Proj Info-RS Bid Tab.pdf](#)
[Rev RCOC bid price extension.pdf](#)
[2018 RH Pavement Striping Tab.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0165-2018

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order/Contract for the 2018 Pavement Striping Program to R.S. Contracting, Inc., of Casco, MI in the amount of \$43,181.33 with a 5% contingency in the amount of \$2,159.07 for a total not-to-exceed contract amount of \$45,340.40 and further authorizes the Mayor to execute a contract on behalf of the City.

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.

2018-0238 Request for Purchase Authorization - FIRE: Blanket Purchase Order for Fire Department Uniforms and Accessories in the amount not-to-exceed \$44,000.00 through June 1, 2020; Nye Uniform, Troy, MI

Attachments: [061818 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0166-2018

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order for Fire Department uniforms and accessories to Nye Uniform, Troy, Michigan in the amount not-to-exceed \$44,000.00 through June 1, 2020.

Passed the Consent Agenda

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

The following Consent Agenda Item was discussed and adopted by separate Motion:

2018-0245 Request for Approval of Traffic Control Order PK-111 for streets within University Hills Subdivision, Section 16

Attachments: [061818 Agenda Summary.pdf](#)
[TCO PK-111.pdf](#)
[Study Report from 091217 and 091317.pdf](#)
[Resolution \(Draft\).pdf](#)

Vice President Morita requested **Allan Schneck**, Public Services Director, address the section of the Traffic Control Order that would not permit parking on the roadway at any time.

Mr. Schneck responded that the landing ramp for the crosswalk is on the west side of the street. He noted that PK-111.3 has a provision to prevent vehicles from parking within 20 feet of that particular landing. This will provide a sight distance so children crossing can be seen as they stand at the landing of the crosswalk. He pointed out that this section of the Traffic Control order will encompass one sign 20 feet on either side of that crosswalk.

Vice President Morita displayed an aerial photograph and questioned whether the No Parking order should be in effect 24 hours a day, 365 days a year on Ten Point; or if it could be nine months out of the year or for limited hours per day. She pointed out that neighbors on either side would not be allowed to park in front of a portion of their own homes when the crosswalk is being used only a part of the time.

Mr. Schneck responded that he would agree that during the school year the crosswalk is used more; however, there are children that utilize that crosswalk to access the school in off hours and times when school is not in session. He stressed that parking would be prohibited 15 to 20 feet on either side of the crosswalk, and residents would be allowed to park adjacent to their driveways. He noted that children that typically utilize the crosswalk are of grade or middle school age. He stated that it was witnessed during a survey of the area that cars would pull right up against the crosswalk.

Vice President Morita noted that there are no parking signs installed currently, and questioned what the purpose of 111.3 actually is.

Mr. Schneck responded that in talking with Paul Davis, the Department wanted to ensure that a proper Traffic Control Order addressed the signs.

Vice President Morita questioned whether a No Stopping or Standing order would affect mail delivery.

Mr. Schneck responded that delivery of mail is considered a temporary stop and placing the sign to the other side of the mailbox would alleviate any concern.

President Tisdell commented that children use the crosswalk year-round to access the school's ballfields and playground.

Dr. Bowyer stated that she understands that the signs have been installed for some time already, and the Order will make the signs permanent. She questioned whether there were any concerns expressed by the residents.

Mr. Schneck stated that this was correct. He commented that the residents have actually asked for more enforcement by the Sheriff's Office. He noted that during school times the traffic in the area is more frantic with drop off and pick up of children. He stated that the signs are very appropriate, and the feedback from the homeowners' association is that they would actually like to see more enforcement.

Ms. McCardell expressed her thanks to Mr. Schneck and the DPS team for the work they have done in that subdivision to make it safer for the children to go to school.

Mr. Schneck stated that the Safe Routes to School Program has offered a great partnership with the residents, and he explained that many of the schools have taken it upon themselves to help identify issues.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0167-2018

Whereas, Traffic Control Order No. PK-111.1, PK-111.2 and PK-111.3 have been issued by the Transportation Engineer under the provisions of the Rochester Hills Code of Ordinances, Chapter 98, Michigan Vehicle Code, MCL 257.1 et seq.: and

Whereas, said Traffic Control Orders cover:

Streets within University Hills Subdivision - Section #16

PK-111.1 No Stopping, Standing or Parking From 7:30 a.m. to 8:30 a.m. and 2:30 p.m. to 3:30 p.m. (School Days Only) within the east side of the right-of-way on Ten Point Drive between signs to be placed at the University Hills Elementary School crosswalk and at 200' intervals extending 350' north and south of the crosswalk .

PK-111.2 No Stopping, Standing or Parking From 7:30 a.m. to 8:30 a.m. and 2:30 p.m. to 3:30 p.m. (School Days Only) within the north side of the right-of-way on Stag Ridge Drive between signs to be placed at the intersection with Ten Point Drive and 350' east of the intersection.

PK-111.3 No Stopping, Standing or Parking on the west side of Ten Point Drive between signs to be placed on 15'-20' from the center of the University Hills Elementary School crosswalk.

Whereas, said Traffic Control Orders shall not be effective after the expiration of ninety (90) days from the date of issuance, except upon approval by this Council; and

Whereas, the Advisory Traffic and Safety Board has considered the issues pertaining to the Traffic Control Orders and recommends that the Orders be approved;

Resolved, that the Rochester Hills City Council approves the issuance of the Traffic Control Orders PK-111.1, PK-111.2 and 111.3 to be in effect until rescinded or superseded by subsequent orders; and

Resolved, that this Traffic Control Order rescinds and supersedes Traffic Control Order No. PK-14.3 and

Now, Therefore, Be It Resolved, that a certified copy of this Resolution is filed together with the Traffic Control Orders, with the City Clerk of Rochester Hills, Oakland County, Michigan.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

Mr. Hetrick stated that he hoped everyone had a terrific Father's Day and will enjoy the first day of summer on June 21 by coming to the Deer Management Advisory Committee seminar.

President Tisdell addressed comments made during Public Comment regarding gypsy moth infestation, stating that he understands that there was spraying undertaken in 2004 encompassing 1,700 acres. He noted that there was also participation with County and State monies in that spraying as well. He commented that this program is no longer in existence. He stated that a process has been initiated to look at doing an egg count later this fall in that area, which will help properly design a response and when it will be most appropriate. He explained that Ken Elwert, Parks and Natural Resources Director, was in attendance to address any individual resident questions.

Ms. McCardell displayed a video sent by one of the residents which showed the gypsy moth caterpillars on one tree, photographs showing the infestation all over a resident's house and garage door, and leaf droppings on the path next to Old Perch. She commented that she is grateful that the homeowners are so invested in the City and have documented on their own the various trees affected and what type of damage is done. She noted that approximately 59 trees have been damaged to date. She pointed out that Rochester Hills is a Tree City and the Parks and Natural Resources Department is dedicated to ensure that the City maintains its healthy environment.

