



Rochester Hills

Minutes

City Council Regular Meeting

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

*Greg Hooper, Nathan Klomp, Adam Kochenderfer, James Rosen, Mark Tisdel,
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, October 22, 2012

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 - Greg Hooper, Nathan Klomp, Adam Kochenderfer, James Rosen, Mark Tisdel, Michael Webber and Ravi Yalamanchi

Others Present:

Ed Anzek, Director of Planning and Economic Development

Bryan Barnett, Mayor

Jim Breuckman, Manager of Planning

Lance DeVoe, Park Ranger II

Mike Hartner, Director of Parks and Forestry

Deborah Hoyle, Financial Analyst

Jane Leslie, City Clerk

Keith Sawdon, Director of Finance

Allan Schneck, Director of DPS/Engineering

John Staran, City Attorney

Michelle Zabat, Rochester Hills Government Youth Council Representative

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

A motion was made by Yalamanchi, seconded by Webber, that the Agenda be Approved as Amended to move Legislative File 2012-0116 Request for Purchase Authorization - DPS/ENG: Increase Blanket Purchase Order for engineering and architectural design services for the Salt Storage Facility Project in the amount of \$1,500.00 for a new not-to-exceed amount of \$64,000.00; Orchard, Hiltz & McCliment, Inc., Livonia, MI from the Consent Agenda to New Business. The motion carried by the following vote:

Aye 7 - Hooper, Klomp, Kochenderfer, Rosen, Tisdell, Webber and Yalamanchi

PUBLIC COMMENT

None.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

Mr. Webber encouraged voters to cast their ballots in the General Election on November 6th. He commented that City Clerk Jane Leslie and her staff are doing an excellent job in coordinating election efforts.

Mr. Klomp encouraged voters to come out on November 6th.

Mr. Kochenderfer commented that he attended the 9-11 Memorial dedication ceremony at Fire Station No. 1. He expressed his thanks to those who were a part of making the memorial a reality, noting that the memorial is comprised of a piece of steel from the World Trade Center.

Mr. Rosen reported that he has begun to see coyotes again in the northwest corner of the City and cautioned residents to be vigilant in protecting their pets and children.

Michelle Zabat, Rochester Hills Government Youth Council (RHGYC) Representative, reported that the RHGYC participated in the Parisian Community Days coupon book sale last weekend as a fund raising activity. She stated that the group has been finalizing its Action Committees; committees on peer education, service to the elderly and environmental awareness. RHGYC members are also getting ready for their participation in the Rochester Hometown Christmas Parade.

Mayor Barnett gave the following updates on the area's construction projects:

- The Crooks Road rehabilitation had a "soft opening" on Thursday. While not fully open to all traffic movements yet, contractors are working quickly to complete the project.
- The Livernois Road Bridge, south of Avon, has a scheduled Ribbon Cutting Ceremony date of Monday, November 5, 2012 at 11 a.m.
- Subdivision work projects have been progressing quickly and will be completed soon.

He made the following announcements:

- The City has officially received a \$90,000 grant from the United States Fish and Wildlife Service for the third phase of the Avon Creek Restoration Project. He noted that the City has received over a quarter of a million dollars in grant monies for the project.

- Brookwood Subdivision's annual Make a Difference Day Flea Market will be held on Friday, October 26th and Saturday, October 27th. Recognized by Parade Magazine, flea markets in the past have raised over \$15,000 to be donated to local charities.
- The Coats for the Cold Drive begins on Monday, November 5th. A bin in City Hall's lobby will be there to collect gently-used coats.
- There are 122 decision choices to be made on the November 6th General Election Ballot. An educational flyer is available regarding the City ballot question on repurposing a drain debt for local roads. Voters are urged to read the proposals carefully before casting their ballots.
- Eight hundred pumpkins are left over from the Stonewall Pumpkin Festival at the Rochester Hills Museum at Van Hoosen Farm. Unfortunately, the day's weather did not cooperate and anyone still looking for a pumpkin is encouraged to visit the Farm to purchase one.
- The wooden pedestrian bridge that spanned the Clinton River at Livernois was sold to the City of Auburn Hills for \$1. The bridge was moved and will be used at one of Auburn Hills' golf courses.

