



Rochester Hills

Minutes

City Council Special Meeting

1000 Rochester Hills Dr
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Home Page:
www.rochesterhills.org

*Susan M. Bowyer Ph.D., Kevin S. Brown, Dale A. Hetrick, James Kubicina,
Stephanie Morita, Mark A. Tisdell and Thomas W. Wiggins*

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, August 22, 2016

5:30 PM

1000 Rochester Hills Drive

In accordance with the provisions of Act 267 of the Public Acts of 1976, as amended, the Open Meetings Act, notice was given that a Special Rochester Hills City Council Meeting would commence at 5:30 p.m. on Monday, August 22, 2016, for the purpose of discussing the proposed 2017 Budget.

CALL TO ORDER

President Tisdell called the Special Rochester Hills City Council Meeting to order at 5:34 p.m. Michigan Time.

ROLL CALL

Present 6 - Susan M. Bowyer, Kevin S. Brown, Dale Hetrick, James Kubicina, Mark A. Tisdell and Thomas W. Wiggins

Absent 1 - Stephanie Morita

Others Present:

*Ed Anzek, Director of Planning and Economic Development
Bryan Barnett, Mayor
Tina Barton, City Clerk
Nancy Bowman, Senior Human Resources Analyst
Alan Buckenmeyer, Parks Operations Manager
Sean Canto, Chief of Fire and Emergency Services
Bill Cooke, Fire Inspector
Scott Cope, Director of Building/Ordinance Compliance
Paul Davis, City Engineer/Deputy Director of DPS
Kurt Dawson, Director of Assessing/Treasury
Ken Elwert, Director of Parks and Forestry
Bob Grace, Director of MIS
Deborah Happy, Administrative Coordinator - Fire
Karl Holder, Captain/Training Officer
Tim Hollis, Supervisor of Inspection Services
Deborah Hoyle, Financial Analyst
Captain Michael Johnson, Oakland County Sheriff's Office*

*Kevin Krajewski, Network Administrator/Deputy Director of MIS
Mike McGinnis, Computer Systems Administrator I
Linda Osiecki, Deputy Treasurer
Tim Quaine, Fire Caption/Suppression
Sara Roediger, Manager of Planning
Allan Schneck, Director of DPS/Engineering
Leanne Scott, Deputy Clerk
Joe Snyder, Interim Director of Finance
Helen Sultana-Kelly, HR Analyst - Program Coordinator
Laurie Taylor, Deputy Director of Assessing
Pamela Valentik, Manager of Economic Development
Bob White, Supervisor of Building Services
Maria Willett, Special Assistant to the Mayor
Tamara Williams, Chief Assistant to the Mayor
Kelly Winters, Deputy Director of Building/Ordinance Compliance*

Vice President Morita provided prior notice that she would be unable to attend.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

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

Aye 6 - Bowyer, Brown, Hetrick, Kubicina, Tisdell and Wiggins

Absent 1 - Morita

PUBLIC COMMENT

None.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

None.

PROPOSED 2017 BUDGET DISCUSSIONS

2016-0280 General Budget Overview - 2017-2019

Attachments: [082216 Agenda Summary.pdf](#)
[082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[080816 Agenda Summary.pdf](#)
[080816 Resolution.pdf](#)

President Tisdell noted that the Mayor presented a brief overview of the Budget at the August 8, 2016 meeting and Council set the Public Hearing for September 12, 2016, with a proposed adoption at the subsequent meeting. He stated that this evening's presentations will include a more detailed discussion of the Budget, with Department Directors available to answer any questions.

Joe Snyder, Interim Director of Finance, listed the components comprising the Budget:

- *The Fiscal Year (FY) 2016 Adopted Budget set the foundation for the FY 2017-2019 Proposed Budget.*
- *The FY 2017-2022 Capital Improvement Plan (CIP), was adopted by the Planning Commission in April, and included current market prices for all project costs.*
- *The Seven-Year Financial Forecast, delivered to Council in June, showed which City Funds are in good shape and where potential challenges might exist for the future.*
- *The Fiscal Year 2017 Goals and Objectives, which brought City Council's focus into the budget process.*

He presented an overview of the proposed FY 2017 Budget, noting the following:

- *A three-year budget is presented.*
- *Budgets are based on best estimates and projections for the future.*
- *Revenues and expenses are conservatively estimated to ensure services proposed can be delivered.*
- *\$131,416,560 in expenditures are proposed, a ten percent decrease from the FY 2016 Budget.*
 - * *A total Capital Outlay is proposed of \$23,757,420, with the biggest Capital Project for the year of the Fire Station Renovations. This represents a proposed investment in infrastructure and quality of life enhancements.*
 - * *Capital Outlay, Public Safety and Public Service expenditures comprise two-thirds of the funding in the proposed Budget, and align with City Council Goals 1 and 2 representing a commitment toward Public Safety and Infrastructure Management. These investments enhance the tax base (Council Goal 3), represent fiscal responsibility (Council Goal 4), and provide increased emphasis on parks (Council Goal 5).*
 - * *Debt Service remains low at three percent.*
 - * *Transfers out are mainly interdepartmental.*

To fund City operations, Revenues are proposed to include:

- *Service Charges including Water and Sewer Rates and Building Department and other fees of \$53,235,490, or 40 percent of revenues.*
- *City Taxes of \$31,526,250, or 24 percent of revenues, maintain the same bottom line millage rate for FY 2017.*
- *Intergovernmental Revenues of \$11,236,020 show an increase in State Shared Revenue and Act 51 monies.*
- *Use of \$17 million in Fund Balance funds \$23 million in Capital Outlay. This shows that the Budget is structurally balanced, and there is no use of Fund Balance to fund operations.*
- *Revenues are budgeted conservatively.*

He noted the following:

- No use of Fund Balance is projected except for park projects. The proposed draw from General Fund Balance corresponds to Capital Projects, including the Borden Park office relocation. A \$3.5 million City share for Riverbend Park comprises a 50 percent match. The total Riverbend Park project cost is proposed at \$7 million.
- Fund Balance maintained is close to 100 percent coverage of General Fund expenditures.
- Actual revenues have historically exceeded revenue projections. From 2010 to 2016, revenue estimates were exceeded by actual revenues by approximately three percent each year, while expenditures have come in approximately seven percent lower than budgeted each year. This positive budget variance has yielded more than \$1 million per year better than anticipated. Last year's positive budget variance was \$1.9 million. If past history is an indicator, the actual draw from Fund Balance will be far less than what is proposed.
- It is projected for the Major Road Fund balance levels to increase into the future, largely due to Act 51 Gas and Weight Tax. For FY 2017, \$781,420 is proposed to be drawn from Fund Balance to undertake \$2,845,450 in construction. Having adequate fund balance in Major Roads leads to more flexibility for economies of scale.
- The General Fund levy is decreased by the corresponding amount of Special Police II millage each year; there is no net increase to the bottom line millage rate as a result. The increase proposed for FY 2016 for the Special Police contract was three percent; with the actual increase being zero. In conversations with the Business Manager of the Oakland County Sheriff's Office, three percent increases are estimated for FY 2017 and beyond.
- It is currently projected that the Water Resources Fund will require additional funding after FY 2019. It is proposed to reinstate the General Fund transfer to the Water Resources Fund, encompassing approximately \$450,000 per year. This transfer was discontinued and moved to Local Streets six years ago. The Water Resources Fund requirements are being discussed at the Public Safety and Infrastructure Technical Review Committee (PSITRC).
- The Local Street Fund appears to be able to support an annual Local Street Rehabilitation Program of \$5 million per year. For 2017, \$5.8 million is proposed for construction. This includes funding for the Kingsview and Bolinger Special Assessment Districts (SAD); the process for both SADs was started prior to Council's change in policy. Funds needed for the Kingsview and Bolinger SADs are proposed to come from Local Street Fund Fund Balance, leaving \$4,328,054 in Fund Balance at the end of FY 2017.
- It is projected that by FY 2022, the existing Fire Millage levy of 2.700 mills will not be adequate to fully fund annual operations or capital replacement. The issue of long-term fire funding will be referred to the PSITRC for recommendation. It is proposed to continue the levy at 2.700 mills for FY 2017. No use of Fund Balance is proposed for FY 2017-2019; the transfer out to the Fire Capital Fund will decrease over time.
- A Supervisor of Facilities position is proposed to be added for FY 2017. This position was eliminated in 2009 due to the recession, and responsibilities were redistributed. The position will be charged to the Facilities Fund, which is an Internal Service Fund; and costs will be allocated out to the internal service departments based on square footage.