Vice President Morita welcomed the Donato family, noting that their son is fulfilling an Eagle Scout requirement this evening.

Mr. Kubicina stated that he visited the Campus Road area to visit with Mr. Amacher and Mr. Busch and watched the caterpillars as they were falling from the trees. He commented that he will be anxious to hear Mr. Elwert's view of the situation. He questioned whether the Christian Hills area is affected, as this area has many old oak trees.

Ken Elwert, Parks and Natural Resources Director, responded that at the present time the Old Perch and Campus Road areas are being informally surveyed with the help of the residents. He encouraged any resident that believes they have an infestation on their trees resembling those shown in the photographs tonight phone the Department at 248-656-4673. He explained that typically the investigations are driven by customers who call with concerns. He commented that it is a challenge for residents to know who to call, and mentioned that perhaps notice could be placed in the Hills Herald or on the water bills.

Dr. Bowyer questioned whether the current problems that the residents are having with caterpillars will abate in the next week or so as they progress into the moth stage.

Mr. Elwert responded that there is roughly a 40-day life cycle in the caterpillar phase. He noted that the spraying activities undertaken in 2004 were coordinated by Oakland County in some of the northern communities. He stated that the

concept is to spray a very large area to bring down the gypsy moth population to a level where a fungal natural predator can attack these items. He mentioned that the City heard from the Michigan State University Extension representative's specialist in the state who noted that the caterpillar infestations in other areas have begun dying off from the fungal predator.

Dr. Bowyer questioned whether the fungus could be introduced in the areas of infestation.

Mr. Elwert responded that there have been controlled studies on the introduction of this fungus and it appears to be 60 to 70 percent effective on parcels. He stated that gypsy moths cannot be completely eliminated. He mentioned that drought conditions in 2016 and 2017 eliminated the fungal conditions; however, this spring was very wet. He commented that the caterpillars will turn to moths within the next two weeks or so or begin to die off due to the fungus. He noted that the Department will do an egg count per acre in the fall to establish some guidelines for recommendations to the homeowner's association for possible action. He stated that should Council desire, it could consider other elements for control measures.

Dr. Bowyer thanked Ms. Barno for her public comment announcing the deer seminar and for her work to coordinate the presentation. She encouraged residents to attend. She announced the following:

- She attended the Youth Council's 5K on June 16, 2018. She commented that even though the day began with rain, it was well-attended.
- The September 3, 2018 Paint Creek Labor Day Bridge Walk will begin at the Rochester Municipal Park. Monies raised will help fund the bridge replacement project.
- The Michigan Ovarian Cancer Alliance Wheels and Teal 5K is set for Saturday, September 15, 2018.
- She will be participating in the Brooksie Way's 10K on Sunday, September 23, 2018. The race begins at Meadow Brook Hall.
- Neighborhood House will have their Scare Away Hunger Walk on October 21, 2018, beginning at Rochester College. Proceeds will go to provide clothing, food, and emergency financial assistance, and self-sufficiency services to neighbors in need.
- Run the Fairway at Pine Trace is set for November 11, 2018. Proceeds will go toward Special Olympics.
- Outdoor Engagement activities have some open spots. The Campfire Event, Fishing for Beginners, and Kayaking are a few of the opportunities offered.
- The No-Haz collection is set for June 23, 2018 at Oakland University. Residents can drop off their waste materials for \$10 per car from 8:00 a.m. to 2:00 p.m.
- The Hamlin Road construction project between Adams and Squirrel has begun. Sign up for updates by sending an email to swsutton@nfe-engr.com and ask for notifications for the Hamlin Road Project. Weekly updates are sent out to those interested.

Mr. Deel thanked the Deer Management Advisory Committee members and Ms. Barno for arranging the presentation. He expressed his appreciation to Mr. Elwert for providing information on gypsy moths.

City Clerk Tina Barton stated that the Clerk's Office is accepting applications for absent voter ballots for the August election. She commented that the Clerk's Office hopes to have the ballots in hand in the next week or so to distribute to the public by June 30, 2018.

Mayor Barnett expressed his appreciation to the residents who came out to speak on gypsy moths. He stated that the residents have the full attention of the City's team who are looking at how communities are bringing the fungus in for success in fighting the infestation. He noted that the City is reviewing public and private sector options. He made the following announcements:

- After student testing yielded a possible water contamination issue at the schools, the City has been testing every day for two weeks. All tests came back with no contamination found in the water.
- The deadline to submit a questionnaire for consideration for the Diversity and Inclusion Committee is tomorrow at 5:00 p.m. To date 35 to 40 applications have been received for the Committee.
- The City received a \$50,000 check at the US Conference of Mayors in recognition for its Pathway to Public Service Program. The City designed a program to deal with some of its most pressing problems, noting a "Silver Tsunami" where the City's residents are 15 to 20 percent older than the nation's average. Among leadership, the percentage is older than that. Student campuses were visited to encourage students to consider working in local government. The program will fund students' ability to work at the City and gain real-life experience in working in local government.
- Mayor Barnett was elected the Vice President of the US Council of Mayors for this coming year. He will become President next year.
- Thanks go to the Rochester Hills Government Youth Council for raising \$3,500 for Innovation Hills.
- Mayor Barnett is working with Steve Benjamin, Council of Mayors President and Mayor of Columbia, South Carolina, and produced a video shown this evening heralding infrastructure, innovation, and inclusion to help cities thrive.
- An article on Autonomous Vehicles appeared in the publication Route 50 promoting the City's leadership. He noted that this topic opens up new opportunities for those who may not be driving anymore, and involves infrastructure and new technologies as these vehicles have different needs for parking and driving.
- Council is aware of the challenges Deputy Hack faced when he was injured. The day he was hit he had only a nine percent chance of survival. Two weeks ago he made a surprise appearance at Adams High School. A video documented his surprise visit.
- The Festival of the Hills is set for Wednesday, June 27, 2018. Sponsors have donated over \$100,000 to help keep the event free. It is one of the largest fireworks shows in Michigan. The event begins with children's entertainment at 6:00 p.m. No taxpayer dollars are spent.

ATTORNEY'S REPORT

City Attorney John Staran had nothing to report.

NEW BUSINESS

2018-0260 Request for Michigan Liquor Control Commission approval for an application for a New Micro Brewer, New Small Wine Maker and New Small Distiller License for Eton Street Brewery, LLC (Griffin Claw)

Attachments: [061818 Agenda Summary.pdf](#)
[Application.pdf](#)
[Resolution \(Draft\).pdf](#)

City Clerk Tina Barton stated that Council is asked to recommend or not recommend to the Michigan Liquor Control Commission (MLCC) that an application be considered for approval for a new Microbrewery, New Small Winemaker and New Small Distiller License at Eton Street Brewery, which is known as Griffin Claw. She explained that these are manufacturer wholesale licenses. She noted that the City's Ordinances do not speak to these licenses and the Ordinances give no authority for approval. She stated that Griffin Claw is asking for a resolution that the MLCC either consider or not consider their application for approval. She mentioned that one of the owners of Griffin Claw was in attendance this evening.

