



Rochester Hills

Minutes - Draft

City Council Regular Meeting

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

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

Vision Statement: The Community of Choice for Families and Business

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

Monday, March 21, 2011

7:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

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

ROLL CALL

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

Others Present:

*Ed Anzek, Director of Planning and Economic Development
Bryan Barnett, Mayor
Tara Beatty, Chief Assistant
Alan Buckenmeyer, Parks Operations Manager
Scott Cope, Director of Building/Ordinance Compliance
Lisa Cummins, Purchasing Analyst
Paul Davis, Acting Director of DPS/Engineering
Jean Farris, Supervisor of Procurement Services
Bruce Halliday, Fleet Manager
Mike Hartner, Director of Parks and Forestry
Ed Leafdale, General Foreman
Gerry Lee, Forestry Operations Manager
Jane Leslie, City Clerk
Keith Sawdon, Director of Finance
Rachel Schlagel, Rochester Hills Government Youth Council Representative
John Staran, City Attorney*

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

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

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

PUBLIC COMMENT

Scot Beaton, 655 Bolinger Street, commented that it is a violation of Robert's Rules of Order to state how an individual will vote on a motion on the floor. He stated that a Public Hearing must be opened and closed without a motion on the floor.

Pauline Holeton, 2392 Barclay, Shelby Township, expressed concern about the introduction of Smart Meters by utility companies, stating their use invades privacy by transmitting information on utility usage. She commented that the meters cause potential health problems from electromagnetic fields and can cause power surges. She requested Council consider a moratorium on Smart Meters.

John Holeton, 2392 Barclay, Shelby Township, stated that the use of Smart Meters is increasing throughout the country. He mentioned the cost implications, health and safety concerns regarding their use and commented that the use of Smart Meters violates an individual's Fourth Amendment Rights.

Tom Ryan, 3626 Hollenshade Drive, commented that the northwest portion of the City has had an ongoing problem with electrical service interruptions for the past twenty years. He requested the City's assistance in finding a solution.

John Aquilina, 3354 Palm Aire Court, stated that the frequency of electrical outages has increased dramatically over the past six to eight months. He noted that the majority of these outages occur during times of no adverse weather conditions and are blamed by DTE on tree limbs, animal intrusion and old transmission lines and fuses. He commented that many outages occur during the middle of the night, affecting appliances and impacting security.

Gary Uhl, 3508 Wedgewood Drive, stated that the 300 to 500 homes in the subdivisions along Tienken Road served by the Carter Substation have had at least ten power outages since last June, with power flickering before going out. He stated that while he recently received a call from Tom Phillips at DTE addressing the outages, he does not see any real solution being offered to the residents.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

Rachel Schlagel, Rochester Hills Government Youth Council (RHGYC) Representative, reported that the RHGYC is seeking sponsors and participants for its annual 5K Run/Walk which this year will benefit the Rochester Area Neighborhood House. She noted that this year's race will be chip-timed. She stated that the group held a returnable bottle and can drive and is holding a fundraiser tonight at Buffalo Wild Wings.

Mayor Barnett stated that approximately a dozen calls have come in over the past ten days concerning power outages. He distributed an e-mail that he received from Mike Palchesko, DTE's representative, addressing concerns and noting that a pole-to-pole foot patrol of the lines served by the Carter Substation area should be completed by March 25th and any repairs needed will be completed as quickly as possible. He offered to inform interested individuals by e-mail on any progress made toward resolving the outages. He made the following announcements:

- Motorists should report potholes directly to the Road Commission for Oakland County (RCOC) at 1-877-858-4804. The City refers calls it receives regarding County roads to the RCOC.
- Construction began on the M-59/Crooks Road Interchange on March 14th and will continue throughout most of the summer months. There will be a 14-day period when the intersection of Crooks Road and Star Batt Drive will be closed.
- Work will begin on the Walton Boulevard resurfacing project on April 15th.
- The City received the Assistance to Firefighters Grant from the Department of Homeland Security, which will fund protective gear that the City recently purchased.

Mayor Barnett announced that Ron Walker, a long-time City employee, passed away. He expressed condolences to Mr. Walker's family and mentioned that he was the first inspector in Michigan to receive training for both fire inspection and fire suppression/fire alarm issues.

Council Members expressed their condolences to Mr. Walker's family.

Mr. Yalamanchi commented that the City's DTE representatives could be invited to meet with affected subdivisions and suggested that a forum be scheduled.

Mr. Webber concurred that a forum to address electrical outages might be helpful.

Mr. Klomp expressed his thanks to Mayor Barnett for his State of the City Address, noting that many of the City's accomplishments were highlighted along with the challenges it faces.

Mr. Brennan addressed public comment regarding Robert's Rules of Order, noting that the Zoning Board of Appeals held a workshop on the Rules. He pointed out that power outage problems in his district were resolved and suggested that DTE again be asked to address resident concerns. He congratulated Mayor Barnett and the Administration for the State of the City report, noting that Rochester Hills is in great shape given the current economic situation.

Mr. Pixley reported that over \$17,000 in grants were provided from the foundation supported by the Brooksie Way Half-Marathon. He commented that the Mayor's State of the City Address emphasized the City's great business climate and highlighted job creation.

President Hooper concurred that DTE should be asked to address power outages. He responded to the public comment regarding information being transmitted by Smart Meters, stating that data on utility usage is already collected remotely via cable boxes and water meters.

ATTORNEY MATTERS

City Attorney John Staran had nothing to report.

PRESENTATIONS

2011-0130 Winter Maintenance Budget Overview Presentation; Department of Public Services, presenters

Attachments: [Agenda Summary.pdf](#)

Mayor Barnett commented that as this past winter was the sixth snowiest on record, he requested an update be presented on the Winter Maintenance Budget.

Paul Davis, Acting Director of DPS/Engineering, presented a summary of the Major Roads, Local Roads and Pathway expenses to date. He noted that as a rule of thumb, two-thirds of the budget is expended in the first part of the year. He highlighted the following areas:

- Thus far, 70 percent of the Major Roads materials budget and 75 percent of the Local Roads materials budget has been expended.
- As a whole, 53 percent of the Major Roads budget and 50 percent of the Local Roads budget is expended in the first part of the year.
- \$52,400 of the Pathways Budget is directly related to winter maintenance activities. Remaining funds are transferred to the Pathway Construction Fund.
- 5,500 tons of salt was used on Major and Local Roads from December 2010 through March 16, 2011. Salt is primarily used on Major Roads.
- 225 tons of chloride and sand were used on gravel roads.
- 3,900 gallons of a salt/brine mixture was used to pre-wet many of the roadways.

Mr. Yalamanchi expressed his thanks to the Department of Public Service, commenting that it is impressive how the roadways are well taken care of during the winter months. He questioned how snow clearing is scheduled.