A brief video was played of the bridge move.

ATTORNEY MATTERS

City Attorney John Staran had nothing to report.

PRESENTATIONS

- 2012-0364 Proclamation in Recognition of Danielle Ziaja for her outstanding achievement in forming the Clean Start project

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

Mayor Barnett introduced Danielle Ziaja and stated that Danielle is part of the next generation of young people who have a philanthropic spirit and generously give back each year to the community. He read the proclamation, and noted that she has collected over 50,000 items including hotel toiletries, school supplies and more.

Ms. Ziaja stated that she will gladly pick up any donations individuals wish to make of these supplies. She requested individuals email her at cleanstartproject@gmail.com or contact her on the Clean Start Service Project Facebook page. She mentioned that a donation collection station is available at Hepburn's in the Village of Rochester Hills.

Council congratulated Ms. Ziaja.

Presented.

Whereas, Danielle Ziaja, who is an outstanding senior at Detroit Country Day School, started the Clean Start Service project, which collects personal items and school supplies to donate to local charities; and

Whereas, Danielle's first donation went to the Lighthouse and the Rochester Area Neighborhood House, where leaders said the donation was the largest-ever by an individual; and

Whereas, recently, Danielle and Clean Start donated items to the Macomb County Rotating Emergency Shelter Team and the Salvation Army. The group also donated uniforms to Brookfield Academy in Rochester Hills, where Danielle attended elementary school. During the summer, Danielle managed to collect and donate more than 31,000 items; and

Whereas, Danielle has always felt compelled to give back. She cares about the community and the people who need help and is a wonderful role model for both our young and old.

Now, Therefore, Be It Resolved, that the Mayor and City Council of Rochester Hills, hereby recognize Danielle Ziaja for her outstanding achievement in forming the Clean Start project, and commend her for making a difference in the City of Rochester Hills and many surrounding communities.

2012-0370 Presentation of the Deer Management Advisory Committee 2012 Report

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

Mike Hartner, Director of Parks and Forestry; **Jim Kubicina**, Chairperson, Deer Management Advisory Committee (DMAC); **Tom McDonald**, DMAC Member; and **Lance DeVoe**, Park Ranger II, were in attendance to present the Deer Management Advisory Committee 2012 Report.

Mr. Kubicina noted that Mr. Hartner and Mr. DeVoe worked tirelessly with the DMAC Committee. He gave the following presentation:

DEER MANAGEMENT ADVISORY COMMITTEE 2012 REPORT

Committee:

- Citizen Members: Bruce Austin, Monique Balaban, Christopher Cobb, Allen Decker, Jim Kubicina (Chairperson), Thomas McDonald and Joseph Podvin
- City Council Members: Adam Kochenderfer and Michael Webber
- Youth Council Member: Scott Difilippo
- Parks and Forestry Department Staff Members: Michael Hartner and Lance DeVoe

Slides were displayed noting the ten Deer Count Survey Areas along with charts and graphs on deer crashes, deer counts, and the trends for each. It was noted that an aerial survey could not be done in early 2012 due to a lack of snow. At least four inches of snow cover is needed for the survey. He commented that the survey yields a representative trend of the deer population and is not intended to indicate how many total deer are in Rochester Hills. He stated that crash numbers were up slightly in 2011 to 139, from 122 in 2010; and the deer population went up by 20 percent. He pointed out that the population and crash numbers did not reach the Committee's benchmarks developed in 2009 of recommending action

if the Deer Vehicle Crashes (DVCs) reached over 200 and the population increased by 20 percent. As such, the DMAC does not recommend consideration of lethal action at this time.

A slide depicted deer complaints. Mr. Kubicina noted that complaints have gone down drastically since a high point in 2009. He stated that citizens are encouraged to call in if there is road kill needing to be picked up; and mentioned that most complaints received early-on were for gardening concerns. He commented that Committee Member Monique Balaban responds to complaints by contacting and visiting homeowners. He noted that she has donated repellants for residents to try.