Scott LePage, Griffin Claw Brewing Company, stated that it was determined that this license is needed going forward.

Mr. Deel noted that there is an existing liquor license in the building. This request for the resolution would add the additional licenses to the building.

Mr. LePage responded that there are two separate addresses involved. The Clubhouse is operating under a Class C Liquor License; while Griffin Claw is a completely different entity. Once approvals are granted for these licenses, brewing and distributing of wine would begin. He explained that after an inventory of products is established, at that point there would be a decision whether to put the Class C license in escrow and a decision made to convert the Clubhouse to a taproom. He commented that the market is changing every day.

Mayor Barnett noted that the LePage family have been good partners of the City and business owners in the community. He stated that the City is appreciative of their investment and would support the recommendation.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0168-2018

Resolved, that the Rochester Hills City Council recommends that the application for a new Micro Brewer, New Small Wine Maker and New Small Distiller License from Eton Street Brewery, LLC, (Griffin Claw), to be located at 2265 and 2273 Crooks be considered for approval by the Michigan Liquor Control Commission.

2018-0261 Request for Michigan Liquor Control Commission approval for an application for a Transfer of a Class C Resort Liquor License submitted by Banana Leaf, Inc., DBA Anchor Bar Michigan

Attachments: [061818 Agenda Summary.pdf](#)
[Application.pdf](#)
[Liquor License PA - Banana Leaf, INC.pdf](#)
[Menu.pdf](#)
[Anchor Bar Drink Menu.pdf](#)
[Resolution \(Draft\).pdf](#)
[SUPPL Resolution \(Draft-Revised\).pdf](#)

City Clerk Tina Barton stated that Council is requested to consider whether to recommend or not recommend the application for the transfer of the Class C Resort License for the Anchor Bar. She explained that as a restaurant with a liquor license already existed in this location, the applicants were not required to go before the Planning Commission for a Special Use.

She mentioned that the City does not typically see a resort license in the community and noted that the license is actually coming to Rochester Hills from Tawas. She explained that the Michigan Liquor Control Commission has indicated that the applicant has the ability to apply for one of the original 550 Resort Licenses in the State of Michigan which can cross county lines and be transferred into Oakland County. She noted that the transfer also does not require an agreement to be signed, and the City is not empowered with the right to either approve or deny the license. The City is asked to either recommend or not recommend that the application be considered for approval by the MLCC.

She stated that Attorney for the Anchor Bar **David Draper** is in attendance representing the applicant, and noted that he was the attorney for the Jagged Fork. She pointed out that the corporation is Banana Leaf and is doing business as the Anchor Bar.

Mr. Draper stated that the Anchor Bar originally started in Buffalo, New York, where the Buffalo Wings originated. He commented that this is a family-oriented dining facility, and explained that his clients are three partners which will be spending a significant amount on the buildout. He introduced **Ravikanth Ikkurthy** and **Gordon (Goutham) Seshadri**, two of the partners in attendance.

President Tisdell noted that per Clerk Barton, the partners exhausted all of the normal routes for transfers and demonstrated that to the MLCC, which triggered this option.

Mr. Draper stated that while this is a slightly unusual liquor license, it can move throughout the state. He commented that the restaurant will look like any other similar bar-restaurant.

President Tisdell commented that the facility previously was a tavern serving food and there would be no change.

Mr. Draper responded that there would be a different product and signage.

Dr. Bowyer commented that she is looking forward to seeing a restaurant-bar there as the building has been empty for some time.

Mr. Hetrick welcomed the applicants and questioned what experience the applicants have had in the franchise restaurant business prior to taking ownership of Anchor Bar.

Mr. Seshadri stated that this is their first venture into the restaurant business, and commented that their previous experience is as software developers and technology people. He noted that they have wanted to go into the restaurant business and have been shopping some time for a great location. He mentioned that they have a great team to support them.

Clerk Barton stated that it is her understanding that as a part of the franchise there is a larger entity that will provide a support system and help transition them into a new experience.

Mr. Hetrick stated that he is glad to see the applicants taking a step to becoming entrepreneurs.

Mr. Ikkurthy stated that they have visited other locations to sample the food and it is some of the best.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0169-2018

Resolved, that the Rochester Hills City Council recommends that the application for a Transfer of a Class C Resort Liquor License submitted by Banana Leaf, Inc., DBA Anchor Bar Michigan, to be located at 2945 S. Rochester Road be considered for approval by the Michigan Liquor Control Commission.

2018-0236 Request for Acceptance of Pathway Easement granted by Auburn Tech Co., L.L.C., a Michigan Limited Liability Company, whose address is 3910 Telegraph Rd., Suite 203, Bloomfield Hills, MI for the Technology Drive Pathway Project

Attachments: [061818 Agenda Summary.pdf](#)
[Pedestrian Pathway Easement.pdf](#)
[Resolution \(Draft\).pdf](#)

Allan Schneck, Public Services Director, noted that this is an easement for the Pathway Program to construct a pathway along Technology Drive from Auburn to Adams Roads. He explained that this particular easement is for the first property north of Auburn Road.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0170-2018

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby accepts a Pathway Easement granted by Auburn Tech Co., L.L.C., a Michigan Limited Liability Company, whose address is 3910 Telegraph Rd., Suite 203, Bloomfield Hills, Michigan, 48302, for the construction, operation, maintenance, repair and/or replacement of a pathway over, on, under, through and across land more particularly described as Parcel No. 15-30-476-022.

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

2018-0239 Request for Purchase Authorization - DPS/ENG: Blanket Purchase Order/Contract for cross connection program management services in the amount not-to-exceed \$267,624.00 through June 30, 2021; HydroCorp, Troy, MI

Attachments: [061818 Agenda Summary.pdf](#)
[Proposal Tabulation.pdf](#)
[Resolution \(Draft\).pdf](#)

Allan Schneck, Public Services Director, stated that Council's favorable approval will allow the City to enter into an agreement with HydroCorp for the City's cross connection program. He explained that HydroCorp was retained in 2015 and has been a successful partner for the last three years. He noted that this is a mandated program through the Michigan Department of Environmental Quality (MDEQ). He stated that HydroCorp takes care of the program from start to finish, and he displayed a typical report that compiles all of the inspections, testing of backflow devices, and results. He commented that this is almost a turnkey type program with little City involvement beyond meeting annually to discuss the outcome of the program and review the report that the City must furnish the MDEQ regarding any high-hazard or low-hazard and residential versus non-residential inspections. He pointed out that the three-year contract is for approximately \$89,000 per year; and he noted that the company will handle all communications and mailings for the inspections performed, and any follow-up needed. Instead of making the resident go out and purchase the vacuum breakers that need to be installed on the outside spigot, the inspector leaves one on the porch in a little bag asking them to put them on to bring the property into compliance. The MDEQ wants to see that the City is in compliance.