Mr. Davis responded that the DPS/Garage runs well because of experienced and qualified leadership. He stated that five employees generally service 38 miles of City Major Roads, including Livernois Road from South Boulevard to Tienken Road. He stated that Local Roads are not plowed on overtime until snow totals reach four inches or more. He noted that the department utilizes two graders, 14 pickup trucks and 16 large plow vehicles to clear streets, and mentioned that vehicles from the Parks Department often assist during storm events totaling over eight inches. He explained that the City's Major Roads, including many subdivision collector

roads, are cleared first, followed by the Local Roads. He stated that a first pass does not include cul-de-sacs or eyebrows, and streets are prioritized based on traffic counts, starting from the east and west ends of the City, and moving to the middle. He pointed out that the mile roads are owned and maintained by the Road Commission for Oakland County (RCOC), with the exception of Livernois.

Mr. Rosen commented that with 62 inches of snow this year, it is a compliment to the DPS staff that the City is so little over budget in this area.

Mayor Barnett stated that credit is due to Bud Leafdale, General Superintendent, Ed Leafdale, General Foreman, and Bruce Halliday, Fleet Manager, noting that the City is able to handle a significant amount of snow with relatively the same budget. He pointed out that much time is saved that was previously needed to warm up the equipment hydraulics as the vehicles are now stored inside the new DPS Facility. He mentioned that many of the City's drivers have been clearing the same routes for 18 to 20 years.

Mr. Davis noted that mechanics also come in for snow events to keep the equipment functioning properly.

Discussed.

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.

2011-0123 Approval of Minutes - City Council Special Meeting - February 28, 2011

Attachments: [CC Special Mtg Min 022811.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0045-2011

Resolved, that the Minutes of a Rochester Hills City Council Special Meeting held on February 28, 2011 be approved as presented.

2011-0124 Approval of Minutes - City Council Regular Meeting - February 28, 2011

Attachments: [CC Min 022811.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0046-2011

Resolved, that the Minutes of a Rochester Hills City Council Regular Meeting held on February 28, 2011 be approved as presented.

- 2011-0101** Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for 5G Slag in the amount not-to-exceed \$16,250.00; Edward C. Levy Company, Detroit, MI

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0047-2011

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Edward C. Levy Company, Detroit, Michigan for 5G Slag in the amount not-to-exceed \$16,250.00 through December 31, 2011.

- 2011-0102** Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for 22X Slag in the amount not-to-exceed \$4,250.00 through December 31, 2011; Bedrock Express Ltd., Ortonville, MI

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0048-2011

Resolved, that the Rochester Hills City Council authorizes a Blanket Purchase Order to Bedrock Express Ltd., Ortonville, Michigan for the purchase of 22X Slag in the amount not-to-exceed \$4,250.00 through December 31, 2011.

- 2011-0103** Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for 22A Road Gravel in the amount not-to-exceed \$32,250.00; Glenn Eisenhardt Excavating Inc., Leonard, MI

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0049-2011

Resolved, that the Rochester Hills City Council authorizes a Blanket Purchase Order to Glenn Eisenhardt Excavating Inc., Leonard, Michigan for 22A Road Gravel in the amount not-to-exceed \$32,250.00 through December 31, 2011.

- 2011-0104** Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for asphalt paving materials in the amount not-to-exceed \$25,500.00; Ajax Materials Corporation, Troy, MI

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0050-2011

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Ajax Materials Corporation, Troy, Michigan for asphalt paving materials in the amount not-to-exceed \$25,500.00 through December 31, 2011.

2011-0105 Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for calcium chloride in the amount not-to-exceed \$90,000.00; Liquid Calcium Chloride Sales, Kawkawlin, MI

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0051-2011

Resolved, that the Rochester Hills City Council authorizes a Blanket Purchase Order to Liquid Calcium Chloride Sales, Kawkawlin, Michigan for calcium chloride in the amount not-to-exceed \$90,000.00 through December 31, 2011.

2011-0109 Request for Adoption of a Street Resolution to place newly constructed Technology Drive (Road Extension) within the City Major Street System for the purpose of obtaining funds under Act 51, P.A. 1951, as amended

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0052-2011

Whereas, it is necessary to furnish information to the State of Michigan to place said street within the City Major Street System for the purpose of obtaining funds under Act 51, P.A. 1951, as amended.

Now, Therefore, Be It Resolved:

1. That the said centerline street described as follows:

Technology Drive, described as running southeasterly from the centerline of Adams Road 215.22 feet to the existing certified northerly terminus of Technology Drive, more particularly described as:

Part of the SE 1/4 of Section 30, T3N,R11E, City of Rochester Hills, Oakland County

Michigan, Beginning at a point on the centerline of Adams Road distant S 84°57'38" W 613.74 feet and S 62°18'50" W 387.44 feet from the East section corner, thence S 27°37'23" E 186.15 feet, thence 21.24 feet along a curve to the right (radius 400.00, central angle 3-02-43, long chord bears S 26°06'14" E 21.24 feet) to the north line of "Rochester Hills Executive Park" (L199 P26 OCR), thence along a curve to the right 8.00 feet (radius 400.00 feet, central angle 1°8'49", long chord bears S 26°28'28" E 8.00 feet)

2. That said street is located within the City right-of-way and is under the control of the City of Rochester Hills.
3. That said street is certified as a public street and is open for public street purposes.
4. That said street is accepted into the City Major Street System.
5. That said street was open for traffic on November 19, 2010 and was constructed according to City standards.

2011-0116 Request for Approval of Traffic Control Order YS-105, Streets within Rochester Hills Executive Park - Section #30: YS-105.1 Research Drive YIELD for Technology Drive, and YS-105.2 Research Drive YIELD for Bond Street

Attachments: [Agenda Summary.pdf](#)
[Existing and Proposed Signage.pdf](#)
[AT&S Minutes Excerpt 020811.pdf](#)
[TCO YS-105.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0053-2011

Whereas, Traffic Control Order No.YS-105 has 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 Order covers:

YS-105.1 Research Drive YIELD for Technology Drive, and YS-105.2 Research Drive YIELD for Bond Street

Whereas, said Traffic Control Order 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 Order and recommends that the Order be approved;

Resolved, that the Rochester Hills City Council approves the issuance of Traffic Control Order YS-105 to be in effect until rescinded or superseded by subsequent order; and

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

2011-0110 Request for Approval of the storm water detention system maintenance agreement between the City of Rochester Hills and Sikh Gurdwara

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0054-2011

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby approves the storm water detention system, relative to the details of the development and use, repair, and maintenance of the storm water system, for Sikh Gurdwara, for City File #05-015, between the City of Rochester Hills and Sikh Gurdwara, 6780 Old Orion Ct., Rochester Hills, MI 48306.

- 2011-0111** Request for Acceptance of the warranty deed for the westerly 5 feet of Lot 42 on Norton Lawn, granted by Sikh Gurdwara, a Michigan Domestic Nonprofit Corporation, for Sikh Gurdwara

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0055-2011

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby accepts a warranty deed granted by Sikh Gurdwara, a Michigan Domestic Nonprofit Corporation, 6780 Old Orion Ct., Rochester Hills, MI 48306, for part of Parcel No. 15-34-226-034.

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

- 2011-0115** Request for Acceptance of a watermain easement from Sikh Gurdwara, for Parcel No. 15-34-226-034

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0056-2011

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby accepts a watermain easement granted by Sikh Gurdwara, 6780 Old Orion Ct., Rochester Hills, MI 48306, for the construction, operation, maintenance, repair and/or replacement of a watermain, over, on, under, through and across land more particularly described as Parcel No. 15-34-226-034.