Mr. Snyder stated that in his 16 years of experience working with the City budgets, he feels confident that the projects and service levels are financially realistic and will improve the quality of life for the residents of the city. He acknowledged Accounting and Mayor's Office staff members, along with other City staff, that assisted in the development of the proposed FY 2017 Budget.

Council Discussion:

Mr. Hetrick stated that the presentation is a terrific kickoff to this evening's activity, and makes him feel comfortable that the City is moving in the right direction. He questioned how a possible SAD for the paving of Stellma Lane could be undertaken in 2018 should petitions move forward.

Mr. Snyder responded that once City Council sets a revised SAD Policy, the next step should the petitions go through would be to put that street in the Capital Improvement Plan (CIP). The project would then be rated, a budget established, and the project would flow through the CIP into the Budget.

Mr. Wiggins commented that Mr. Snyder addressed a number of questions he had prior to the meeting. He requested Mr. Snyder expand on the economic growth since the recession, and questioned how a future potential downturn could impact revenues and expenses.

Mr. Snyder responded that Taxable Values can only grow at the rate of inflation, while State Equalized Value (SEV) grows at the rate of the market. He explained that the spread between SEV and Taxable Value is now approximately 18 percent, which is higher than the spread was before the last recession. He noted that there could be up to an 18 percent drop in property values; while Taxable Value would be stable and actually continue to rise.

Mr. Wiggins questioned whether any additional expenses should be included, such as the Auburn Road Corridor or any Major Road projects.

Mr. Snyder responded that while there are some projects included for FY 2017, there are fewer projects upcoming for FY 2018 or 2019.

Dr. Bowyer questioned whether the conservative estimates incorporate a worst case scenario, and if new developments are taken into account when projecting tax revenues.

Mr. Snyder responded that expenditures noted incorporate 100 percent of spending; while actual expenditures usually come in around 95 percent. He mentioned that salary lapses due to leaves or departing employees cannot be projected. He noted that revenues are conservatively estimated to be numbers that are attainable. He commented that tax revenues are not included until developments are placed onto the tax rolls.

Mr. Brown questioned how the intergovernmental revenue sharing growth mentioned previously by State Senator Knollenberg will affect the budget numbers.

Mr. Snyder responded that Act 51 Revenue increases and intergovernmental growth noted by State Senator Knollenberg will not flow through to the local communities until 2019 or 2020.

Mr. Brown questioned whether the cost for the proposed employee in Facilities was spread across and incorporated into the Department's budgets.

Mr. Snyder responded that it was.

President Tisdell commented that Plante and Moran noted the City's structural surplus during its presentation earlier this year.

Discussed.

2016-0329 Discussion - General Fund (100's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[Suppl Planning Department Presentation.pdf](#)
[Suppl Building Department Presentation.pdf](#)
[Suppl Clerks Office Presentation.pdf](#)
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[Suppl Assessing-Treasury Presentation.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)

GENERAL FUND REVENUE

MAYOR'S DEPARTMENT

- Mayor's Department (171)
- Accounting (201)
- Legal Services (210)
- Media Division (271)
- Building Authority (279)
- Street Lighting (448)
- Community Development Block Grant (666)
- Community Garden (758)
- Community Events (760)

GENERAL FUND TRANSFER-OUT

See Legislative File 2016-0280 for Discussion.

Discussed.

2016-0331 Discussion - Debt Services Funds (300's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)

DEBT FUNDS

See Legislative File 2016-0280 for Discussion.

Discussed.

2016-0332 Discussion - Capital Funds (400's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- Capital Improvement Fund (420)

See Legislative File 2016-0280 for Discussion.

Discussed.

2016-0334 Discussion - Internal Service Funds (600's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[Suppl MIS Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- Insurance Fund (677)

See Legislative File 2016-0280 for Discussion.

Discussed.

2016-0335 Discussion - Trust and Agency Funds (700's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[Suppl Clerks Office Presentation.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)

- Retiree Healthcare Trust Fund (736)

See Legislative File 2016-0280 for Discussion.

Discussed.

2016-0330 Discussion - Special Revenue Funds (200's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- R.A.R.A. Millage Fund (213)

Ron Jewell, Executive Director, Rochester Avon Recreation Authority (RARA), stated that RARA's proposed budget was reviewed by their Budget Committee, and was passed unanimously at their July 18, 2016 Board Meeting. He noted that the proposed budget is well-balanced, structurally sound, and incorporates a critical investment on a yearly basis to ensure RARA's future. He pointed out

that incorporated into the proposed budget is expansion into the new building which will add programming facilities.

President Tisdell stated that RARA is an independent organization which is supported proportionately by the communities' tax dollars, and a significant portion of RARA's budget is driven out of its fees. He noted that the City is not a guarantor of RARA's debts.

Discussed.

2016-0336 Discussion - Component Units (800's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Planning Department Presentation.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)

- R.A.R.A. Operating Fund (808)

See Legislative File 2016-0330.

Discussed.

2016-0330 Discussion - Special Revenue Funds (200's) - 2017 Budget

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[Suppl Parks and Forestry Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- OPC Millage Fund (265)

Tim Soave, Finance Director, Older Persons' Commission, noted that the proposed Budget for the Older Persons' Commission was approved by their Board on July 7, 2016. He explained that the proposed 2017 Budget includes a reduction in expenditures by \$61,500, incorporating a number of restructurings that occurred over the past two years. He stated that operations were streamlined, and a number of long-term staff members left the organization. He noted that the facility is seeing more people, and many new programs and operations will be offered. He pointed out that the Budget will begin October 1, 2016.

He stated that funding is included for two additional part-time positions, including a customer service representative for the front lobby, and additional cashier hours. He mentioned that over 50 of the OPC's computers are at least seven years old, and a replacement of these computers will begin. A contingency account will contain unallocated funds for the Board's use in case of emergencies.

President Tisdell questioned whether OPC's fiscal year is being changed to match up for grant monies.

Mr. Soave responded that State grants, including \$100,000 for nutrition and transportation incorporate the State's Fiscal Year calendar.