President Tisdell commented that providing the homeowner with the apparatus was less expensive than the follow-up required in requiring the homeowner to do it and reinspect.

Mr. Schneck concurred, noting that instead of sending the property owner a letter requesting the property owner purchase and install the part and scheduling it to be reinspected by HydroCorp this method cuts the reinspection out of it and increases the program's efficiency.

Vice President Morita expressed her thanks for replying to her requests for information on what the City was paying for the program. She noted that for the non-residential program over the three years it would be 1,029 inspections, and for the residential program it will be 4,471 inspections, and 12,283 notices. They have three people assigned who have specific certifications with backflow prevention. She questioned whether the inspections are performed during all types of weather.

Mr. Schneck responded that the greatest exposure is due to underground sprinkler systems where a backflow might be created zone to zone. He noted that the time period is typically May through September.

Vice President Morita stated that the inspections and notices fall within that five month window and this is why the firm is not needed for an entire year.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0171-2018

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order/Contract for cross connection program management services to HydroCorp, Troy, Michigan in the amount not-to-exceed \$267,624.00 through June 30, 2021 and further authorizes the Mayor to execute a contract on behalf of the City.

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.

2018-0262 Request for Purchase Authorization - FACILITIES: Blanket Purchase Order/Contract for the construction of the cemetery storage barn in the amount of \$94,419.00 with a 10% project contingency in the amount of \$9,441.90 for a total not-to-exceed cost of \$103,860.90; Mando Construction, Inc., Mount Clemens, MI

Attachments: [061818 Agenda Summary.pdf](#)
[Proposal Tabulation.pdf](#)
[Resolution \(Draft\).pdf](#)

Scott Cope, Building/Ordinance/Facilities Director, and **Gary Nauts**, Facilities Manager, were in attendance.

Mr. Cope noted that Mr. Nauts has been on board with the City for a little over eight months and has been doing a great job taking care of the City's facilities. He stated that cemetery pole barn is a 30 by 36 foot pole barn proposed for the area behind the existing Cemetery office. He explained that the purpose of the pole barn is to house all of the equipment and materials that are used at the Cemetery. He noted that currently all of the materials are sitting on the outside exposed to the weather, creating a challenge for the Cemetery staff with respect to both maintenance and materials storage. The pole barn will extend the life of the equipment and materials along with providing security. He stated that it will also improve the look of the back of the property, making the Cemetery more presentable.

He commented that the cost for the pole barn is estimated at around \$94,000, with a contingency of another \$9,000 for a total project cost of \$103,860.90. He explained that the construction of the pole barn is slightly different than the average pole barn as it will have a reinforced concrete floor, heating, flooring insulation,

and a section of the driveway and walkway in front toward the office that will be resurfaced as well. He noted that this will also take care of a water problem near the back of the office area. In addition, the City was required by the City of Rochester to add screening around the back to provide screen from the residential area behind, which adds to the cost. He commented that it is more of a commercial building rather than a pole barn.

Public Comment:

Lee Zendel, 1575 Dutton Road, questioned whether plumbing is required and what equipment beyond a backhoe and lawn mower will be stored in the building. He noted that the winning bidder stated that the pole barn kit would be from Menard's, and he commented that Menard's currently sells a 36 by 54 foot 1,900 square foot pole barn kit for a price that makes him question what other items and labor costs are included.

Mr. Cope responded that there is no plumbing in the building itself. Items to be stored will be a backhoe and lawn keeping equipment, mowers, weed whips and other equipment relating to the lawn maintenance. He noted that there will be materials that will be used to maintain the property as well.

City Clerk Tina Barton noted that one of the issues that came to her attention since she came to the City 5-1/2 years ago was the purchase of a piece of equipment that can be placed out at the gravesite to thaw the ground in the winter. She stated that it has had to sit outside since its purchase and now shows significant rust from being exposed to the elements. She commented that this is a one-time commitment to something that will protect the City's assets for a very long time. She stated that City dollars should be conserved by making sure that the equipment is being protected. She noted that everything is currently crammed into a small garage and the equipment that does not fit sits outside under an old Cemetery tent. She added that the aesthetics for the neighbors will be improved.

President Tisdell pointed out that the City of Rochester had some requirements relative to aesthetics, materials, and elevation issues.

Mr. Cope responded that the City of Rochester required screening around both sides of the pole barn facing the residential area. He commented that this is one of the reasons for the additional cost, and he mentioned that there is approximately a four to five foot elevation difference requiring quite bit of dirt to be removed to level the area before they can begin work. He noted that with the pavement that needs to be done and the other aspects this is not a simple project. He stated that he recently built a pole barn at his home and can confirm that there is substantially more to this project beyond the installation of a kit in a backyard. This building will require footings, a concrete floor, removal of existing pavement, a proper base, new pavement, and substantial work to prepare the area. He noted that the Cemetery staff will also gain quite a bit of benefit in the cold winter months as the full dump truck will be able to be stored in the pole barn with the heat on so the contents will not freeze prior to being put back in place.

Clerk Barton added that Cemetery staff also do a lot of their own repairs on the mowers and equipment. In the winter this means that they are outside working on equipment. The new building will give staff a place where they can do the work and it is not so cold, saving the City money by not sending equipment out or replacing it.

Ms. McCardell questioned best value bidding.

Mr. Cope stated that this was issued as a request for proposal, and was reviewed for both the lowest cost and a qualified contractor. He noted that staff performed reference checks and felt that the recommended contractor is both the lowest and appears to be well-qualified with good references.

President Tisdell noted that he served on the Cemetery Technical Review Committee for six years prior to this year, and he stated that there has been tremendous progress made since Clerk Barton came on board. He commented that it is a very attractive piece of land and one of the best-kept secrets and values around.

Mr. Hetrick questioned whether the floor is heated and the building insulated.

Mr. Cope responded that the floor is not heated. He stated that the floor is reinforced concrete with insulation.

Mr. Hetrick noted that this is one of the reasons why the building would be warm, allow for better care of the equipment, and allow staff to work in an environment where it is more conducive to getting work done.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0172-2018

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order/Contract for the construction of the cemetery storage barn to Mando Construction, Inc., Mount Clemens, Michigan in the amount of \$94,419.00 with a 10% project contingency in the amount of \$9,441.90 for a total not-to-exceed amount of \$103,860.90 and further authorizes the Mayor to execute a contract on behalf of the City.

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.