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

- 2011-0125** Request for Purchase Authorization - PARKS/FORESTRY: Blanket Purchase Order for the 2011 Spring and Fall Street Tree Planting in the amount not-to-exceed \$75,000.00; Michigan Lawn Maintenance dba Sherman Nursery Farms, Columbus, MI

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0057-2011

Resolved, that the Rochester Hills City Council authorizes a Blanket Purchase Order for the 2011 Spring and Fall Street Tree Planting to Michigan Lawn Maintenance dba Sherman Nursery Farms, Columbus, Michigan in the amount not-to-exceed \$75,000.00 and further authorizes the Mayor to execute a contract on behalf of the City.

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.

Passed the Consent Agenda

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

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

The following items were discussed and adopted by separate motion:

- 2011-0106** Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for bituminous cold patching materials in the amount not-to-exceed \$21,250.00; Ajax Materials Corporation, Troy, MI

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

Public Comment:

Lee Zendel, 1575 Dutton Road, stated that a self-propelled pothole patcher is now available that could replace the traditional patching crew. He commented that reports cite that this equipment is more efficient than traditional methods, is safer for maintenance crews, and repairs last two to three times longer. He suggested that the Administration look into the possibility of acquiring this equipment.

Council Discussion:

Paul Davis, Acting Director of DPS/Engineering, stated that the product quoted by the lowest bidder was unacceptable and the City recommends rejecting that bid.

Council Members suggested that Mr. Davis gather information on pothole patching equipment, including costs.

Mr. Davis responded that he would.

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

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

Enactment No: RES0058-2011

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Ajax Materials Corporation, Troy, Michigan for bituminous cold patching materials in the amount not-to-exceed \$21,250.00 through December 31, 2011.

2011-0128 Request for Purchase Authorization - DPS/ENG: Contract for the construction of two (2) concrete noise abatement walls along the M-59 corridor; Michigan Department of Transportation (MDOT), Lansing, MI

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

Public Comment:

Scot Beaton, 655 Bolinger, questioned why no illustrations or graphics were included for consideration, suggesting that a brick wall facade was more favorable. He commented that an upscale residential community such as Rochester Hills should have asked for more emphasis on aesthetics in the design process.

Council Discussion:

President Hooper questioned whether the bids had been let.

Paul Davis, Acting Director of DPS/Engineering, stated that the walls qualified for Federal Funding at 81 percent, and the City is required to pay an Act 51 share of 12-1/2 percent of what is not Federally Funded, equivalent to approximately \$90,000. He reported that the bid letting was March 4th, and the bids received came in very close to the cost estimates contained in the original Noise Study.

Mr. Yalamanchi questioned how the design was determined and whether the Michigan Department of Transportation (MDOT) considered the City's requests.

Mr. Davis responded that MDOT's design process allows those adjacent to and benefitting from the walls to determine the design. Two patterns were presented for consideration and input was received at a public information meeting. He noted that the meeting was not well attended, and the brick wall design only received two votes versus a hibiscus pattern which received three. The Administration requested MDOT allow the City's Planning Commission to review the designs; and a third option was subsequently recommended by the Planning Commission and accepted by MDOT. The resulting design includes a subtle treatment of a version of the City's new tree logo embossed at each end panel. He noted that this design will be less costly for the City to maintain.

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

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

Enactment No: RES0059-2011

Resolved, that the Rochester Hills City Council authorizes the contract with the Michigan Department of Transportation (MDOT), Lansing, Michigan for the construction of two (2) concrete noise abatement walls along the M-59 corridor in the amount not-to-exceed \$89,500.00 and further authorizes the Mayor and City Clerk to execute a contract on behalf of the City.

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.

PUBLIC HEARINGS

2011-0069 Request for Approval of an Industrial Facilities Exemption Certificate for 2770 Research Dr., Rochester Hills for WABCO North America, LLC

Attachments: [Agenda Summary.pdf](#)
[Application.pdf](#)
[2-Year Abatement of PP Calc \(Current\).pdf](#)
[Development Agreement.pdf](#)
[WABCO Presentation.pdf](#)
[022811 Agenda Summary.pdf](#)
[Commitment Letter.pdf](#)
[WABCO TB Analysis 2 Years \(Obsolete\).pdf](#)
[WABCO Depreciation Schedule \(Obsolete\).pdf](#)
[Public Hearing Notice.pdf](#)
[022811 Resolution.pdf](#)
[Resolution.pdf](#)

Ed Anzek, Director of Planning and Economic Development, explained that WABCO is creating a new division at their Rochester Hills location. He stated that the Michigan Economic Growth and Development Authority (MEGA) Board granted their request on February 15th for a High-Tech MEGA Exemption. Rochester Hills must approve the exemption for it to go forward.

Mr. Frank Impson, Controller, WABCO USA and **Mr. Jim Buck**, Production

Leader and current Plant Manager of WABCO's Rochester Hills operations were in attendance. Mr. Impson highlighted the following in his presentation:

WABCO (Westinghouse Air Brake Company):

- Started in 1869.
- A high-technology company leading in safety and control systems for commercial vehicles.
- \$2.2 billion in sales in 2010.
- Over 10,000 employees in 31 countries; 1,250 engineers.
- 18 plant locations in 10 countries.
- Listed on the New York Stock Exchange as WBC.
- United States Locations in Charleston, South Carolina and Rochester Hills, Michigan.
- Rochester Hills hosts the Product Development Center.

WABCO's Plan:

- To grow engineering capabilities in the United States to:
 - * Better connect with regional customers.
 - * Develop technologies specific to the region.
 - * Deploy those technologies globally where the benefits are also apparent for other regions. As the U.S. market is indicating sustainable growth for the foreseeable future, all technologies are considered for the region including Stability Systems, Antilock Brake Systems, Trailer Systems, Foundation Brakes and Air Supply, and Automated Transmission Controls. The engineering focus is around Systems Architecture, Functional Development and Project Management. Supporting roles include IT/Data Systems and Software Engineering.

HIRING PLAN (Will meet MEGA's requirements for wages and benefits):

- First year: 18 employees
- Second Year: 40 employees
- Third Year: 60 employees
- Fourth Year: 80 employees
- Fifth Year: 100 employees

MEGA Activities:

- January 14, 2011: Submitted MEGA application.
- January 21, 2011: Rochester Hills building chosen (2770 Research Drive). Temporary site until other larger space can be located.
- February 15, 2011: MEGA Board approved application.
- March 21, 2011: Rochester Hills City Council Review.

President Hooper Opened the Public Hearing at 8:13 p.m. Seeing no public input, President Hooper Closed the Public Hearing at 8:14 p.m.

Council Discussion:

Mr. Pixley expressed his congratulations to the WABCO representatives on the company's tremendous growth.

Mr. Yalamanchi questioned why the request was for a two-year exemption and what effect the proposed State MEGA budget cuts will have on the exemption.

Mr. Impson responded that within two years, this location will not have room to accept any additional employees and the company will have to relocate.

Mr. Anzek responded that the Development Agreement addresses the ability to extend the exemption to a new location. He commented that while he cannot guarantee what the State will do, the City will structure the tax abatement with an extension capability.