He displayed a map which noted high crash areas. He stated that two new high-visibility signs are located in areas where the most DVCs are seen. He mentioned that all of the County roads in Rochester Hills have had crashes, and pointed out high intensity areas along Tienken Road and Brewster. He explained that the four moveable signs, the two new high-visibility radar signs, and a sign loaned to the City by the Oakland County Sheriff's Office are moved every two weeks between October 15th and November 15th.

Consensus Recommendations for 2013:

- *Continue the same policies as 2012:*
 - * *Feeding Ban*
 - * *Educational Component*
 - * *Improved Signage*
- *Resolutions:*
 - * *Continue aerial deer count surveys*
 - * *Continue changeable message boards in high deer/vehicle crash areas (October/November)*
 - * *Look for other low cost options to increase awareness*

Mr. Kubicina noted the following aerial survey numbers:

Year	Total Deer Counted
1999	229
2005	220
2008	184
2009	80
2010	107
2011	132

He pointed out that an average of 159 deer were sighted in the five areas that have been tracked historically. He mentioned that in 2009, Epizootic Hemorrhagic Disease (EHD) overtook the deer population, decreasing the numbers drastically. EHD has reappeared again this year, and so far has killed over 8,700 deer in Michigan's western counties.

The five historical areas included in the aerial survey were:

- *Riverbend Park*
- *City Hall*

- Bloomer Park
- Butler Ridge
- Winkler Mill Area

Mr. Kubicina reviewed DVC numbers since 1999, and pointed out that a high of 219 crashes in 2007 prompted Council to try a culling program.

***Mr. McDonald** commented that the DMAC noted a tremendous amount of interest on the part of the residents and had contentious meetings; however, at the end of the day, the Committee reached a logical conclusion, recommending a cap on both deer accident numbers and deer count increases before the Committee would recommend action. He stated that the DMAC requests Council adopt their recommendations, including the feeding ban, the educational component and signage. He commented that while these recommendations will not solve the deer population problem, it will help to keep the DVC numbers in check.*

Council Discussion:

***Mr. Yalamanchi** requested the following information:*

- How deer count and DVC numbers are compiled.
- Whether the brush-clearing efforts will continue at Avon and Adams.
- Whether migratory trends are seen between the areas surveyed.
- Whether other communities are experiencing the same challenges.

***Mr. McDonald** responded that the DVC numbers are the actual number of accidents reported to the Sheriff. He mentioned that a number of DVCs go unreported.*

***Mr. Hartner** noted that the deer counts do not represent the total deer population and merely represent deer counted in those surveyed areas. He explained that deer do not actually migrate; however, they do move around from location to location from day to day.*

***Mr. Kubicina** stated that Oakland University staff have once again cleared brush in the area of Avon and Adams, allowing for much better visibility.*

***Mr. DeVoe** stated that there is a huge variance in the population numbers over time in each area. He explained that some locations that were surveyed early have now been developed, and the population has moved. He pointed out that Bloomer Park has been surveyed since 1999; and after the occurrence of EHD, there were virtually no deer observed in the park.*

***Mr. Klomp** stated that the DMAC report produces substantiated proof that Council should maintain its current course. He commented that while the deer count varies, car crash data can be viewed as a more reliable indication of documented events. He stated that he would concur with the DMAC recommendations.*

***Mr. Webber** thanked the Committee and City Staff members for their efforts.*

He commented that between signage and the educational component, the City is trying to do its best to manage the problem. He stated that the DMAC's recommendations have been incorporated into the 2013 budget and mentioned that he hoped that the flyover can be done this coming winter.

Mr. Kochenderfer stated that the data shows conclusively that the DMAC efforts are making an impact. He commented that many variables are involved, including disease, road construction and migratory patterns. He noted that the signs are effective for the first few years that they are in use; however, over time their effectiveness wears down. He stated that the City is wise to continue survey efforts and have the DMAC actively review survey and crash data.