2018-0254 Salary Recommendation for Directors' General Adjustment - 2019

Attachments: [061818 Agenda Summary.pdf](#)
[Director_Mayor Salaries.pdf](#)
[Resolution \(Draft\).pdf](#)

Pamela Gordon, Human Resources Director, stated that Human Resources Technical Review Committee (HRTRC) met on June 4, 2018, to discuss salary

recommendations. The recommendations for General Adjustment for Department Directors is for a two percent adjustment reflecting national inflation targets as well as setting the precedent for upcoming contract negotiations with unions set to begin next week.

Public Comment:

Lee Zendel, 1575 Dutton Road, questioned the chart included as a part of the legislative file and a footnote citing step increases are subject to satisfactory performance. He commented that Council should consider whether “good enough” performance should be worthy of a step increase. He suggested that the standard for a step raise should require above-average performance. He noted that outstanding performance should also be worthy of more than merely a step raise.

Ms. Gordon responded that the Administration is in the process of putting together a performance evaluation program which will set the criteria for movement along the salary schedule. She noted that references made in the documents merely reflect that step increases will be tied to performance.

President Tisdell questioned whether the step increases are automatic, and how many years they will be phased in.

Ms. Gordon responded that they are not. She explained that there are six steps on the schedule, and it will also depend on what step that the employee was initially placed. She noted that it could take up to five years.

Dr. Bowyer stated that the HRTRC reviewed the cost of living and noted that with the compensation study undertaken last year, the two percent increases and steps should bring everyone into market rates. She noted that a value-added component was also discussed to incentivize employees to go above and beyond; however, it has not been implemented as yet.

Ms. Gordon stated that a value-added component is still under development. The two percent increase along with the July 2019 step will bring compensation up to just above the market level.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0173-2018

Whereas, pursuant to Article II, Section 5 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the HR Technical Review Committee has met to discuss recommendations concerning the general base pay adjustments for department directors in 2019; and

Whereas, the unified salary schedule that was implemented for City employee groups in 2018, includes Department Directors; and

Whereas, a 2% base salary general adjustment in 2019 will establish a precedence for other City employee groups included in the schedule;

Resolved, the amount of 2% shall be added to the 2019 base salary budget for department directors, in the amount of \$21,266;

Further Resolved, that \$32,548 will be added to the 2019 base salary budget to provide for annual step increases in July 2019, bringing the total 2019 base salary budget for department directors to \$1,117,474.

2018-0255 Salary Recommendation for Mayor - 2019

Attachments: [061818 Agenda Summary.pdf](#)
[Director Mayor Salaries.pdf](#)
[Resolution \(Draft\).pdf](#)

Pamela Gordon, Human Resources Director, stated that the Mayor's salary is also a part of the salary schedule implemented this year. On that basis, the recommendation is for a two percent adjustment for the Mayor consistent with the recommendation for directors.

Mr. Hetrick stated that what is proposed is consistent with the compensation study which was undertaken and approved last year. He commented that these are not increases outside of the boundaries of what the compensation study suggested be done to properly compensate City staff.

Ms. Gordon confirmed this was correct.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0174-2018

Whereas, pursuant to Article IV, Section 3 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the HR Technical Review Committee has met to discuss recommendations concerning the Mayor's salary for 2019; and

Whereas, the positions of Mayor and department directors are included in a unified salary schedule authorized by City Council in 2017; and

Whereas, a 2% base salary general adjustment to the salary schedule for 2019 is consistent with the recommendation for directors and establishes a precedence for other City employee groups included in the schedule;

Resolved, that the amount of 2% shall be added to the 2019 salary budget for the position of Mayor;

Further Resolved, that an additional \$3,846 will be budgeted to provide for a step increase in July 2019, bringing the Mayor's annual base salary to \$132,120.

2018-0256 Salary Recommendation for Directors' Equity Adjustment - 2019

Attachments: [061818 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

Pamela Gordon, Human Resources Director, stated that traditionally Department Directors' salaries have been looked at individually through salary survey and performing internal equity comparisons with other positions within the City to maintain an appropriate equity balance. She explained that with the implementation of the salary schedule, the equity is built in to the schedule structure. She noted that the recommendation of the consultant was to look at that schedule as a whole every five years or so. At that point, a market survey will review positions on the schedule as well as any individual equity issues that may impact an individual director position. She noted that the consensus of the Human Resources Technical Review Committee (HRTRC) for this year is to recommend no equity adjustments because of the movement along the salary schedule currently in progress.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0175-2018

Whereas, pursuant to Article III, Section 5 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the Human Resources Technical Review Committee met to discuss recommendations concerning individual salary equity adjustments for department directors in fiscal year 2019; and

Whereas, a market survey of comparable communities was conducted in 2017 as part of a comprehensive compensation study, which included department director positions; and

Whereas, the consultant's recommendations included a review and update of the salary schedule every five years;

Resolved, that the Rochester Hills City Council hereby concurs with the recommendation that no equity adjustments be authorized by City Council for director positions in 2019.

2018-0257 Salary Recommendation for Directors' Variable Performance (Discretionary) Pool - 2019

Attachments: [061818 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

Pamela Gordon, Human Resources Director, stated that the Human Resources Technical Review Committee's (HRTRC) recommendation is to provide a \$15,000 budget to the Mayor for the discretionary bonus for Directors. She explained that it is a performance-based bonus opportunity for Directors. She noted that \$15,000 is consistent with the budget approved for 2018 and it is pending implementation of the additional merit piece to the salary schedule. For next year it is recommended to maintain that \$15,000.

President Tisdell noted that these are monies that are not automatically spent and the Mayor has carried over dollars in some years.

Ms. Gordon responded that he could disburse all or none.

Dr. Bowyer stated that because the new merit component has not yet been implemented for employees, the HRTRC recommended that the Mayor go ahead with the same budget as last year to reward the Directors that performed above and beyond at his discretion.

Ms. McCardell commented that this is only for Directors and questioned what would occur for employees in every department.

Ms. Gordon responded that that component of the program is still under development. This budget is only for the Directors.

Ms. McCardell questioned when Council could expect to consider something for the employees.

Ms. Gordon responded that the program is targeted for implementation in July 2019.

Ms. McCardell noted that while the Directors work very hard, employees work hard too. She stated that she is looking forward to seeing something brought forward.

Ms. Gordon stressed that the union negotiation process will move forward.

Mayor Barnett commented that the Discretionary Pool goes back approximately 15 years. He noted that this is the first time that the Administration wanted to introduce something for the general employees, and the value-added component will be introduced as a part of the negotiation process. He mentioned that initial negotiation meetings were held today to get broad-based support for the idea. He stated that the Administration is as excited as Council to get something in place.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0176-2018

Whereas, pursuant to Article III, Section 5 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the Human Resources Technical Review Committee met to discuss recommendations concerning variable performance (discretionary) pay for department directors in fiscal year 2019; and

Whereas, a \$15,000 performance pay budget was authorized to recognize director performance in 2018;

Resolved, that the Rochester Hills City Council hereby concurs with the recommendation of the Human Resources Technical Review Committee to maintain \$15,000 in the budget for variable performance pay for department directors in 2019.