Mr. Hetrick congratulated Mr. Soave and Executive Director Renee Cortright for putting together this terrific budget.

Discussed.

2016-0336 Discussion - Component Units (800's) - 2017 Budget

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[Suppl Planning Department Presentation.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)

- O.P.C. Operating Fund (820)

See Legislative File 2016-0330.

Discussed.

(Mr. Brown exited at 6:28 p.m. and re-entered at 6:34 p.m.)

2016-0329 Discussion - General Fund (100's) - 2017 Budget

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PLANNING DEPARTMENT

- Planning Commission (400)
- Planning Department (401)
- Zoning Board of Appeals (410)

Ed Anzek, Director of Planning and Economic Development, introduced **Pamela Valentik**, Manager of Economic Development, and **Sara Roediger**, Manager of Planning.

He noted the Department's charge:

- Preserve residential neighborhoods
- Facilitate quality development and redevelopment
- Enhance tax base
- Create jobs, jobs, jobs
- Maintain Rochester Hills as the premier residential and business community

He explained that the Department facilitates multiple boards and commissions, including:

- *Planning Commission*
- *Zoning/Sign Board of Appeals*
- *Historic Districts Commission*
- *Brownfield Redevelopment Authority*
- *Local Development Finance Authority*
- *Economic Development Corporation*
- *Mayor's Business Council/RHISE*

Mr. Anzek expressed his appreciation to the individuals who serve on these board and the time that they give.

Ms. Roediger reported that Planning has had a busy year, including the adoption of three zoning ordinances and a rezoning, development of a Commercial Vehicle ordinance; and for Council's consideration at the next meeting, a rezoning on Rochester Road for a Flex Business overlay. In addition, the Auburn Road Corridor Study was begun. She noted that it is hoped that a joint meeting between the Planning Commission and City Council can be held. She commented that a number of plans were reviewed for new development, including Jenoptik's expansion, the Rochester College Athletic Fieldhouse, Stonecrest and Griffin Claw. She mentioned that the Department assisted with the plan for Riverbend Park, the Parks and Recreation Master Plan, Watertowns, and the Fire Station Renovation Project.

Ms. Valentik reported that the City continues to be proactive with economic development efforts, welcoming five new companies into the City's industrial technology parks. She stated that \$22 million has been invested, encompassing 256 new jobs. She noted that the City enjoys a 3.2 percent unemployment rate, one of the lowest in the state, and a 3.6 percent vacancy rate, the lowest in ten years.

She mentioned that the City has had a return on its investment into its international business strategy, which focused on targeted countries and industries. She noted that she traveled to Germany, undertaking a critical retention visit at Jenoptik's headquarters, and resulting in their expansion.

Mr. Anzek stated that the Department looks forward to 2017, and will respond to the continued increase in the pace of development and redevelopment activity. He commented that the Auburn Road Corridor Study will wrap up and implementation will begin, work will begin on the Master Land Use Plan, the Department will continue to amend the Zoning Ordinance as needed, and will monitor Local Development Finance Authority funding and prioritization of capital projects. He expressed his thanks to Council for their support.

Council Discussion:

President Tisdell commented that while Rochester Hills is predominantly a residential community, it maintains that rural feel with green spaces, commons areas in developments, and parks. He stated that it is important that the right businesses are brought into the city.

Mr. Wiggins questioned what the Department sees for development going forward as much of the city is built out.

Mr. Anzek responded that a review of obsolete strip centers for necessary upgrades is underway. He commented that the Department is seeing plans for a facelift for the South Hill Center, and has had discussions with North Hill Center and Hampton Village Center. He commented that other centers can be more productive, noting Bordines, Papa Joe's and City Walk.

Dr. Bowyer expressed her appreciation that the City finds the right kind of businesses to fit in with the community. She questioned whether the Department sees any movement in the redevelopment of the former Kmart or the Suburban Softball site at Hamlin and Adams.

Mr. Anzek commented that the Kmart building is obsolete and will most likely be a knock-down and rebuild. He added that there have been many conversations of interest in the Suburban Softball site; however, that is a problematic property for construction encompassing much fill.

Mr. Hetrick commented that in his conversations with Ms. Valentik, he knows that there are good things to come and better things for the future.

Discussed.

2016-0336 Discussion - Component Units (800's) - 2017 Budget

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- Historic Districts Commisison (804)
- Brownfield Redevelopment (843)
- Local Development Finance Authority (848)
- SmartZone (851)
- Economic Development Corporation (893)

See Legislative File 2016-0329 for Discussion.

Discussed.

2016-0329 Discussion - General Fund (100's) - 2017 Budget

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BUILDING / ORDINANCE

- Building Department (371)
- Ordinance Compliance (372)

- Weed Control (535)
- Facilities Fund (631)

Scott Cope, Director of Building/Ordinance Compliance, **Kelly Winters**, Deputy Director of Building/Ordinance Compliance, **Bob White**, Supervisor of Building Services, and **Tim Hollis**, Supervisor of Inspection Services, were in attendance.

Mr. Cope noted that the Department consists of three divisions: Building, Ordinance Compliance, and Facilities. In addition, the Department manages the Solid Waste program, ensures weeds throughout the city are cut, and maintains City assets.

Mr. Hollis reported that Building Safety Month was recognized in May, and the Department hosted a booth at the Older Persons' Commission, providing building safety information. Free deck inspections were offered for wood decks, and 14 residents took advantage of these inspections to ensure their decks are safe. The Wood Deck Construction Guide Book was updated; this publication is used by over 50 communities. He noted that the Department continues to connect with its peers, citing continuing shared services agreements with Shelby Township and Sterling Heights for inspection services. He mentioned that Mechanical Inspector Ken Nightlinger was named Inspector of the Year by the Mechanical Inspectors Association of Michigan.

Mr. Winters reported that construction activity is going strong, with building permits up 140 percent over last year at this time. Total construction value this year is up \$50 million over last year, or 167 percent. He attributed this in part to larger commercial projects like Jenoptik's expansion and the Rochester College Athletic Fieldhouse Project. He provided a list of 2016-2017 commercial and retail building projects. He noted that service goals have significantly improved; and he thanked Council for its continued support in allowing the Department to bring on another Building Inspector in 2014.

Mr. White reported that the Department continues to connect with its customers, and connect with its peers. He noted that Spring and Fall Homeowners' Association Forums are scheduled, and he announced that the next Forum is set for Thursday, October 6, 2016, at 6:30 p.m.

He commented that the Ordinance Division has a service goal of proactive patrol and complaint investigation. He pointed out that a drop in the service goal for proactive patrol was due to a long-term medical leave of one of the Ordinance Officers.

He mentioned that the Weed Control program operates very smoothly.

Mr. Cope reported that the Facilities Division manages and maintains, monitors and repairs the City's assets, including all of its buildings and its property infrastructure. He stated that the \$5 million operating budget includes 40 buildings, 46 developed and undeveloped parcels encompassing 250 acres, city boulevards and roundabouts, and all furniture, equipment and systems. He explained that a new Facilities Supervisor position is proposed, to supervise seven full-time and one part-time staff, to implement the strategic plan, administer over 100 different service projects, and coordinate and manage Capital construction projects. He listed 2017 proposed projects, including:

- Borden Park Office Relocation
- Borden Park Maintenance Yard
- Fire Station Training Tower Renovation
- Fire Station #1 Rear Access Driveway Replacement
- Fire Station #4 Renovation (Carryover from FY 2016 Budget)

Council Discussion:

Dr. Bowyer stated that she was impressed with the amount of fee revenues, and commented that it is nice to see that these inspections can be performed in a timely manner.