Mr. Rosen stated that it is his view that the City has done an admirable job in doing what it can with what resources it has to minimize DVCs. He commented that drivers are becoming more educated and aware of the hazard deer pose and mentioned that people drive slower than ever on Tienken Road. He stated that drivers should stay aware to avoid complacency.

President Hooper noted that it is Council's consensus to stay its current course of action.

Presented.

2012-0366 Presentation on the status of the Tri-City Sustainability Study; Nina Misuraca Ignaczak, Oakland County Senior Planner, presenter

Attachments: [Agenda Summary.pdf](#)
[Report Sheets.pdf](#)
[Intro Folder.pdf](#)
[RH Resolution 100410.pdf](#)
[Suppl Presentation.pdf](#)

Nina Misuraca Ignaczak, Senior Planner, Oakland County, gave the following presentation to update Council on the Tri-City Sustainability Study:

TRI-CITY SUSTAINABILITY PARTNERSHIP

- Rochester
- Rochester Hills
- Auburn Hills

Sustainability: The Triple Bottom Line:

- Balancing social, economic, environmental outcomes
- People (Community); Prosperity (Economy); Planet (Environment)
- Sustainability

The Tri-City Sustainability Partnership:

- Project began in Fall 2010
 - * Oakland County issued RFP to 61 CVTs

- * *Tri-City partnership application selected*
- * *Contractor selected with input from Tri-City staff*
- * *All three communities passed council resolutions supporting participation*
- *Community Input*
 - * *Sustainability Advisory Board: Government, Environment, Education, Business, Health.*
 - * *Community survey*
 - * *Multiple workgroups*
 - * *One public meeting*
 - * *Consultation with city staff*
- *Vision and Mission*
 - * *VISION: The communities of Rochester, Rochester Hills and Auburn Hills embrace and advance local sustainability, characterized by a vibrant economy, healthy natural environment and cohesive local community.*
 - * *MISSION: The Tri-City Sustainability Program, composed of the Cities of Rochester, Rochester Hills, Auburn Hills and Oakland County, seeks to advance sustainability through the individual and combined efforts of governments, businesses, institutions and residents.*

Can You Guess Which Community...

- *Has a AA+ Bond Rating?*
- *Has low unemployment?*
- *Beats SEMCOG benchmarks for general fund balance?*
- *Beats national benchmarks for acres of parkland per resident?*
- *Has more residents with commute times of ten minutes or less than the nation?*
- *Has more residents with a bachelor's degree than the nation?*
- *Has 93 percent of residential parcels within one-half mile of a park?*
- *Rochester Hills, Michigan*

Slides depicting sustainability terms and their definitions and the Sustainability Planning Process were shown.

Sustainability Indicators in the various areas of Infrastructure and Public Service, Buildings, Energy and Waste, Community Character, Economy and Education and Health and Well-Being were reviewed, noting each indicator's Goal and Outcomes, Indicators, Baselines and Targets, and Existing and Future Actions.

Ms. Ignaczak noted that when the project is complete, a technical document will be produced with the data collected as well as a tracking tool for staff.

Things to Work On...

- *Public safety response times exceed regional benchmark*
- *Motor vehicle crashes 1.3 times that of the SEMCOG region*
- *Fewer people biking or walking to work than SEMCOG region*
- *Fewer jobs per dwelling unit than recommended standard*

She reviewed community-led actions and collaborations by governmental

groups, school districts, businesses, Homeowners' Associations, and more that can lead to sustainability.

Next Steps:

- We will work on finalizing deliverables
- We will return in next two months to ask for official resolution of support

Carry Forward:

- Continue to monitor actions and indicators
- Adopt this plan into your City Master Plan and integrate into your decision making process
- Continue to collaborate with Oakland County, neighboring communities and civic organizations
- Convene Sustainability Advisory Board on a regular basis
- Leverage available sustainability resources through SEMCOG, Michigan Municipal League, and Oakland County

Council Discussion:

Mr. Yalamanchi questioned what the base line and targets represent.