2018-0258 Salary Recommendation for City Council - 2019

Attachments: [061818 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

Pamela Gordon, Human Resources Director, stated that compensation for City Council was modified in 2017 as well as for 2018. She noted that it was the consensus of the Human Resources Technical Review Committee (HRTRC) to maintain status quo, with no increase to City Council pay.

Dr. Bowyer stated that it was strongly felt that for the City Council Members it is not about being paid to perform the job, it is about wanting to do the job for the City and for the residents. She commented that to be continually giving Council pay raises is not what it is all about. She noted that compensation for Council is rarely changed, and last year's change was only to the cost per meeting. She commented that salaries have stayed constant for some time.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0177-2018

Whereas, pursuant to Article III, Section 5 of the *City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions* and authorized by resolution number 2017-0279, the Human Resources Technical Review Committee met to discuss recommendations concerning the compensation for members of City Council in fiscal year 2019; and

Whereas, Council members' meeting pay was increased for 2018;

Resolved, that the Rochester Hills City Council hereby concurs with the recommendation of the Human Resources Technical Review Committee to maintain meeting pay for City Council in 2019 at \$70 after 32 meetings.

Further Resolved, that City Council concurs with the committee's recommendation to maintain base pay for Council President at \$8,350.48 per year and base pay for Council Members at \$6,577.43 per year.

2018-0259 Salary Recommendations for Boards and Commission - 2019

Attachments: [061818 Agenda Summary.pdf](#)
[Resolution \(Draft\).pdf](#)

Pamela Gordon, Human Resources Director, stated that the Boards and Commissions received an adjustment to their compensation in 2016. She commented that it still appears to be in line with other comparable communities; therefore, the Human Resources Technical Review Committee is making a recommendation for no change in compensation for Boards and Commissions for 2019.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0178-2018

Whereas, pursuant to Article VI, Section 3 of the City Council Policy for Salaries of Department Directors and Mayor, and Per Diem Fees for City Boards and Commissions and authorized by resolution number 2017-0279, the Human Resources Technical Review Committee met to discuss recommendations concerning the per diem compensation for members of boards and commissions in Fiscal Year 2019; and

Whereas, compensation for Boards and Commissions was last increased in 2016;

Resolved, that the Rochester Hills City Council hereby concurs with the recommendation of the Human Resources Technical Review Committee to maintain the current per diem compensation of one hundred dollars (\$100) for chairpersons and ninety dollars (\$90) for citizen members of boards and commissions per meeting attended in Fiscal Year 2019 for the following boards and commissions.

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

Further Resolved, that the 2019 per diem for Assessment Board of Review will also remain unchanged at \$100.

2018-0235 Request for Purchase Authorization - MAYORS/FISCAL: Approval of insurance coverage (general liability, motor vehicle, physical damage, property and crime coverage) pool contributions/costs, legal defense and risk management consulting in the amount not-to-exceed \$388,316.00; Michigan Municipal Risk Management Authority, Livonia, MI

Attachments: [061818 Agenda Summary.pdf](#)
[MMRMA Insurance Proposal \(2018-19\).pdf](#)
[Renewal Premium and Net Asset Distribution Analysis.pdf](#)
[Resolution \(Draft\).pdf](#)

Vice President Morita stated that as her firm does work for the Michigan Municipal Risk Management Authority (MMRMA), she will recuse herself from discussion and vote on this item.

Joe Snyder, Chief Financial Officer, stated that the request before Council this evening is for approval to renew the City's insurance policy with the MMRMA for a one-year period covering July 1, 2018 through June 30, 2019 in the amount of \$388,316, representing a 2.9 percent increase from last year's policy. He explained that the City has been a member of MMRMA's self-insurance pool since 1985. He stated that MMRMA's service to local units of government in the State provides assistance with administration of claims, legal defense, risk management consultation, and loss control services. He noted that the City has been informed that upon a successful renewal of the 2018 policy, MMRMA will send the City a net asset distribution check in the amount of \$285,269, representing a 15 percent

increase from last year's distribution. He pointed out that the bottom-line to the City of Rochester Hills premium less net asset distribution for insurance is approximately \$103,000.

President Tisdell pointed out that the City's return is substantial as it has been one of the longest-running members in the program.

Mr. Snyder responded that the City's agent reported that the City has one of the highest-grossing distributions in the state among all of their members.

Dr. Bowyer stated that it is great to see that in July of 2010 the City's premium was almost \$600,000 and it is now only \$388,316. She requested Mr. Snyder explain the how the distribution is calculated.

Mr. Snyder responded that the City pays \$388,316 to the MMRMA which it sets aside for investment. He explained that if less is paid out in claims for the whole pool of the state of Michigan, a calculation is then made to distribute any net asset excess distributions back to each unit. He noted that since the City is one of the more senior members of MMRMA, it works to the City's advantage and it receives a larger proportion. He mentioned that if the City were to leave MMRMA and return, it would have to start over.

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

Aye 6 - Bowyer, Deel, Hetrick, Kubicina, McCardell and Tisdell

Abstain 1 - Morita

Enactment No: RES0179-2018

Whereas, the Mayor is requesting continuation of the City's Insurance (general liability, motor vehicle, physical damage, property and crime) coverage including pool contributions, stop loss coverage, SIR (self insured retention) fund replenishment, and risk management consulting in the amount of \$388,316.00 for the period of July 1, 2018 through June 30, 2019 with the Michigan Municipal Risk Management Authority (MMRMA), located in Livonia, Michigan.

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order/Contribution to the Michigan Municipal Risk Management Authority (MMRMA) of Livonia, Michigan for general liability, motor vehicle physical damage, property and crime coverage, pool contributions, stop loss coverage, SIR (self insured retention) fund replenishment, and risk management consulting in the amount of \$388,316.00 for the period of July 1, 2018 through June 30, 2019.

(Mrs. McCardell exited at 9:29 p.m. and re-entered at 9:31 p.m.)

2018-0263 Request for Approval of the Rochester-Avon Recreation Authority (RARA) Deficit Elimination Plan

Attachments: [061818 Agenda Summary.pdf](#)
[State of MI Notice 050218.pdf](#)
[Numbered Letter 2016-1 061818.pdf](#)
[RARA Deficit Elimination Plan Cover Letter 061818.pdf](#)
[RARA Revenues 053118.pdf](#)
[RARA Expenditures 053118.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer, stated that the request before Council this evening is to approve the Deficit Elimination Plan for the Rochester-Avon Recreation Authority (RARA). He explained that on June 13, 2018, the RARA Board was presented with RARA's December 31, 2017 year-end financial audit report. The RARA audit indicated a deficit of \$24,206 in the RARA Operating Fund at year-end. As RARA is a discretely-presented component unit of the City of Rochester Hills, the City of Rochester Hills is the primary unit responsible for filing the Deficit Elimination Plan. He stated that the RARA Board approved the plan at their June 13, 2018 meeting, and noted that before the plan can be filed, it must be approved by both the Rochester Hills City Council and the RARA Board. He stated that failure to submit the Deficit Elimination Plan on a timely basis could subject the City as the primary unit to have a portion of its bi-monthly State Shared Revenue distribution withheld until a Plan is filed, evaluated, and certified by the Department of Treasury. Once certified, the State will distribute any and all withheld monies.