President Tisdell questioned whether there has been an increase in personnel sharing with other communities.

Mr. Cope responded that the City is using more services than it is providing to others. He mentioned that the other communities are busy as well, and their ability to help Rochester Hills is limited. He pointed out that hours are proposed to be increased for part-time staff.

Mr. Kubicina complimented the Facilities staff for coordinating the Parking Lot project.

Mr. Cope stated that compliments should go to Mr. White, as he was the coordinator of the project.

Mr. Wiggins questioned whether the salary figures in the proposed Budget included the new position.

Mr. Cope responded that it did.

Mr. Wiggins questioned whether the Borden Park project questions should be directed to Facilities or to the Parks Department.

Mr. Cope responded that while Facilities will get involved with the actual construction, questions should be directed to Ken Elwert, Director of Parks and Forestry.

Mr. Hetrick commented that adding personnel changes the dynamic of how the Strategic Plan is implemented, moving it from reactive to proactive.

CLERKS

- City Council (102)
- Elections (191)
- Clerk's Department (215)
- Cemetery (276)

Tina Barton, City Clerk, and **Leanne Scott**, Deputy Clerk, presented the proposed Clerk's Budget.

Clerk Barton stated that the Clerk's Office has had a banner year, and credited her team noting that they work hard and take pride in their work. She noted the following:

- Passport Services once again received a 100 percent score on its audit with the Department of State. Passport numbers continue to grow rapidly each year; even with a reduction in hours from 10 a.m. to 2 p.m., there has been a continual increase in those coming to the City to process their applications. She commented that the hours were reduced as the demand was so high that staff could not get their other work done. To date this year, 1,141 passport applications were accepted, with each application representing \$25 in revenue to the City.
- A marketing campaign begun in 2015 for the Cemetery has led to increased lot sales. In 2015, 119 spaces were sold; thus far in 2016, 70 spaces have been sold. A review was undertaken of all spaces not platted for burial lots to determine whether additional revenue sources could be found. A columbarium will be installed this fall, and the possibility of the installation of a scattering garden is under review, providing an option for those who wish to scatter ashes.
- The Election Division has had four elections scheduled from November of 2015 to November of 2016. Each election takes approximately three months to coordinate. A tight spreadsheet of all election expenses has been implemented; the March reimbursement requested from the State was \$72,074.24.
- The Youth Council undertakes a robust schedule of events each year. This year Youth Council members participated in the Brooksie Way, the City's Community Garden, and held their annual 5K this year benefitting the wishes of one of the community's residents through the Rainbow Connection.
- 2016 Professional Accomplishments for staff members include:
 - * Christine Wissbrun was named one of the top four Notaries in the nation. She is also continuing with classes to finish her degree.
 - * Mary Jo Pachla completed Year Three of the Michigan Association of Municipal Clerk's Institute and achieved her Certified Michigan Municipal Clerk certification.
 - * Leanne Scott is currently Treasurer of the Oakland County Clerk's Association, and has achieved 50 hours of education credits toward her Master Municipal Clerk certification.
 - * Tina Barton was named the Michigan Association of Municipal Clerk's City Clerk for 2016. She has achieved over 50 continuing education credits.

Clerk Barton noted that it is very important to educate staff.

Council Discussion:

President Tisdell noted that the Clerk's Office received another 100 percent score.

Clerk Barton responded that the Clerk's Office received 100 percent scores on election audits as well.

President Tisdell commented that the Van Hoosen Jones Stoney Creek Cemetery has been reinvigorated and is in tip-top condition. He stated that this is a great value for the city's residents.

Mr. Brown thanked the Clerk's Office for the support it gives to Council. He noted that no matter what department Council Members reach out to, the Clerk's Office is involved in communicating that information to the rest of Council.

Dr. Bowyer expressed her appreciation to the Clerk's Office. She questioned whether a citywide survey would be undertaken this year.

Mayor Barnett responded that the plan was to undertake the survey every two years; however, it was determined that it would not be done in an election year. He explained that the survey is underway now.

Mr. Wiggins expressed his thanks for the great job the Clerk's Office does.

Discussed.

2016-0335 Discussion - Trust and Agency Funds (700's) - 2017 Budget

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- VHJSC Cemetery Perpetual Care Trust (752)

See Legislative File 2016-0329 for Council Discussion.

Discussed.

2016-0334 Discussion - Internal Service Funds (600's) - 2017 Budget

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[Suppl DPS Department Presentation.pdf](#)

MIS

- MIS Fund (636)

Bob Grace, Director of MIS, and **Kevin Krajewski**, Network Administrator/Deputy Director of MIS, were in attendance.

Mr. Krajewski noted that the MIS Department provides the tools used by City Staff, including hardware such as computers and laptops, and software. He displayed a graphic which showed how the Asset Management system interacts with all City departments, and explained that communication between the various applications is similar to a house of cards. The MIS Department's job is to keep those communication lines flowing.

He stated that the MIS Department undertook a team-building exercise and visited an Escape Room, where they solved puzzles to find the way out.

***President Tisdell** commented that each Council Member has been into the MIS Department for some additional training. He expressed his thanks to Department members for their help providing those educational services.*

Discussed.

2016-0329 Discussion - General Fund (100's) - 2017 Budget

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[Suppl Assessing-Treasury Presentation.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)

HUMAN RESOURCES

- Human Resources Department (233)

***Nancy Bowman**, Senior Human Resources Analyst, and **Helen Sultana-Kelly**, Human Resources Program Coordinator, were in attendance.*

***Ms. Bowman** noted that highlights for the Human Resources Department in 2016 included the following:*

- All Union Contracts are in place through December 31, 2018.*
- The HR Audit was undertaken, with a goal of aligning core services with organizational needs. The Department has begun to implement the recommendations.*
- A Compensation Study will begin in the third quarter of 2016. A Request for Proposal was issued and nine responses were received. From the responses, a vendor will be selected. The goal of the Study is to attract and retain qualified and engaged City employees.*

***Ms. Sultana-Kelly** noted that City Council Goal 4 of Effective Fiscal Management, and Goal 5 of Effective Governance, will be served by implementing market-competitive compensation programs; and redefining and prioritizing Human Resources service levels and expanding the use of technology.*

She stated that workforce challenges for 2017 and beyond include keeping health care costs down and recruiting and retaining qualified employees through employee satisfaction and engagement. She mentioned that there is a 4.2 percent overall medical cost increase for 2017, which is under the original projection of nine percent.

She thanked Council for their support.

Council Discussion:

President Tisdel commented that he recalls early on during his tenure on Council that Human Resources Director Pamela Gordon was in front of Council to discuss difficult staffing decisions that had to be made during the recession. He stated that it is a credit to Mayor Barnett that head counts have been kept down after those hard decisions.

Mr. Hetrick commented that compensation activity will drive the implementation of a market competitive recruitment and retention program. He expressed his appreciation that there is a strong team working on the study. He questioned whether the Human Resources Audit was undertaken by an outside firm as well.

Ms. Bowman responded that it was.