Mr. Webber expressed his appreciation to the WABCO representatives for considering Rochester Hills.

President Hooper noted that the abatement encompasses \$1,513 of City taxes over a two-year period.

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

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

Enactment No: RES0060-2011

Whereas, WABCO North America, LLC is located within an Industrial Development District under the Plant Rehabilitation and Industrial Development Districts Act of 1974, as amended;

Whereas, the Industrial Development District is that property located at 2770 Research Dr., also known as Tax Parcel No. 15-29-352-003, and further described as:

T3N, R11E, SEC 29 & 30 ROCHESTER HILLS EXECUTIVE PARK LOT 29 11-18-87 FR 300-005 & 15-30-476-007; and

Whereas, the Industrial Development District was established on October 18, 2006; and

Whereas, WABCO North America, LLC filed an application for an Industrial Facilities Exemption Certificate on February 18, 2011 for personal property to be acquired and installed at the facility; and

Whereas, a Public Hearing regarding this request was held at the City Council's Regular Meeting of March 21, 2011 in which the taxing authorities, applicant and public were given an opportunity to be heard; and

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

a. The granting of the Industrial Facilities Exemption Certificate, considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and currently in force, does not have the effect of substantially impeding the operation of the City of Rochester Hills or impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Rochester Hills in which the facility is located.

- b. Completion of the facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to create employment.
- c. Completion of the facility does not constitute merely the addition of machinery and equipment for the purposes of increasing productive capacity, but rather is primarily for the purpose and will primarily have the effect of providing a new facility on industrial property.
- d. The construction of the industrial facility meets the objectives of job creation within the established industrial corridor of the City of Rochester Hills.

Resolved, that pursuant to Section 9, (1) and (2) of Act 198 of Public Acts of 1974, as amended, the Rochester Hills City Council hereby approves the request of WABCO North America, LLC for an Industrial Facilities Exemption Certificate for a period of two (2) years after project completion for personal property only; and

Be It Further Resolved, that the accompanying agreement between WABCO North America, LLC and the City of Rochester Hills is hereby approved and is to be sent to the Department of Treasury and the State Tax Commission along with this Resolution no later than April 15, 2011; and

Be It Finally Resolved, that the Mayor is authorized to sign the agreement after review by the City Attorney's office as to form.

ORDINANCE FOR ADOPTION

- 2010-0427** Acceptance for Second Reading - An Ordinance to amend Articles I and II of Chapter 14, Animals, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to add and modify definitions, amend regulations concerning the control and care of animals and dogs, adopt regulations governing dangerous dogs, repeal conflicting Ordinances and prescribe a penalty for violations

Attachments: [Agenda Summary.pdf](#)
[Ordinance \(Revised\).pdf](#)
[022811 Agenda Summary.pdf](#)
[Ordinance.pdf](#)
[101810 Agenda Summary.pdf](#)
[Memo from Bldg Dept 100410.pdf](#)
[Suppl Presentation 101810.pdf](#)
[022811 Resolution.pdf](#)
[Resolution.pdf](#)

Scott Cope, Director of Building/Ordinance Compliance, noted that the proposed Ordinance submitted for Second Reading encompasses changes to reflect additional requirements for enclosures and invisible fencing.

President Hooper noted an e-mail received from City resident Harper West was forwarded to the City Attorney and included several concerns.

John Staran, City Attorney, responded that he included his comments regarding these concerns in the copy of the e-mail forwarded to Council Members.

Mr. Yalamanchi questioned why the references to vicious dogs were changed.

Mr. Cope responded that these changes will allow control over a dog that exhibits aggressive behavior, but has not yet bitten anyone.

Mr. Rosen expressed his reservations of the Ordinance's effectiveness. He stated that Council should review the Ordinance again in approximately two to four years after the City has some experience with its enforcement.

Mr. Pixley expressed thanks to Ms. West for her e-mail and stated that Mr. Cope did a good job on the containment language. He commented that the Ordinance Amendment meets Council's intentions and addresses its concerns.

President Hooper expressed his thanks for Ms. West's comments.

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

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

Enactment No: RES0061-2011

Resolved, that an Ordinance to amend Articles I and II of Chapter 14, Animals, of the Code of Ordinances of the City of Rochester Hills, Oakland County, Michigan, to add and modify definitions, amend regulations concerning the control and care of animals and dogs, adopt regulations governing dangerous dogs, repeal conflicting Ordinances and prescribe a penalty for violations is hereby accepted for Second Reading and Adoption, and shall become effective on Friday, April 1, 2011, the day following its publication in the Rochester Post on Thursday, March 31, 2011.

NOMINATIONS/APPOINTMENTS

2011-0095 Nomination/Appointment of one (1) Citizen Representative to the Green Space Advisory Board to fill the unexpired term of Laura Douglas ending December 31, 2011

Attachments: [Agenda Summary.pdf](#)
[Appointment Form.pdf](#)
[Aubuchon CQ.pdf](#)
[Desy CQ.pdf](#)
[Dohr CQ.pdf](#)
[Agenda Summary \(Revised\).pdf](#)
[Agenda Summary.pdf](#)
[Nomination Form.pdf](#)
[Cobb CQ.pdf](#)
[Hunter CQ.pdf](#)
[Kubicina CQ.pdf](#)
[Notice of Vacancy.pdf](#)
[Resolution.pdf](#)

Public Comment:

Patricia Desy, 1358 Potomac, expressed her interest in serving on the Green Space Advisory Board, stating that she has been involved in property

development and is a ten-year resident of the City. She commented that the City must preserve today for tomorrow.

President Hooper Opened the Floor for Nominations.

Mr. Yalamanchi nominated Patricia Desy.

Mr. Klomp nominated Larry Aubuchon.

Mr. Rosen nominated Thomas Dohr.

President Hooper Closed the Floor for Nominations. He noted that as there were three nominees, this item would be held over to the next meeting for a vote.

Discussed.

- 2011-0096** Request to Confirm the Mayor's reappointments of Gerard Dettloff, C. Neall Schroeder and Emmet Yukon to the Planning Commission each for three-year terms expiring March 31, 2014

Attachments: [Agenda Summary.pdf](#)
[Dettloff CQ.pdf](#)
[Schroeder CQ.pdf](#)
[Yukon CQ.pdf](#)
[Resolution.pdf](#)

Mayor Barnett stated that it is without hesitation that he asks for the reappointment of these three individuals, noting that they do a fantastic job.

Mr. Yalamanchi concurred, stating that he has had the opportunity work with them on several issues.

President Hooper commented that they are very professional and their extensive knowledge benefits Rochester Hills.

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

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

Enactment No: RES0062-2011

Resolved, that the Rochester Hills City Council hereby confirms the Mayor's reappointments of Gerard Dettloff, C. Neall Schroeder and Emmet Yukon to the Planning Commission each for three-year terms expiring March 31, 2014.