He noted that he has been in contact with the Department of Treasury over the last month to ensure that the materials set to be submitted as a part of the Deficit Elimination Plan are consistent with their required format as well as include any and all information that they may use to help expedite their certification process. He explained that a draft was submitted to the Department of Treasury and received commentary in return that the Deficit Elimination Plan Draft was one of the best that they have reviewed. He pointed out that the Department of Treasury is aware that the plan will be submitted tomorrow, and he noted that items to be transferred to the State are included in the agenda packet and include the Cover Letter, Resolution Template, and RARA's Budget.

He explained that the audit is generally presented at RARA's May Board Meeting each year; however, for 2017 it was determined that monies were incorrectly classified into the wrong category by the auditor. The auditor recognized the error and yielded a restatement of the audit to be received on July 13, 2018 at the next RARA Board Meeting. He noted that he will be following up with the Department of Treasury regularly to ensure that review is progressing as quickly as possible. He stated that the Department of Treasury is aware that the City wishes this to be given their highest priority for review.

He pointed out that over the past few months he has been very active working with the RARA Board to ensure that this deficit situation does not occur again into the future. He noted the following:

- A conservative and realistic budget was developed for 2018 with annual revenues exceeding annual expenditures by \$150,000-plus per year. He commented that this will take care of the deficit situation by the end of 2018.

- RARA is also developing a three-year budget plan to present to Council in August, and has adopted a Fund Balance Policy where it states that it intends to maintain a minimum fund balance reserve of 20 percent of annual expenditures going forward, per the Government Financial Officers Association's best practices.
- RARA has also prepared a seven-year Capital Improvement Plan that will be incorporated into the multi-year budget.
- At the last Board meeting, it was recommended that RARA create a Strategic Goals Committee over the next year similar to the City's model that helps envision goals for RARA to achieve over time.

Dr. Bowyer questioned where RARA's Executive Director Ron Jewell was this evening.

Mr. Snyder responded that Mr. Jewell was on a pre-scheduled family vacation.

Dr. Bowyer stated that she was very disappointed in the state of RARA's finances showing a deficit of \$24,000 after it was thought that at the end of 2017 it had a Fund Balance of \$15,000. She noted that at that time, she made it clear that she was disappointed with how things were being run. She commented that it appears that the purchase of the additional building is draining RARA's bottom line, and noted that she is not certain whether it is indicative of a market problem or a RARA management issue. She stated that it appears that the gamble with taxpayer money is not paying off. She commented that she does not see where things will turn around and expressed concern that conditions will continue to worsen. She noted that it is more disturbing to see a lack of fiscal responsibility on the part of the RARA Board. She mentioned that much discussion was geared toward a raise for Mr. Jewell; and she noted that after two compensation studies it appears that he is almost at market share while his employees are way below. She questioned whether the deficit was known before receiving the letter from the State.

Mr. Snyder responded that it was known from working with the auditors.

Dr. Bowyer stated that RARA needs to undergo a change. She noted that she would support pulling the City's taxpayer money back to Rochester Hills to create a new Rochester Hills Recreation Authority under the Parks and Natural Resources Division. She commented that this model is seen more in other cities, and noted that Troy has a great recreation division. She noted that residents have reached out to her to request that Rochester Hills have its own community center. She expressed concern that without some serious changes RARA will continue to spiral downward.

President Tisdell noted that Council is considering the Deficit Elimination Plan this evening. He stated that he understands Dr. Bowyer's concerns and request for future consideration of other options.

Mr. Deel questioned where RARA's current fund balance stands.

Mr. Snyder responded that RARA currently has over \$500,000 in the bank. He noted that at year-end it is projected to have a \$125,000 balance to the positive.

He commented that year-after-year RARA has always had a structural surplus with more revenues than expenditures. He commented that since he has been at the City, RARA dipped into their Fund Balance two times, once when they built-out the first building and again when they built-out the second building. He noted that in reviewing RARA's finances, they are not spending money that they do not have; and he commented that they have a structural surplus on an ongoing routine basis.

Mr. Deel pointed out that the deficit is a snapshot as of December 31, 2017. He noted out that he was appointed to the RARA Board in December of 2017, and was disappointed with the fiscal management and decisions made in the years preceding his appointment. He stated that with Mr. Snyder's assistance, the Board has incorporated some procedures that will be helpful. He noted that the Deficit Elimination Plan is required by statute, and he stated that the Plan prepared appears to meet State requirements and will not leave the City's revenue sharing dollars at risk.

He stated that although deliberation this evening is toward the Deficit Elimination Plan, consideration should be given moving forward to RARA's historical place in the community. He noted that RARA has touched people in the community, and pointed out that most of the Council Members have had exposure to RARA as their children have participated in activities over the years. He stated that he believes that RARA has a place in the community, and careful consideration should be given to the future and to the management of RARA.

Mr. Hetrick concurred that RARA has encountered substantial challenges over the last few years, and he stated that it is encouraging to know that Mr. Snyder is involved and will help get things turned around. He mentioned that RARA is expected to have approximately \$126,000 in Fund Balance at the end of 2018 and questioned what that represents toward achieving 20 percent Fund Balance for annual operating expenses.

Mr. Snyder responded that it will represent approximately seven percent. He stated that the goal is to achieve the 20 percent Fund Balance within three years.

Mr. Hetrick questioned whether the three-year budget will reflect considerable progress. He commented that in order for Council to stand behind RARA as an entity, Council must see the progress.

Mr. Snyder responded that it will.

Mr. Hetrick stated that RARA is appreciated by the community and it must deliver its services effectively and with financial efficiency. He commented that with Mr. Snyder's direction, RARA has the structural steps in place to turn things around to move in the right direction.

Vice President Morita expressed her thanks to Mr. Snyder for taking time to speak with her earlier today. She noted that the inability of RARA to properly manage its finances in the past has put the City's State Revenue Sharing at risk, which is completely unacceptable. She stated that she has grave concerns about the

viability of RARA overall, noting that while she understands that there is a Deficit Elimination Plan, she also knows that RARA needs to pay their employees more without having the means to do so. She noted that while Council is discussing the Deficit Elimination Plan this evening, it is incumbent upon Council to review the situation fully. She stated that Council should be working with the City's representatives on the RARA Board to review the City's vision for RARA for the future and the path that it needs to take in order to get there. She commented that she requested the Administration set up a committee with the City's two citizen representatives, Mr. Deel, and perhaps herself and/or President Tisdell to ensure that the business plan RARA is currently operating under is actually viable for the future. She stated that she does not want Mr. Snyder to have to return next year with the same concerns. She noted that she would like a report back to Council in six months as this is a situation that needs to be monitored consistently and actively.