Ms. Ignaczak responded that the baseline represents the current community. She noted that the study will not set numeric targets; targets can be set over time after the communities begin tracking the data.

Mr. Klomp stated that multi-city collaboration is always a good thing. He commented that he sat on an advisory board early on in the project and participated in a task force for data collection. He questioned what stage the study is currently in and what will be happening from this point forward.

Ms. Ignaczak responded that the group has been working mainly with the cities to get a product that the cities can get behind and lend support. She noted that it is still to be determined whether the board should be reconvened or if the cities will be able to work forward on their own.

Mr. Yalamanchi questioned whether a dashboard would be developed to incorporate all of the data collected.

Ms. Ignaczak responded that the City already has a completed dashboard; and if desired, this study can be used to augment that.

Jim Breuckman, Manager of Planning, responded that the City does not have resources to collect all the data utilized by the study; some data is collected and generated by the County.

Mr. Rosen questioned why the Sustainability Advisory Board meetings were not open for the public to monitor. He noted that his request to attend one of the meetings was turned down.

Ms. Ignaczak mentioned that while the meetings were not advertised, they were open.

Mayor Barnett commented that he was unaware of Mr. Rosen's concerns and stated that multiple public meetings were held as a part of the process.

Mr. Rosen commented that public meetings to gather input were different from the meetings where discussions were held about the issues that the study would cover, and what items were more important to one community versus another. He noted that he had emails documenting his concerns.

President Hooper suggested Mr. Rosen share those emails with the Administration.

Presented.

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.

2012-0359 Approval of Minutes - City Council Regular Meeting - September 24, 2012

Attachments: [CC Min 092412.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0204-2012

Resolved, that the Minutes of a Rochester Hills City Council Regular Meeting held on September 24, 2012 be approved as presented.

2012-0373 Approval of Minutes - City Council Regular Meeting - October 8, 2012

Attachments: [CC Min 100812.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0205-2012

Resolved, that the Minutes of a Rochester Hills City Council Regular Meeting held on October 8, 2012 be approved as presented.

2012-0357 Request for Acceptance of a Watermain Easement granted by Gafcyn, LLC, a Michigan limited liability company, for Rochester Hills Jeep Hydrant Relocation

(Parcel #15-23-151-037)

Attachments: [Agenda Summary.pdf](#)
[Watermain Easement.pdf](#)
[Map1.pdf](#)
[Map2.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0206-2012

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby accepts a watermain easement granted by Gafcyn, LLC, a Michigan limited liability company, 5566 Orchard Ridge Dr., Rochester, 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 #15-23-151-037.

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

2012-0358 Request for Acceptance of a Watermain Easement granted by Gafcyn II , LLC, a Michigan limited liability company, for Rochester Hills Jeep Hydrant Relocation (Parcel #15-23-151-001)

Attachments: [Agenda Summary.pdf](#)
[Watermain Easement.pdf](#)
[Map1.pdf](#)
[Map2.pdf](#)
[Resolution.pdf](#)

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0207-2012

Resolved, that the Rochester Hills City Council, on behalf of the City of Rochester Hills, hereby accepts a watermain easement granted by Gafcyn II, LLC, a Michigan limited liability company, 5566 Orchard Ridge Dr., Rochester, 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. #15-23-151-001.

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

Passed the Consent Agenda

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

Aye 7 - Hooper, Klomp, Kochenderfer, Rosen, Tisdell, Webber and Yalamanchi

PUBLIC HEARINGS

2012-0367 Community Development Block Grant (CDBG) Program Year 2013 Application

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

Deborah Hoyle, Financial Analyst, stated that the 2013 Community Development Block Grant (CDBG) program limits the number of projects that communities can allocate funds for to four. As the City had five projects, the Administration is proposing to move funding for the Youth Services Project to the General Fund, specifically City Council's budget, as Rochester Area Youth Assistance (RAYA) and Avondale Youth Assistance (AYA) are funded through Council's budget. She noted that those Council members serving on the Older Persons' Commission Board or any Youth Services board must abstain from the vote.

President Hooper noted that Council Members Webber, Klomp and Yalamanchi will be required to abstain from voting on this item.