- 2011-0135** Request to Confirm the Mayor's reappointments of Michael Damone, Owen Winnie and Lois Golden, and the appointments of Brandy Boyd and Darlene Janulis to the Local Development Finance Authority (LDFA) for four (4) year terms expiring March 31, 2015

Attachments: [Agenda Summary.pdf](#)
[Boyd CQ.pdf](#)
[Damone CQ.pdf](#)
[Golden CQ.pdf](#)
[Janulis CQ.pdf](#)
[Winnie CQ.pdf](#)
[Mungiola Declination.pdf](#)
[Pawlowski Declination.pdf](#)
[Resolution.pdf](#)

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

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

Enactment No: RES0063-2011

Resolved, that the Rochester Hills City Council hereby confirms the Mayor's reappointments of Michael Damone, Owen Winnie and Lois Golden, and the appointments of Brandy Boyd and Darlene Janulis to the Local Development Finance Authority (LDFA) for four (4) year terms expiring March 31, 2015.

2011-0100 Appointment of Planning Commission Representative to the Zoning Board of Appeals for a one-year term to expire March 31, 2012

Attachments: [Agenda Summary.pdf](#)
[Memo PC Rep to ZBA.pdf](#)
[Resolution.pdf](#)

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

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

Enactment No: RES0064-2011

Resolved, that the Rochester Hills City Council hereby appoints Deborah Brnabic as the Planning Commission representative to the Zoning Board of Appeals for a one-year term to expire March 31, 2012.

2011-0136 Acceptance of Resignation from Allan Schneck from the Advisory Traffic and Safety Board and the Building Authority

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

Mayor Barnett announced that after a lengthy selection process, Allan Schneck was named as the City's next Director of DPS/Engineering. He stated that Mr. Schneck will be introduced to Council at the April 4th meeting.

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

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

Enactment No: RES0065-2011

Resolved, that the Rochester Hills City Council hereby accepts the resignation of Allan Schneck as a member of the Advisory Traffic and Safety Board and the Building Authority effective March 11, 2011 and requests a letter of appreciation be sent thanking Mr. Schneck for his service and dedication to the community.

- 2011-0142** Request to Confirm the Mayor's appointment of Alexios Pathenos to the Advisory Traffic and Safety Board to fill the vacancy of Allan Schneck, term to expire June 30, 2013

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

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

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

Enactment No: RES0066-2011

Resolved, that the Rochester Hills City Council hereby confirms the Mayor's appointment of Alexios Pathenos to fill the vacancy of Allan Schneck on the Advisory Traffic and Safety Board for a term to expire June 30, 2013.

NEW BUSINESS

- 2011-0134** Request for Purchase Authorization - DPS/ENG: Cost Participation Agreement for completing engineering design plans for the reconstruction of the Avon Road bridge east of Livernois, the Livernois Road bridge south of Avon and the Avon/Livernois intersection and payment of the City's share in the amount of \$272,500.00; Road Commission for Oakland County, Beverly Hills, MI

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

Paul Davis, Acting Director of DPS/Engineering, explained that this request includes engineering design plans for both bridges plus work on the intersection at Avon and Livernois Roads.

Public Comment:

Scot Beaton, 655 Bolinger, commented that as Rochester Hills is not obligated to pay for this design work, it could in effect be considered a \$275,000 gift to the Road Commission for Oakland County (RCOC) to move the bridge projects forward. He commented that the City has a need for over \$100 million to repair residential streets. He stated that if the City chooses to participate, it should be given a big voice in the design process.

Council Discussion:

President Hooper stated that he would agree with Mr. Beaton that these funds could be considered a gift to the RCOC, as they would normally take care of 100 percent of the costs. He pointed out that the purpose of this request is to accelerate the construction process, rather than to wait for 2013 and 2014. He commented that the City will be involved in the design process.

Mr. Davis stated that the Administration has already requested that pathway components be incorporated on each side of both bridges.

Mr. Webber questioned why the RCOC would not consider reimbursing the City for its share of the engineering costs once the money is received from the State.

Mayor Barnett responded that the RCOC was questioned regarding reimbursement, and their response was that whenever a community wants to move a project up, that community is asked for a 50 percent contribution. He stated that if Council does not wish to participate, the project would be fully budgeted in 2012 for construction in 2013.

Mr. Webber commented that while this sets a dangerous precedent, these two bridges rise to that level of need, noting that an emergency situation could arise and residents are demanding results.

Mr. Pixley stated that the potential for the closing of these bridges creates a negative safety issue for the City. He pointed out that while the Avon Road Bridge is funded for 2013 construction, the Livernois Road Bridge has not yet been confirmed for funding. He questioned whether the projects could be split up, what financial advantages exist to design them both together, if pathway costs are covered, and whether any other options could be considered.

Mr. Davis responded that the monies approved in 2013 for reconstruction of the Avon Road Bridge are for the contractor payments only, and do not include design or construction inspection services. He confirmed that the Livernois Road Bridge has not been approved at this point; however, it is very likely that it will be selected for the 2014 cycle. He mentioned that if the Avon Road Bridge could be moved to 2012, there could be a possibility that the Livernois Road Bridge, if approved, could fill its original construction spot in 2013. He commented that the bridges will have a similar design and the topography, soil borings and hydraulic analysis could be used for both; and there is an advantage to design them together. He noted that combining the design will also provide an advantage in the permitting process. He stated that a portion of the pathway costs could be covered; however, the pathway that extends beyond the limits of the actual bridge construction would most likely come out of the Pathways Fund Balance. He mentioned that the City's only other options are to risk road closure or rent a bridge.

Mr. Klomp noted that 40,000 to 50,000 cars come through that intersection each day and questioned whether the speed limit could be changed.

Mr. Davis responded that the hydraulic analysis will determine the ability to raise the bridge heights, and would most likely carry into the intersection. At that time, the RCOC will determine what changes will be needed to the intersection. He mentioned that one option to consider would be to reconstruct the intersection as a roundabout. He noted that the Master Thoroughfare Plan does include the possible widening of Avon Road.

Mr. Klomp questioned whether the inclusion of a roundabout would get rid of traffic backups and allow a narrower bridge plan.

Mr. Davis responded that it would not, as refuge islands would still be necessary.

Mr. Klomp commented that this intersection has the ability to cripple the community and stated that the City is not in a position to negotiate.

Mr. Rosen stated that the coordination of the two bridges will allow the design to be done all at one time. He commented that contributing to the cost would increase the City's leverage with the design group and the RCOC. He questioned how often communities contribute to accelerate construction of a project.

Mayor Barnett responded that he did not know how many communities contribute, but noted that this is the RCOC's past practice. He pointed out that there are no plans for a roundabout at that intersection.

President Hooper commented that the City is walking on a slippery slope in agreeing to defray the RCOC's budget; however, there are no alternatives.

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

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

Enactment No: RES0067-2011

Resolved, that the Rochester Hills City Council hereby approves the Cost Participation Agreement for completing engineering design plans for the reconstruction of the Avon Road bridge east of Livernois, the Livernois Road bridge south of Avon and the Avon/Livernois intersection, authorizes the Mayor and City Clerk to execute the agreement on behalf of the City and authorizes the payment of the City's share in the amount of \$272,500.00.

(Mr. Klomp exited at 8:53 p.m.)