Ms. McCardell expressed her thanks for Mr. Snyder's hard work. She noted that she asked Mr. Jewell during his last appearance before Council for his strategic plan, and his response regarding registration projections did not encompass a strategic business plan. She expressed concern that RARA purchased a building and started a semi-private gym with taxpayer dollars without a business or strategic plan. She questioned how citizen representatives' qualifications for that Board are reviewed. She commented that there have been issues with retaining employees. She mentioned that Rochester Area Youth Assistance is having difficulties coordinating the Camp Safari program that has been happening every year for many years and she personally was not able to get a baseball schedule for her son due to employee turnover.

Mayor Barnett stated that he hears the passion in Council's comments this evening. He noted that everyone is committed to a successful and vibrant RARA, and one of the City's tasks is to ensure that RARA is successful and continues the long tradition it has had in providing recreation for the community. He pointed out that the City is a joint partner with the City of Rochester and must respect their position as well. He commented that the Administration could put together a summit of sorts to bring the key individuals to the table to talk about RARA's vision for the future. He stated that he has great confidence in Mr. Snyder as he knows how conservative Mr. Snyder is with the City's budget. He pointed out that a series of personnel and financial challenges have been identified, and he noted that the financial challenges have been centered around the investment rather than operational moves. He stressed that operationally RARA is an organization that has been making money month after month. He mentioned that he knows that both citizen Board Members are passionate for the success of RARA. He stated that the message is that the RARA financial situation has the full attention of the City Council and the Administration and steps must be taken to better indicate Council's direction for the RARA Board and organization. He commented that partners at the City of Rochester will also be engaged.

Mr. Deel stated that he wants to see RARA be successful. He noted that he wants to make it very clear that RARA does not now or in the foreseeable future seem to be in any financial jeopardy. He pointed out that this is a snapshot that

occurred on December 31, 2017. He mentioned that there is a half million dollars in the bank currently at RARA and it has an operational surplus and will continue to operate like that. He commented that what was seen was that RARA purchased a building and completed the build-out and spent more than it should have. He noted that while possibly not the best financial decision, it is paying off as RARA has enough money to operate. He stated that RARA will benefit from the guidance from Council regarding their direction in the future and looks forward to working with the Mayor.

President Tisdell commented that he was aware that Mr. Jewell would not be able to attend as he had a prior commitment, and he noted that the request came quickly to place this item on tonight's agenda. He stated that it is also worth noting that the City's Council Members have always been accustomed to the exceptional job that the City's Fiscal Team does for Rochester Hills. He mentioned that there were some delays with the build-out of the exercise facility causing them to open in May or June, which is well past the key membership sign-up dates without budgeting in any margin for error. He noted that they have done much better this year.

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

Aye 7 - Bowyer, Deel, Hetrick, Kubicina, McCardell, Morita and Tisdell

Enactment No: RES0180-2018

Whereas, the Rochester-Avon Recreation Authority's (RARA) Fund has a \$24,246 deficit fund balance on December 31, 2017; and

Whereas, 1971 PA 140 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury;

Now, Therefore, It Is Resolved, that the Rochester Hills City Council adopts the following as the Rochester-Avon Recreation Authority Fund Deficit Elimination Plan:

Revenue:

Municipal Contributions	\$ 719,510
Charges for Service	\$ 1,843,030
Other Revenue	\$ 31,000
Total Revenue	\$ 2,593,540

Expenditures:

Salaries & Wages	\$ 1,242,163
Supplies	\$ 217,800
Contractual Services	\$ 523,225
Utilities	\$ 58,000
Maintenance & Repairs	\$ 58,000
Other Expenditures	\$ 69,100
Depreciation	
Debt Service	\$ 265,981
Capital Outlay	\$ 9,000
Total Expenditures	\$ 2,443,269

Add Back Depreciation (Net Investment in Capital Assets Net Position)

\$ -

Unrestricted Net Position (Deficit) Dec. 31	\$126,025
	2018
CA-CL (Deficit) Jan. 1	\$ (24,246)
Revenues	\$ 2,593,540
Expenditures	\$ (2,443,269)
Add Back Depreciation	\$ -
CA-CL (Deficit) Dec. 31	\$ 126,025

Explanation:

- Revenue increase due to increased Municipal Contributions and Charges for Services due to recent conservative trends.
- Expenditure decrease due primarily to reduction in capital outlay, as build-out renovation of new complex was completed in Fiscal Year 2017.

Be It Further Resolved, that the Rochester-Avon Recreation Authority's Treasurer/City of Rochester Hills Chief Financial Officer submit the Deficit Elimination Plan to the Michigan Department of Treasury for certification.

ANY OTHER BUSINESS

Ms. McCardell requested Mr. Elwert comment further on the gypsy moth infestation. She noted that an egg count would be completed in the fall, and questioned whether through the Michigan State University Extension or some other larger entity surrounding communities could be polled to determine if they are also experiencing an infestation. She commented that perhaps economies of scale could be realized on a broader spraying area.

Ken Elwert, Parks and Natural Resources Director, stated that the Department has reached out to a variety of other neighboring communities and a number have responded that there is little to no gypsy moth activity in their communities. He commented that as others respond, the City is open to exploring sharing information to get the best picture possible. He noted that the City's egg count in the fall will be limited to the area of concern that has been identified and along the Old Perch area. He commented that if additional calls are received in the next few weeks they will be investigated as well.

Ms. McCardell questioned whether the area would be large enough for a spraying.

Mr. Elwert responded that typically areas sprayed are larger. He explained that the same chemical is used for a ground-spraying situation as well and is available from commercial vendors. He stated that this is a typical response for a parcel-by-parcel small acreage treatment. He noted that this is most likely a private tree situation; however, the City can provide technical help to analyze. He stated that if the risk is large enough, it could be brought to City Council for discussion. He commented that there are other options besides a mass-spraying of the bacterium to treat the infestation.

NEXT MEETING DATE

- Regular Meeting - Monday, July 16, 2018 - 7:00 p.m.

ADJOURNMENT

There being no further business before Council, it was moved by Morita and seconded by Bowyer to adjourn the meeting at 9:36 p.m.

*MARK A. TISDEL, President
Rochester Hills City Council*

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

*MARY JO PACHLA, CMMC
Administrative Coordinator - City Council
City Clerk's Office*

Approved as presented at the September 10, 2018 Regular City Council Meeting.