President Tisdel commented that an independent third party adds credibility to the recommendations.

ASSESSING / TREASURY

- Assessing (209)
- Board of Review (247)
- Treasury (253)

Kurt Dawson, Director of Assessing/Treasury; **Laurie Taylor**, Deputy Director of Assessing; and **Linda Osiecki**, Deputy Director of Treasurer, were in attendance.

Mr. Dawson stated that the community is experiencing a real estate market with rising values; however, the property tax growth is limited to the inflation rate. He pointed out that the 2015 assessment roll grew by nine percent; however, the inflation rate was 1.6 percent. Taxable value grew by 3.6 percent, due in part to new construction being added to the tax rolls. He stated that 2016 inflation is 0.3 percent. He noted that there is a significant rise in property value that is not taxed. He mentioned that foreclosures are down.

He stated that the Treasury Department promotes electronic payments, which include self-initiated electronic payments and auto bill pay. He commented that both benefit the taxpayers, making it more convenient. He noted that every five years the City issues a Request for Proposal for its banking services contract, and he explained that proposals are currently being reviewed.

He commented that the coming year will see the shift in transferring the Treasury functions to the Fiscal Department.

Council Discussion:

President Tisdel commented that the outlook is encouraging, and noted that the City will have some buffer to protect itself when the inevitable downward cycle kicks in.

Mr. Kubicina expressed his appreciation to Mr. Dawson and his team.

Mr. Wiggins questioned how new construction is added to the assessment roll.

Mr. Dawson responded that Tax Day is December 31 of each year, and he explained that at that time the value for construction or partial construction is set.

PARKS

- Parks Department (756)
- Forestry Division (774)

Ken Elwert, Director of Parks and Forestry, was in attendance. He stated that the purpose driving the work of the Parks and Forestry Department is to further quality of life for the community, enhance community pride, build a green infrastructure, and connect neighbor to neighbor. He noted that the Department's significant project request for this year is for Riverbend Park. He highlighted the following for the various funds and divisions within Parks and Forestry:

- Green Space Fund and Tree Fund
 - * Continue stewardship based on the Management Plan
 - * Continue Free Tree Planting program for residents. On target to plant 400 trees in 2016.
- Forestry Division
 - * Continues to maintain over 20,000 right-of-way trees throughout the city. The City is divided into five zones and the Division focuses on one zone each year. This protects the City's investment infrastructure, and enhances public safety.
- Museum Division
 - * Over 50,000 visits each year; 5,000 connections to children; 4,000 Wet and Wild Wednesday visits.
 - * Continues to look for ways to expand its community connections.
 - * Hundreds of volunteers help to build and maintain its gardens.
- Parks Division
 - * Provides a backbone for quality of life in the city.
 - * Safe, clean and well used, these parks are aging and will require regular investment.

He noted that two Parks projects are recommended for 2017, including moving the park office at Borden Park to a centralized location and constructing a secure maintenance yard. He pointed out that the result will protect the City's materials and equipment and will provide for safe operations cordoned off from the public. He noted that the project was re-evaluated from what was previously proposed based on Council's concerns; and the original project estimate of \$1.1 million was reduced to \$600,000 by eliminating a proposed public meeting room and having DPS continue to provide Forestry Service.

He explained that while the trend for park use is rising, the numbers are slowing. He commented that it is time to invest in the community's quality of life.

He highlighted the Riverbend Park project, noting that the park encompasses 110 acres of green space and parkland. A project cost of \$7 million is proposed to

be spent over five years, with a requested City investment of \$3.5 million. He pointed out that Borden Park was the last new park developed in the city in 1991, and he noted that the investment in Riverbend Park is similar to the amount invested in Borden in current dollars.

He noted that Phase 1 and 2 of Riverbend Park is proposed for 2017, Phase 3 and 4 in 2018, and Phase 5 and 6 in 2019. Phase 1 is infrastructure and trail development, including work contributed by Mr. Steve Stolaruk and through seeking a State of Michigan grant. He noted that the project includes water features including a pond and bioswale, walk and sundial mount. He mentioned that to date the City has received \$400,000 in in-kind construction work; and another \$750,000 in partnership dollars are in progress. He pointed out that 70 percent of the work undertaken to date is through outside dollars. He stated that the goal is to secure at least 50 percent of the project through outside community partnerships.

Mr. Elwert thanked Council for their time and support, and expressed his appreciation to his team for their work.

Council Discussion:

Dr. Bowyer commented that Riverbend Park is a passion of hers, and she stated that she likes how it is phased in over the years. She questioned what would happen if there was a major economic downturn.

Mr. Elwert responded that a downturn would delay the project and any delays could harm the relationship with the community partners.

Mr. Hetrick commented that he is one hundred percent behind Riverbend Park and stated that it will become a destination for families. He questioned how the monies will be drawn from General Fund Balance.

Joe Snyder, Interim Director of Finance, stated that these monies are budgeted, allowing for a quicker reaction from the City. He pointed out that this also helps in applying for grant dollars; and he noted that if the project is approved as proposed, monies will go to the Facilities Fund, grant applications completed, and construction started as grants are received. He commented that if no grant was received in a particular year, he would envision that the monies would stay in the General Fund until the project was a go.

Mr. Hetrick stated that it is important that the grants come first prior to the drawdown from the General Fund.

Mr. Wiggins questioned how the cooperative partnerships will be incorporated into the project.

Mr. Elwert responded that the intention is not to start the project if it is not known that there is a commitment.

Mr. Wiggins questioned whether the new park will add to attendance numbers.

Mr. Elwert responded that all of the City's large parks have been here over 25 years. He commented that while he does not believe that the recent tapering off of the increase in park visits can be attributed to not having enough park space, he believes that adding an additional large park will clearly increase numbers in addition to serving an area of the city that does not have a park. He noted that hopes are that the Borden Park upgrades are approved and a proposed Paint Creek Trail resurfacing goes forward as well. He commented that he would only be concerned if only the large park development was approved.

Mr. Wiggins questioned whether the plans for parking for Riverbend Park was considered adequate.

Mr. Elwert responded that it currently is for what is being designed. He mentioned that an overflow parking area is being considered to help with additional demands.

Mr. Kubicina commented that he appreciates Mr. Elwert's enthusiasm and has total confidence that Riverbend Park will move forward. He expressed his appreciation for Mr. Elwert's participation in Arbor Day activities.

Mayor Barnett stated that Riverbend Park is a significant part of the Budget. He commented that he believes that there is a need that can be met. He stated that he cannot estimate what this will do across the corporate park system; however, the park has had more people visit in the last six months than it has for the last six years. He commented that there is a tremendous community interest in the park; and he noted that it is difficult to engage interest when the stream of funding has not yet been allocated. He stated that the request is consistent with past requests for park improvements and investments; and he commented that he believes that the 50 percent contribution can be raised.

President Tisdell commented that residents should take advantage of the City's Free Tree Program, noting that the Tree Fund can only be used for the planting of these trees. He commented that a portion of the Tree Fund is held back in case there is a canopy disease or disaster. He stated that with the current low interest rates, the dollars grow faster in the form of maturing trees in the ground.

He stated that Council committed engineering expenses early on to Riverbend Park funding.

Discussed.

2016-0336 Discussion - Component Units (800's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Planning Department Presentation.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)

- Museum Division (802)

See Legislative File 2016-0329 for Council Discussion.