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

Absent 1 - Nathan Klomp

2011-0107 Request for Purchase Authorization - DPS/GAR: Blanket Purchase Order for ready mix concrete materials in the amount not-to-exceed \$114,500.00; Paragon Ready Mix, Inc., Utica, MI

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

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

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

Absent 1 - Klomp

Enactment No: RES0068-2011

Resolved, that the Rochester Hills City Council hereby authorizes a Blanket Purchase Order to Paragon Ready Mix, Inc., Utica, Michigan for the purchase of ready mix concrete materials in the amount not-to-exceed \$114,500.00 through December 31, 2011.

**(Mr. Klomp re-entered at 8:55 p.m.)
(Mr. Rosen exited at 8:56 p.m. and re-entered at 8:58 p.m.)**

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

2011-0132 Request for Purchase Authorization - DPS/ENG: Contract for the 2011 Concrete Road Slab Replacement Program - Option 2 in the amount of \$1,189,925.25 plus a 10% contingency of \$118,992.55 for a total not-to-exceed amount of \$1,308,918.00; Galui Construction Company, Clinton Township, MI

Attachments: [Agenda Summary.pdf](#)
[Location Map Sec 4, 6 & 7.pdf](#)
[Location Map Sec 14.pdf](#)
[Location Map Sec 19, 20 & 28.pdf](#)
[Bid Tabulation.pdf](#)
[Resolution.pdf](#)

President Hooper stated that although he works in the construction industry, he has had no involvement in the bid process or the contract award, and has no financial interest in the project. As such, he stated he saw no reason to recuse himself.

Mr. Yalamanchi questioned why the Administration was not opting for additional reconstruction in some of the areas targeted, pointing out that repairs are warranted in Pheasant Ring and Quail Ridge Subdivisions beyond the entranceway work requested.

Paul Davis, Acting Director of DPS/Engineering, responded that the Administration is being consistent in prioritizing subdivision entranceways first, intersections within a subdivision and then cul-de-sacs and other areas. He noted that more areas need replacement than available funds will allow.

Mr. Yalamanchi questioned whether other areas would be targeted if additional funds were allocated from other areas of the budget.

Mr. Davis responded that additional funding could target more areas.

Mr. Pixley stated that he appreciated the continual review of areas requiring reconstruction and commented that he knows that the Administration will move whatever it can into the queues based on the available budget. He mentioned that Firewood and Falcon Drives are deteriorating and should also be looked at further.

After the vote, **Mayor Barnett** distributed a document highlighting how the DPS would spend an additional \$2 million, if provided, for road reconstruction.

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

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

Enactment No: RES0069-2011

Resolved, that the Rochester Hills City Council hereby authorizes the contract for the 2011 Concrete Road Slab Replacement Program - Option 2 to Galui Construction Company, Clinton Township, Michigan in the amount of \$1,189,925.25 plus a 10% contingency of \$118,992.55 for a total not-to-exceed amount of \$1,208,918.00 and further authorizes the Mayor and City Clerk to execute a contract on behalf of the City.

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.

2011-0129 Request for Purchase Authorization - DPS/ENG: First amendment for construction engineering services for the Hamlin Road widening Crooks to Livernois project in the amount of \$74,995.18 for a new not-to-exceed total of \$1,083,287.35

Attachments: [Agenda Summary.pdf](#)
[OHM Letter & Attachments.pdf](#)
[First Amend Contract.pdf](#)
[Resolution.pdf](#)

Mr. Brennan questioned why this Amendment was being presented so long after the project was completed.

Paul Davis, Acting Director of DPS/Engineering, noted that the roadway opened to traffic on August 13, 2010. He commented that projects such as this take a long time to close out and mentioned that there are still outstanding right-of-way issues. He stated that the project is in the final stages of restoration and closeout.

Mr. Brennan requested *Mr. Davis* summarize the information contained in Orchard Hiltz & McCliment's (OHM) letter of February 21, 2011.

Mr. Davis responded that the letter detailed OHM's justification for an increase in the original construction engineering cost, noting delays by DTE. He explained that there is no automatic contingency associated with a consultant providing construction engineering services, and commented that when a project is

delayed, there is a need to amend the contract. He pointed out that inadequate subgrade materials were encountered, requiring additional fill, and noted that the City also requested several upgrades including a mast arm at the Clinton River Trail Crossing and revised roundabout signage. He stated that the original project estimate from OHM was \$7.5 million. The project subsequently came in at \$6.6 million. With contingencies, the project should close out at approximately \$7.2 million.

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

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

Enactment No: RES0070-2011

Resolved, that the Rochester Hills City Council hereby authorizes the first amendment for construction engineering services for the Hamlin Road widening Crooks to Livernois project in the amount of \$74,995.18 for a new not-to-exceed total of \$1,083,287.35.

- 2011-0131** Request for Purchase Authorization - DPS/GAR: Purchase of one (1) combination sewer truck in the amount not-to-exceed \$363,380.00; Jack Doheny Companies, Northville, MI

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

Paul Davis, Acting Director of DPS/Engineering, stated that while the Vector Truck is one of the most expensive pieces of equipment, it is one of the DPS's most valuable. He commented that it reduces the City's liability exposure in addition to removing blockages during normal jetting activities. He explained that although more expensive, upon review of the specification details it is recommended to move forward to purchase this sewer truck from the Jack Doheny Companies.

Mr. Pixley stated that while he does not question its importance, he wished to verify that the DPS continues to use the vehicle on a daily basis.

Mr. Davis responded that it is used continuously.

After the vote, **Jean Farris**, Supervisor of Procurement, pointed out that this was put out as a national bid by Lisa Cummins, Purchasing Analyst; as such, it becomes a revenue-generating bid which will result in the City receiving between \$400 and \$500 for each truck sold in the country.

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

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

Enactment No: RES0071-2011

Resolved, that the Rochester Hills City Council hereby authorizes the purchase of one (1) combination sewer truck from Jack Doheny Companies, Northville, Michigan in the amount not-to-exceed \$363,380.00.

- 2011-0071** Request for Adoption of the 2011-2015 Parks and Recreation Master Plan

Attachments: [Agenda Summary.pdf](#)
[Link to Mstr Plan.pdf](#)
[Memo to PC 022511.pdf](#)
[PC Motion 030111.pdf](#)
[Resolution.pdf](#)

Mike Hartner, Director of Parks and Forestry, explained that this is the last step in a five-month process undertaken every five years. He noted that if the City does not have an approved Parks and Recreation Master Plan, the Michigan Department of Natural Resources will not consider the City for grants. He pointed out that the Plan also pulls together all the City's resources into a document that residents can better understand. He mentioned that the Plan includes an extensive review of Americans with Disability Act (ADA) requirements and highlights ways that the City can become better at what it does. He stated that workshops, public forums, online review and surveys were undertaken in the Plan's development and noted that it was adopted by the Planning Commission on March 1, 2011.

Mr. Yalamanchi requested that Mr. Hartner highlight the critical or significant changes to the Plan and questioned whether it incorporates all Green Space properties the City has acquired.