President Hooper Opened the Public Hearing at 8:24 p.m.

Linda Riggs, Director, Rochester Area Neighborhood House, stated that their organization assists those struggling financially in the community by providing funds during crisis situations. She noted that CDBG dollars support the Clothes Closet, which provides clothing, blankets, coats and winter boots for children and families. She expressed appreciation for the support given to the RANH in the past.

Michael Kazyak, representing Avondale Youth Assistance (AYA), distributed AYA's annual report from last year and highlighted the number of children who benefitted through CDBG funds. He commented that AYA loves the community partnership and stated that it is wonderful in these economic times to continue to support area youth.

Marye Miller, Director, Older Persons' Commission, stated that CDBG funds have helped approximately 75 low-income seniors and disabled adults by providing funds for lawn mowing, snow removal and spring and fall cleanups. She noted that funding cuts and changes to the qualification requirements have made it more difficult for individuals to qualify for assistance and will necessitate utilizing CDBG funding only for snow removal services. She mentioned that the Faith Works group has been providing volunteers to help fill the gap and stated that individual pledges of funds from \$100 to \$500 through the Act of Kindness program are encouraged to help the group's work.

Laure Unkart, 569 Ten Point Drive, stated that the Older Persons' Commission depends on CDBG grant funding to provide services to low income seniors.

Casey Dietrich, representing HAVEN, thanked Council for its support in the past. She noted that HAVEN provides services to those victims of domestic abuse. She stated that HAVEN has offices in both Pontiac and Bingham Farms. In addition, the organization works with the Oakland County Personal Protection Office. She stated that last year 8,500 people reported being victims of domestic violence in Oakland County, with 89 of those individuals being members of the local community. She mentioned that her role with HAVEN is that of a Court Advocate

and a first-responder, and she explained that she goes to court with victims of sexual assaults and domestic violence to ensure that their voices are heard. She stated that HAVEN is a non-profit organization that exists solely on grants and gift monies, and requested consideration for \$5,000 in CDBG funds.

Cathy Womack, representing Rochester Area Youth Assistance (RAYA), introduced **Brandy Boyd**, representing Rochester Avon Recreation Authority (RARA), and stated that CDBG funds are used for Camp Safari, a program which helps at-risk children from two targeted neighborhoods each summer. These children, ages six to 12, are offered eight weeks of summer camp through RARA, and grant monies allows the cost for the camp for each child to be only \$5 per week. She stated that Camp Safari provides a safe environment full of enriching activities.

Seeing No Further Public Comment, President Hooper Closed the Public Hearing at 8:34 p.m.

President Hooper recapped the dollar amounts requested and noted that the Administration is suggesting that \$3,000 for AYA and \$9,000 for RAYA be funded from Council's budget.

Mr. Rosen questioned whether last year's CDBG funding included Youth Services and whether AYA and RAYA are already funded through the General Fund.

Ms. Hoyle responded that last year's CDBG funding included Youth Services. She noted that AYA and RAYA receive funding through Council's budget in the General Fund, and stated that the Administration's recommendation is to increase that funding rather than to have a separate line item for these programs.

Mr. Rosen questioned whether removing Youth Services from the CDBG budget would cause the total funding to go down by \$12,000.

Ms. Hoyle responded that it would not decrease the CDBG budget. She explained that the Administration will not know the actual funding amount until next year; however, it is known that only four projects can be funded.

Mr. Rosen stated that he would not have a problem increasing City Council's share of funding as long as the other funding source decreased.

President Hooper questioned whether the recently-approved 2013 Budget includes the Youth Services amount in Council's budget.

Ms. Hoyle responded that while Council's budget does have funding included for RAYA and AYA, Youth Services funding would be over and above this and would include the portion that the CDBG will no longer cover.

President Hooper questioned whether increasing Council's budget for Youth Services would require a budget amendment.

Keith Sawdon, Director of Finance, responded that it would. He commented that the Administration would most likely find areas within the budget to fund this request.