Discussed.

2016-0330 Discussion - Special Revenue Funds (200's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- Tree Fund (232)
- Green Space (299)

See Legislative File 2016-0329 for Discussion.

Discussed.

2016-0335 Discussion - Trust and Agency Funds (700's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[Suppl Clerks Office Presentation.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)

- Green Space Perpetual Care Trust (761)

See Legislative File 2016-0329 for Discussion.

Discussed.

2016-0336 Discussion - Component Units (800's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Planning Department Presentation.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)

- Rochester Hills Museum Foundation Trust Fund (870)

See Legislative File 2016-0329 for Discussion.

Discussed.

(Recess 7:56 p.m. to 8:26 p.m.)

2016-0330 Discussion - Special Revenue Funds (200's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

*SPECIAL POLICE FUND
- Special Police Fund (207)*

Joe Snyder, Interim Director of Finance, noted that the total police expenditure remains relatively flat. He noted that a three percent increase is projected for Fiscal Year 2017.

Captain Michael Johnson, Oakland County Sheriff's Office (OCSO), stated that a new contract will be presented for Council's consideration later this fall as the OCSO and the Deputy's Union are currently in negotiations. He noted that last year there was no increased cost in the contract.

He reviewed the statistics for OCSO services:

- The OCSO responded to 31,521 calls in 2015, a slight decrease from 2014.
- Part A Crimes (typically classified as more serious crimes against persons) continue to trend downward.
- Part B Crimes (typically classified as crimes against property and less serious crimes against persons) also continue to trend downward.
- Since the False Alarm Ordinance was adopted in 2006, False Alarms continue to decrease. In 2015, less than 2,000 false alarms were recorded. The Ordinance allows the ability to address repeat offenders. Alarms can be registered with the OCSO online or by phone.
- Overtime hours were down in 2015. Much of the overtime is incident driven. 2015 was the third year that Deputies could use compensation time instead of overtime, saving additional monies.
- The latest Public Opinion Survey reported that 99 percent of city residents feel safe in their homes, 96 percent feel safe in their neighborhoods, and 95 percent feel safe in the city. There is no more important quality of life than safety.
- In September of 2015, Rochester Hills was named the Safest City in Michigan, with the lowest crimes per capita for 2014. Of the 15 cities named in the study, Rochester Hills had the lowest cost per capita for police services.

Captain Johnson stated that he is confident that the command staff and deputies will continue to provide excellent law enforcement services to Rochester Hills.

Public Comment:

Lee Zendel, 1575 Dutton, noted that the OCSO had 60 Sheriff's Deputies under contract in Rochester Hills for 2005. During that year, expanded performance indicators were noted including services rendered for community policing, business and residential contacts, special events, Neighborhood Watch coordination, Vial for Life services, a Mature Driver Program, senior safety seminars, child safety, alcohol decoys, crime prevention meetings, retail security and Safety Town sessions. He questioned whether the reason these services were not noted in the current Budget book was because 58 deputies cannot spare the manpower hours to do these useful activities.

Captain Johnson responded that one of the positions eliminated in 2010 was the Community Safety Officer. He mentioned that the School Liaison Officer helps with Safety Town in the summer.

Council Discussion:

Mr. Kubicina stated that he makes it a point to thank a police officer for their service and putting their lives on the line. He commented that Mayor Barnett expounds on the safety of Rochester Hills and stated that the OCSO deserves the credit.

Captain Johnson responded that people across the country have been shaken with the killing of police officers. He stated that the OCSO has received an outpouring of kindness from the community.

Mr. Wiggins expressed his thanks for the hard work of the OCSO. He questioned whether the OCSO sees different challenges going forward.

Captain Johnson responded that there is an uptick in traffic crashes in the city along with increased traffic complaints.

Mr. Wiggins commented that he thinks this might be attributed to congestion and impatience.

Mr. Brown stated that he would question whether the OCSO needs additional officers; however, he noted that the downward trends make it harder to justify an additional position. He noted that the question could be put to a Straw Poll of Council. He questioned whether the utilization of comp time versus overtime is masking the fact that an additional officer is needed.

Captain Johnson responded that the comp time represents only a small amount of overtime.

Mr. Brown questioned whether statistics are available to determine whether an additional officer would decrease response times.

Captain Johnson responded that the average to all calls is approximately eight minutes, to emergency calls is approximately five minutes, and to non-emergency calls is approximately 14 minutes. He commented that these numbers are difficult to improve on. He noted that in the eight years he has been in his position, he has never had anyone call to complain about response time.

Mr. Brown questioned whether an additional officer would be assigned to community programs.

Captain Johnson responded that discussions were held with the City's Fiscal Team. One position that was eliminated was a traffic officer, and the other was the community officer. He noted that with the low taxable value increases and the unknown in the contract rate going forward, it was determined to defer additional discussion to next year's budget conversations.

Dr. Bowyer expressed her appreciation to the OCSO, noting that it is good to see crime statistics going down. She questioned how internet crime and phone scams are reported.

Captain Johnson responded that these crimes are included in Part B statistics. He commented that the only crime increase was for Part C Crimes, which include juvenile offenses, traffic crashes, animal complaints and alarms.

Dr. Bowyer questioned why crime statistics are down while the population increases.

Captain Johnson responded that some significant arrests were made over the last several years, and the improvement in the economy also has some effect.

Mayor Barnett stated that it is worth noting that Captain Johnson reports real-time information on the community throughout the year. He noted that the OCSO deserves an incredible amount of credit for what they have done, and he commented that Rochester Hills is the barometer where other communities want to be.

President Tisdell commented that close to 45 percent of Rochester Hills' population is over the age of 45, which contributes to the downward trend. He pointed out that 60 percent of the adult population has an associate's degree or higher, and one-third have graduate degrees. He stated that safety starts with an exceptional residential base. He questioned whether there was a need to purchase the additional community services on an as-needed basis.

Captain Johnson responded that there was not. He stated that a Community Liaison Officer is someone that can create a relationship in the community, and is not a service that can be outsourced.

Mr. Hetrick questioned whether the OCSO could reorganize its work to perform the community-related work.

Captain Johnson responded that this would be difficult as the officers and detectives are busy responding to calls and performing their investigative work.

Mr. Hetrick commented that it sounds like the best course of action is to continue the discussion to add an officer for 2018.

Discussed.

2016-0329 Discussion - General Fund (100's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[Suppl Planning Department Presentation.pdf](#)
[Suppl Building Department Presentation.pdf](#)
[Suppl Clerks Office Presentation.pdf](#)
[Suppl Human Resources Presentation.pdf](#)
[Suppl Assessing-Treasury Presentation.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)

- Crossing Guards (315)

See Also Legislative File 2016-0330 for Council Discussion.

Discussed.

2016-0330 Discussion - Special Revenue Funds (200's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

Sean Canto, Chief of Fire and Emergency Services, stated that the primary mission of the Fire Department is to provide a range of programs to protect the lives and property of the residents of the city. He recognized all the members of the Fire Department who are on the streets daily. He noted that Ron Crowell just retired after 36 years of services with the Rochester Hills Fire Department. He introduced Karl Holder, Captain/Training Officer, Bill Cooke, Fire Inspector, Tim Quaine, Fire Captain/Suppression, and Deborah Happy, Administrative Coordinator-Fire.