Mr. Hartner stated that this is the first time in his 30 years of experience that the Plan was compiled without the help of a consultant. He mentioned that the Planning Department, MIS and other City staff members were instrumental in the update and noted that the Plan has no major changes. He explained that elements of open space, bike paths and connectivity were included and pointed out that the majority of the development was aimed at ADA accessibility. He stated that the Plan also takes a look at the surrounding park systems including Oakland County and Huron-Clinton Metroparks and makes note of the City's partnerships with the Rochester Avon Recreation Authority, the Older Persons' Commission and the Friends of the Clinton River Trail. He commented that these partnerships could be a good source for State grants down the road.

Mr. Brennan questioned what public input was received.

Mr. Hartner responded that the City assembled input over the past five years and noted that the Oakland University survey found that residents are fairly satisfied with the direction the City is going. He noted that people have commented that they would like to see more connectivity to pathways and the Clinton River Trail. He commented that discussions continue as to the various types of trail surfaces.

Mr. Klomp noted that individuals in the southern areas of Rochester Hills would like to see connectivity to the Clinton River Trail. He questioned whether Bloomer Park was the most advantageous way to connect, and how this could be incorporated as a long-term goal in the Parks budget.

Mr. Hartner noted that there has been discussion of paving a path through Bloomer to the Trail; however, once at the bottom of the hill, Rochester's portion of the Trail becomes a limestone fine. He mentioned that the City has to balance multiple interests, pointing out that mountain bikers prefer natural surfaces to paved trails.

Mr. Rosen stated that until the recent Water Reservoir Project discussions, he was not fully aware of how much open space and developed parks play to the fabric of the community. He mentioned that he would like to take time this spring to focus on the relationship of parks and open space, commenting that he would like to see an item on Council's agenda to further explore policies toward park development.

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

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

Enactment No: RES0072-2011

Whereas, the Parks and Forestry Department has undertaken a Five Year Parks and Recreation Plan which describes the physical features, existing recreation facilities and desired actions to be taken to improve and maintain recreation facilities during the period between 2011 and 2015, and

Whereas, to provide an opportunity for citizens to express opinions, ask questions, and discuss all aspects of the Recreation Plan, two public comment open forums were held on February 10, 2011 and February 17, 2011 at City Hall. In addition, a Public Hearing was held at a regularly scheduled Planning Commission meeting on March 1, 2011, and

Whereas, the Parks & Forestry Department has developed the Master Plan for the benefit of the entire community and assist in meeting the recreation needs of its citizens, and

Whereas, the Planning Commission, on March 1, 2011, reviewed the 2011-2015 Parks and Recreation Master Plan and found itself in accord with the basic plans and strategies outlined in that document, and

Whereas, the Planning Commission adopted the 2011-2015 Parks and Recreation Master Plan and directed that this Plan be filed with the Michigan Department of Natural Resources and the Southeast Michigan Council of Governments.

Be It Resolved, that City Council adopts the 2011-2015 Parks and Recreation Master Plan as approved by the Planning Commission.

Be It Further Resolved, that City Council directs the Parks and Forestry Department to file the 2011-2015 Parks and Recreation Master Plan with the Michigan Department of Natural Resources and the Southeast Michigan Council of Governments.

(Mr. Brennan exited at 9:56 p.m. and re-entered at 9:58 p.m.)

2011-0027 Request for Approval of the Administration's recommendation for Property and Liability Protection Insurance coverage based on the RFPs solicited

Attachments: [Agenda Summary.pdf](#)
[Questions Answers Nickel.pdf](#)
[Questions Answers MMRMA.pdf](#)
[Actual Event Comparison.pdf](#)
[Educational Programs MMRMA.pdf](#)
[Education Program Brochures Nickel.pdf](#)
[MMRMA net asset distribution announcement.pdf](#)
[Adjusted 2011 premium email.pdf](#)
[Adjusted 2011-12 premium.pdf](#)
[012411 Agenda Summary.pdf](#)
[Pros and Cons for MMRMA.pdf](#)
[Pros and Cons for MML.pdf](#)
[Pros and Cons for Nickel & Saph.pdf](#)
[Add'l Questions to Proposers.pdf](#)
[References.pdf](#)
[Proposals Tabulation.pdf](#)
[Resolution.pdf](#)

Mr. Webber stated that while he is employed by one of the firms involved in the bid process, he will recuse himself from discussion and any decision on this matter in the interest to avoid any appearance of impropriety or conflict of interest.

Keith Sawdon, Director of Finance, noted that at the January 24, 2011 meeting, Council directed that additional information be assembled from the Michigan Municipal Risk Management Authority (MMRMA) and Nickel and Saph regarding instances of non-renewals, exposure based on actual historical events, education provided to avoid insurance issues going forward, assistance available to the City in contract administration and the bidding firms' general relationships with the public entities they serve. He pointed out that three sets of questions were sent and the firms' responses were included for Council's review. He highlighted the following responses to the questions:

- The City joined the MMRMA in 1985 after being cancelled by its private carrier. Both finalists responded that they offered renewals to current clients. A better question to have posed might have been to inquire how many clients were asked to renew, but at equal or lesser amounts.
- A good risk management program deals with avoiding risk at the onset. The City had over 1.1 million visitors to its parks last year; park equipment should be in a safe condition to minimize risk. The MMRMA has an extensive educational program to assist in minimizing risk; however, as the Administration was not familiar with the educational programs presented by Nickel and Saph, more information on their programs was requested.
- The City has an extensive risk database from 2004-on. Nickel and Saph was requested to answer how their insurance would have covered the actual historical events encountered. While the resulting response was fairly similar in most situations, when a non-monetary settlement was encountered, there were limitations to the amount covered.

He commented that he continued to have concerns about the differences in insurance coverages between the widely-varying bids. He noted that the MMRMA, the City's current provider, has an uncapped liability for coverage while Nickel and Saph has a cap of \$15 million. With Nickel and Saph, the City could buy up to

a higher cap; however, this would add to premium costs. He noted that Nickel and Saph does not extend coverage to volunteers without the purchase of additional coverage. He commented that comparing both proposals was not the same as comparing apples-to-apples. He pointed out that with the lower premium quoted comes additional risk to the City.

Mr. Sawdon pointed out that the MMRMA has been able to make an annual distribution to its members in five of the last six years, noting that the City received approximately \$123,000 in 2010. Over the course of the last four years, the City has received over \$450,000, which represents approximately one year of premiums. He mentioned that MMRMA has declared a distribution to be made in July, consisting of a financial distribution and a premium reduction. As the City is a long-term member of the MMRMA, it could realize a return of over \$210,000 if it remains a member, and see a reduction of the originally-quoted premium from \$481,000 to just over \$408,000. He commented that he would caution Council from considering only premium costs without understanding risk. He noted that the Administration recommends remaining with the MMRMA. He mentioned that should the City leave the MMRMA, it would not be eligible to participate in the cooperative electric program, which represents an additional \$10,000 in utility savings. He stated that if Council concurs with the recommendation, the Administration will return in June for approval of the policy renewal.

Public Comment:

Stephen Saph, Jr., representing Nickel and Saph, encouraged Council to continue to review the proposals. He stated that his firm deals with a national carrier with over \$100 million in surplus and pointed out that the \$15 million liability limit is dedicated to each line of coverage. He commented that Nickel and Saph's proposal is a pure insurance plan and is not a dividend plan. He mentioned that the MMRMA's dividends declared signify the benefit of a competitive market. He stated that one of the City's Parks staff members attended a Nickel and Saph seminar on playground safety, and noted other seminars included Michigan Occupational Safety and Health Act issues.

Council Discussion:

President Hooper noted that in the projected cost to the City resulting from events, all items were considered to occur in one rate year. He questioned why there was a difference in prior analyses considered.

Mr. Sawdon responded that he favored the idea of placing the City's actual events from 2004 to 2010 out for comparison, noting that it helped to clarify the differences between the two types of insurance programs.

President Hooper stated that it appeared that the difference between the MMRMA and Nickel and Saph was approximately \$45,000 in insurance costs; however, once the events were factored in, there was a \$158,000 advantage to Nickel and Saph.

Mr. Rosen commented that it would be very difficult to determine the additional

risks that the public funds would be exposed to in making the change. He questioned whether the Administration would continue to review risks if Council agreed with the recommendation to continue with the MMRMA.

Mr. Sawdon stated that he recommended engaging someone who is professionally trained to understand what level of risk the City should be covering. He commented that a program should be designed for the right level of risk protection and then the Request for Proposals drafted based on that program.

Mr. Rosen questioned how much a consultant would cost.

Mr. Sawdon responded that he was not sure of the costs for a consultant; however, if prohibitive, the Administration would not move forward.

Mr. Pixley questioned why Council would not vote on the purchase until June and questioned the 90-day notice required to terminate the policy with the MMRMA.

Mr. Sawdon responded that once the actual amount to be distributed to members is determined, the Administration would return to Council for approval in May or June. He stated that if Council did not concur with the Administration's recommendation, the April 1 notification process would begin and a policy would be in place before the process ended.

Mr. Pixley questioned whether it would be prudent to provide notification now and continue to assemble information.

Mr. Sawdon responded that while he can identify the exclusions, he cannot put a dollar amount to them, noting that additional review of the proposed policies would be necessary by the City Attorney's.

Mr. Pixley questioned how many members the MMRMA encompasses and whether their membership numbers are constant. He noted that with increasing membership, dividends would be divided by more participants.

Mr. Sawdon responded that the MMRMA currently has around 350 members, with membership increasing.

Craig Manser, Ibex Insurance Agency, representative in attendance for the MMRMA, responded that as of early today, the MMRMA had 353 members. He noted that dividend distribution is determined by length of experience. He stated that new members receive no distribution for the first few years and pointed out that the distribution also contains a component considering loss experience.

Mr. Pixley questioned whether incidents of catastrophic losses could prohibit the distribution of any dividend.

Mr. Manser concurred that while there was a potential for no distribution in the event of major catastrophic losses, the MMRMA is a Michigan-only program and catastrophic events are unlikely here.

Mr. Pixley noted that the City could save approximately \$100,000 overall by staying with the MMRMA, and commented that this estimate does not consider the savings in electric purchases. He stated that it appears better to stay with the MMRMA.

Mr. Yalamanchi questioned the inclusion of Stop Loss Protection.

Mr. Sawdon responded that he previously did not have an opportunity to review the City's experience history to see when Stop Loss Protection was important. Upon review of events totaling over the Self-Insured Retention Fund of \$458,000 within a calendar premium year, he did not see where the City has benefitted from having Stop Loss Coverage thus far. He commented that when he returns to Council with the request to authorize the policy purchase, he would not recommend including Stop Loss Coverage.

Mr. Yalamanchi questioned whether the distribution estimate of \$210,000 is a firm number and noted that it would actually translate to an actual policy cost of approximately \$198,000.

Mr. Sawdon stated that the distribution should be within that range. He pointed out that the actual policy costs could not be compared between the two carriers without consideration of the differences in coverage between the plans.

Council discussion ensued as to whether the 90-day notice could be provided to the MMRMA even if it was determined through further analysis to remain with them.

Mr. Sawdon stated that without further direction from Council, he could not promise that he would have any additional information to consider within 90 days. He noted that engaging a consultant would also add time.

President Hooper requested Mr. Staran's input on providing a 90-day notice to the MMRMA. He questioned how a consultant would be selected.

John Staran, City Attorney, stated that other than Mr. Sawdon and Ms. Farris have shared some of the exclusions with him, he has not personally reviewed the policy exclusions. He commented that providing notice would not commit the City to follow through and make the switch; however, not providing notice would commit the City for another year.

Jean Farris, Supervisor of Procurement, responded that a consultant would be solicited through the Request for Proposal (RFP) process.

Mr. Sawdon stated that he would recommend utilizing a consultant to determine an acceptable risk program for the City and then move to an RFP process to solicit bids for coverage.

Mr. Rosen commented that the Administration should undertake the RFP process for a consultant; however, he questioned whether employing a consultant would cost more than the savings to be realized.

President Hooper questioned what a consultant would cost, noting that the cost for the Solid Waste consultant was approximately \$15,000.

Ms. Farris responded that it could be in the range of \$15,000 to \$20,000.

Mr. Sawdon added it could be as low as \$5,000 to \$15,000.

Mr. Pixley reiterated that he did not see any harm to the City in providing provisional notification to the MMRMA.

Mr. Rosen responded that even if the City were to provide notice now, it is most likely clear that it could not exercise that notice. He stated that he would much rather be in the position six to eight months from now to have a consultant perform the analysis, issue an RFP for the coverage and have the responses back.

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

Aye 5 - Brennan, Hooper, Klomp, Rosen and Yalamanchi

Nay 1 - Pixley

Abstain 1 - Webber

Enactment No: RES0073-2011

Whereas, the City has been a member of the Michigan Municipal Risk Management Authority, a member organization offering a risk pool for Michigan municipalities, since 1985; and

Whereas, the City determined that it should examine, through a Request for Proposal (RFP) process, what other risk management programs were available, to Michigan municipalities, in the open market; and

Whereas, the City issued its RFP for Property and Liability Protection Insurance, received several proposals and reviewed information related to those proposals; and

Whereas, after reviewing the information related to proposals received, the City was not able to fully comprehend the additional risks, if any, that the City would be assuming by changing risk management programs.

Therefore, Be it Resolved, that the Administration is directed to continue with the Michigan Municipal Risk Management Authority as its current risk management program and provider.

Be it Further Resolved, that the Administration is directed to go out for an RFP for a consultant to analyze the City's insurance coverages and report back to Council for further deliberation.

COUNCIL COMMITTEE REPORTS

Rochester Avon Recreation Authority:

Mr. Klomp announced that Ron Jewell was named as the Director of the Rochester Avon Recreation Authority (RARA). He requested Council consider a resolution to honor John Anderson for his years of service to RARA.

President Hooper suggested that Mr. Jewell might attend an upcoming Council meeting to introduce himself to the members of Council.

ANY OTHER BUSINESS

None.

NEXT MEETING DATE

Regular Meeting - Monday, April 4, 2011 - 7:00 p.m.

ADJOURNMENT

There being no further business before Council, President Hooper adjourned the meeting at 10:28 p.m.

*GREG HOOPER, President
Rochester Hills City Council*

*JANE LESLIE, Clerk
City of Rochester Hills*

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

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