He cited the Department's Mission Statement stating it provides the framework from which the Fire Department operates as an organization. He noted that the voters overwhelmingly approved the Fire Millage, Fire Station renovations are underway, staffing has been added, and all stations are now staffed 24 hours a day, 365 days a year. Aging equipment is being replaced.

He noted 2016 accomplishments:

- New Self Contained Breathing Apparatus purchased.
- Nearing completion of renovations for Fire Stations #1, #2, #3 and #5.
- A Collective Bargaining Agreement was reached with IAFF Local 3472.
- Five new ambulances were purchased.
- Three new apparatus were purchased at a savings of approximately \$300,000.

He highlighted 2017 goals:

- Continue to identify areas of essential training.
- Validate the level and quality of services within the organization.
- Begin the process to have the Fire Suppression Rating Schedule re-evaluated. Rochester Hills is currently rated a "4".
- Continue an aggressive community risk reduction program, to educate citizens and limit injuries and property damage.
- Begin the process of updating the Rochester Hills Emergency Disaster Plan.

He noted the following challenges the Department faces for the future:

- The incident volume continues to grow.
- The Community Risk Reduction Division is challenged to keep up with the growing demand of new construction, re-inspections of current buildings, and public education programs.
- The City's mutual air partners have limited resources as their own call volumes continue to grow.

He highlighted statistics regarding services provided:

- The Department is averaging 540 incidents per month, putting it on track for approximately 6,500 incidents for 2016.
- Most of the incidents occur between 7:00 a.m. and 9:00 p.m. Incidents peak on Monday, Wednesday, and Friday and drop off on the weekends.
- The significant investment made to date has significantly lowered the times that the Department has been without a unit and had to call for Mutual Aid. In 2014, there were 295 times that no unit was available; in 2015 that dropped to 172 times; so far in 2016, that number dropped to 18 times.
- Response times have been lowered. In 2014, the response time was 6 minutes 17 seconds. In 2015, that time was reduced to 5 minutes 39 seconds. Thus far in 2016, response time is 4 minutes 49 seconds. EMS run times have stayed at approximately 5 minutes 30 seconds. The run volume has increased; as incidents continue to go up, times will go up. Hazardous condition response times were 7 minutes 35 seconds in 2014 and have dropped to 5 minutes 49 seconds in 2016. Service calls were 6 minutes 36 seconds, and have dropped to 5 minutes 23 seconds.

Council Discussion:

President Tisdell noted that approximately 62 percent of EMS calls are related to falls.

Chief Canto responded that attempts to prevent falls for older citizens include public education and a community risk reduction program with Crittenton Hospital. He noted that if a fall results in a hospital admission, the chance of a patient leaving the hospital decreases with age. He commented that the majority of medical incidents are trauma-related. He stated that the Department is working with assisted living facilities to try to address those items and educate people.

President Tisdell commented that any new programs and resources required that could help would be money well spent.

Mr. Kubicina stated that the information regarding reduced response times is most impressive.

Mr. Hetrick commented that the investment in adding staff is clearly paying off. He questioned how promotions affect the EMS numbers.

Chief Canto responded that two EMT positions are being converted to Fire Fighter Paramedics. He added that overtime costs are being tracked as well.

Mr. Hetrick commented that from a resident's standpoint response time is critical. He questioned whether there would be an ability to work with the OCSO for risk reduction activities.

Chief Canto responded that the Department is involved in some of those programs now and participates in the Vial of Life program. He added that the Department partners with the OCSO to provide some joint operations at that level.

Mr. Brown commented that Chief Canto hit the ground running when he came to Rochester Hills, and he stated that the data reflects the changes that have been implemented. He noted that the quality of life in the Fire Department must be greatly improved.

Chief Canto responded that the units are averaging 18 to 20 runs a day, with as many as 32 runs some days. He commented that this is reflected in the health of the members.

Mr. Brown questioned whether the Department could partner with the Older Persons' Commission (OPC).

Chief Canto stated that Nancy Butty is the Community Risk Reduction Specialist and has a great relationship with the OPC and an organization called Comfort Fitters.

Mr. Wiggins stated that he appreciates that the Department takes the initiative to work with hospitals for falls.

Chief Canto added that the Department thinks innovatively with the high schools in promoting a distracted driver's program.

Dr. Bowyer noted that with the increased EMS calls, she would question whether the Department has enough EMS vehicles for the foreseeable future.

Chief Canto responded that the Department maintains an ambulance at every station as well as a fire apparatus. He commented that as time progresses, equipment is re-evaluated.

Public Comment:

Lee Zendel, 1575 Dutton Road, stated that prior to 2000, the American Heart Association stated that ambulances should be on the scene within eight minutes. Prior to 2000, the Department could not meet that timeframe with its private ambulance services. Now the standard is five minutes. He commented that since 1992 he has known all of the Fire Chiefs of the City, and they all were very good men. He stated that Chief Canto stands head and shoulders above all the former Chiefs and the city should consider itself lucky to have him.

Council Discussion:

President Tisdell questioned when the decrease in funds going to Fire Capital becomes an issue.

Joe Snyder, Interim Finance Director, responded that with the current levy, in 2020 or 2021 2.7 mills will not be enough to fund operations. He commented that this is the reason why this is being referred to the Public Safety and Infrastructure Technical Review Committee (PSITRC) for an investigation into ways to increase revenues without going to additional Millage or decreasing expenditures. He noted that Fire Capital is still fairly well funded, as much fire apparatus and equipment has been replaced over the years. He stated that the next major outlay for Fire Capital will be the replacement of the five ambulances recently purchased that have not even been delivered yet. He pointed out that this will not be necessary for another six to seven years.

President Tisdell stated that the Department's investment in GPS utilization has reconfigured the distribution of dispatch information and calls.

Chief Canto responded that Rochester Hills is the only Fire Department in Oakland County that has AVL GPS units. He added that the units have computers similar to the mobile data terminals used by the Sheriff's Department, providing instant information to members. He noted that information is dispatched to cellphones to help identify where fire hydrants are. He stated that this helps provide a better level of service.

Discussed.

2016-0332 Discussion - Capital Funds (400's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- Fire Capital Fund (402)

See Legislative File 2016-0330 for Council Discussion.

Discussed.

2016-0330 Discussion - Special Revenue Funds (200's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

D.P.S.

- Major Road Fund (202)
- Local Street Fund (203)
- Pathway Maintenance Fund (214)

Allan Schneck, Director of DPS/Engineering, and **Paul Davis**, City Engineer/Deputy Director of DPS, were in attendance.

Mr. Schneck noted the following amounts for 2017 proposed DPS Capital Improvement Projects:

- \$2,845,450 of Major Road Fund projects
- \$5,827,220 of Local Street Fund projects
- \$ 361,250 in Pathway construction
- \$9,307,500 in Water and Sewer Projects
- \$1,366,000 in Fleet
- For a total of \$19,707,420 in total capital outlay.

He mentioned the following projects:

- \$1.1 million on Rochester Industrial Drive
- \$1.1 million on Special Assessment District on Kingsview and Bolinger
- \$4.7 million in Local Street Rehabilitation
- \$6.5 million for Watermain Replacement east of Crooks between South Boulevard and Auburn Roads
- \$1.1 million for Water Booster Station #2
- \$750,000 for a watermain extension on Michelson Road
- \$1.3 million in scheduled fleet replacements.

He commented that local street conditions continue to show improvement, with 87 percent of roads classified as good or fair, and only 13 percent poor. He pointed out that 50 miles of roadway have been improved in the city. He mentioned that the Department has achieved efficiency through new technology, with the addition of an automatic vehicle location system and more effective deployment of vehicles.

He noted the following accomplishments and community engagement for the Department:

- Bruce Halliday was chosen as one of the Top 15 Fleet Managers in the Country.
- Rochester Hills places in the Top 100 of the Best Fleet Programs in North America.
- Rochester Hills received a 2015 Award of Excellence from the Michigan Concrete Association for the Somerset Pines Condominium project.
- The City received APWA 2015 Project of the Year Awards for two projects: The Christian Hills West Water Main Replacement (Environment - \$1 Million to \$5 Million Category); and the Clinton River Trailway Resurfacing Project (Quality of Life - Less than \$1 Million Category).
- DPS hosted another Paint the Plows event with the Rochester Community Schools, and the Tons of Trucks event at Borden Park.

He stated that the Department is available 24 hours a day, 7 days a week, 365 days a year providing dedicated, proficient and skilled services to the City. He expressed his appreciation to Council for their past support.

Council Discussion:

Mr. Kubicina noted that he visited residents of Stellma Lane, which runs into Kingsview Avenue. He stated that Mr. Davis gave him a good amount of information on the history of potential Special Assessment Districts (SAD) for that area.

Mr. Davis responded that if Council is looking to consider an additional street other than Bolinger and Kingsview, he would ask for consideration of Michelson west of John R as well. He noted that both Stellma Lane and Michelson were in about the same position in the SAD process.

Mr. Kubicina commented that the residents of Kingsview were concerned that if only their street were paved it might experience more traffic.

Mr. Wiggins stated that the Department has done a great job in improving the roads, and noted that continued contributions toward improvements should be made.

Mr. Schneck responded that it is his belief that a \$5 million allocation is appropriate, as it is a sustainable amount that the Department can deliver and what the city can withstand. He pointed out that the City partners with the Michigan Department of Transportation and the Road Commission for Oakland County.

Mr. Hetrick questioned whether all projects listed were a part of the Capital Improvement Plan with updated costs.

Mr. Schneck responded that they were included with revised unit prices.

Mr. Hetrick commented that a focus on the Local Road budget must be a part of the regular budget discussion. He stated that investment in Local Roads is paying off. He questioned how funding for Water Resources will happen.

Mr. Schneck responded that historically funding for the Water Resources Fund or Drains Fund was provided through a subsidy of the General Fund. He explained that in order to continue with the requirements of the City's MS-4 Permit with the Michigan Department of Environmental Quality, it is suggested to take some of the Local Streets funding to repurpose it for the Water Resources Fund. He pointed out that some debt service was going to fall off in the Local Street Fund which could be programmed for rehabilitation activities. In addition, the City has the \$2 million SAW grant funding that will help. He stated that there has been much conversation regionally on how to address funding, as Rochester Hills is not unique in this situation.

Mr. Hetrick suggested that the PSITRC should get information from its consultant with regard to the costs associated with stormwater maintenance.

Mr. Brown expressed his appreciation for answers he received to his questions on limestone application. He questioned whether the roads were to the point where a year could be skipped.

Mr. Schneck responded that an application was made to Washington Road twice and it is holding up well. He pointed out that Dutton Road is a border road and a partnership is required with Oakland Township. He noted that this year Mead Road and Winkler Mill will be done. He mentioned that Livernois Road was done last year at the sole expense of the City. He commented that while it would be good to provide another application of limestone on Dutton, Livernois, Winkler Mill and Mead, it would be incumbent on City Council whether it wishes to provide that level of service. He noted that approximately \$100,000 in funding would be required.

Dr. Bowyer questioned how many miles of gravel roads remain.

Mr. Schneck responded that with the recent paving, there are now about 23 miles.

Dr. Bowyer questioned how the gravel road conditions are rated.

Mr. Schneck responded that the rating of road conditions is for paved roads. He pointed out that the condition of a gravel road can change dramatically with weather conditions.

Dr. Bowyer questioned whether there was any plan for work on the Auburn Road corridor.

Mr. Schneck stated that there are some projects in the CIP that the City will partner with the Michigan Department of Transportation (MDOT) to deliver some improvements. He explained that these are spot improvements such as right turn lanes or signal upgrades in the area.

Mr. Davis noted that in conversations with MDOT, they indicated that they would not contribute any monies toward Auburn Road improvements. He commented that it is considered a low priority road, with most of MDOT's funding going toward the I-75 project. While they own Auburn Road and would be the permitting agent, any improvements would be at the City's expense.

President Tisdell stated that if monies are budgeted for Kingsview and Bolinger SADs, the SAD process would continue. He recognized Mr. Schneck's and his staff's efforts relative to the North Oakland County Water Authority along with collaborative agreements the City has with other communities.

He stated that it appears that the only Straw Poll item would be to determine Council's stance on the value of limestone applications.

Joe Snyder, Interim Director of Finance, stated that it is his opinion that Council has done an excellent job going through the budget. He expressed his appreciation for the time Council took in researching and formulating questions. He questioned whether Council wished to revisit the addition of an officer next year.

Mayor Barnett stated that the men and women of the City appreciate their partnership with Council. He commented that roads and public safety are improving.

Mr. Brown questioned whether the addition of an officer could be included on the Straw Poll to get Council's feel for the financial tradeoff that would be needed. He requested Captain Johnson provide information on what community outreach services the City would get for the monetary investment in another officer. He noted that while he does much budgeting in his professional life, this is one of the most efficient budgeting processes he has participated in.

Discussed.

2016-0332 Discussion - Capital Funds (400's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- Pathway Construction Fund (403)

See Legislative File 2016-0330 for Council Discussion.

Discussed.

2016-0330 Discussion - Special Revenue Funds (200's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Parks and Forestry Presentation.pdf](#)
[Suppl Special Police Presentation.pdf](#)
[Suppl Fire Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- Water Resources Fund (244)

See Legislative File 2016-0330 for Council Discussion.

Discussed.

2016-0333 Discussion - Water and Sewer Funds (500's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- Sewer - Operating Division (510)
- Water - Operating Division (530)
- Water & Sewer - Capital Fund (593)
- Water & Sewer - Debt Fund (595)

See Legislative File 2016-0330 for Council Discussion.

Discussed.

2016-0334 Discussion - Internal Service Funds (600's) - 2017 Budget

Attachments: [082216 Budget Presentation Schedule.pdf](#)
[Suppl Overview and General Fund Presentation.pdf](#)
[Suppl MIS Department Presentation.pdf](#)
[Suppl DPS Department Presentation.pdf](#)

- Fleet Fund (661)

See Legislative File 2016-0330 for Council Discussion.

Discussed.

NEXT MEETING DATE

Regular Meeting - Monday, August 29, 2016 - 7:00 p.m.

ADJOURNMENT

There being no further business before Council, President Tisdell adjourned the meeting at 9:57 p.m.

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

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

*MARY JO PACHLA, CMMC
Administrative Secretary
City Clerk's Office*

Approved as presented at the September 26, 2016 Regular City Council Meeting.