Mr. Rosen commented that this shift will represent an increase to the four programs that are still funded through CDBG.

Ms. Hoyle responded that it will.

Mr. Yalamanchi expressed his thanks to the organizations for all that they do.

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

Aye 4 - Hooper, Kochenderfer, Rosen and Tisdel

Abstain 3 - Klomp, Webber and Yalamanchi

Enactment No: RES0208-2012

Whereas, Oakland County is preparing an Annual Action Plan to meet application requirements for the Community Development Block Grant (CDBG) program, and other Community Planning and Development (CPD) programs; and

Whereas, Oakland County has requested CDBG-eligible projects from participating communities for inclusion in the Action Plan; and

Whereas, the City of Rochester Hills has duly advertised and conducted a public hearing on October 22, 2012 for the purpose of receiving public comments regarding the proposed use of Program Year 2013 Community Development Block Grant funds (CDBG) in the approximate amount of \$130,953; and

Whereas, the City of Rochester Hills found that the following projects meet the federal objectives of the CDBG program and are prioritized by the community as high priority need.

Account Number	Project Name	Amount
731227	Minor Home Repair	\$ 110,953
732170	Yard Services	\$ 10,000
730137	Battered & Abused Spouses	\$ 7,000
730571	Emergency Services	\$ 3,000
		<u>\$ 130,953</u>

Therefore, Be It Resolved, that the City of Rochester Hills CDBG application is hereby authorized to be submitted to Oakland County for inclusion in Oakland County's Annual Action Plan to the U.S. Department of Housing and Urban Development, and that the Mayor is hereby authorized to execute all documents, agreements, or contracts which result from this application to Oakland County.

NOMINATIONS/APPOINTMENTS

2012-0365 Request to Confirm the Mayor's appointment of Michael Kaszubski to the Local

Development Finance Authority (LDFA) to fill the unexpired term of Owen Winnie expiring March 31, 2015

Attachments: [Agenda Summary.pdf](#)
[Kaszubski CQ.pdf](#)
[Owen Winnie Memoriam.pdf](#)
[Resolution.pdf](#)

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

Aye 7 - Hooper, Klomp, Kochenderfer, Rosen, Tisdell, Webber and Yalamanchi

Enactment No: RES0209-2012

Resolved, that the Rochester Hills City Council hereby confirms the Mayor's appointment of Michael Kaszubski to fill the unexpired term of Owen Winnie expiring March 31, 2015.

2012-0312 Nomination/Appointment to the Building Authority to fill the unexpired term of Frank Cosenza ending December 31, 2014

Attachments: [Agenda Summary.pdf](#)
[Appointment Form.pdf](#)
[McCracken CQ.pdf](#)
[Paurazas CQ.pdf](#)
[100812 Agenda Summary.pdf](#)
[Nomination Form.pdf](#)
[Notice of Vacancy.pdf](#)
[091012 Agenda Summary.pdf](#)
[Cosenza Resignation.pdf](#)
[091012 Resolution.pdf](#)
[Resolution.pdf](#)

President Hooper noted that Chris McCracken and Stanley Paurazas were nominated at the October 8, 2012 Regular City Council Meeting. He instructed Council to vote for one of the nominees.

The nominees received the following votes:

Chris McCracken - Hooper, Klomp, Kochenderfer, Tisdell and Webber

Stan Paurazas - Rosen and Yalamanchi

President Hooper noted that Chris McCracken would be appointed to fill the unexpired term of Frank Cosenza on the Building Authority.

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

Aye 7 - Hooper, Klomp, Kochenderfer, Rosen, Tisdell, Webber and Yalamanchi

Enactment No: RES0210-2012

Resolved, that the Rochester Hills City Council appoints Chris McCracken as a Citizen Representative to the Building Authority to fill the unexpired term of Frank Cosenza ending December 31, 2014.

NEW BUSINESS

- 2012-0116** Request for Purchase Authorization - DPS/ENG: Increase Blanket Purchase Order for engineering and architectural design services for the Salt Storage Facility Project in the amount of \$1,500.00 for a new not-to-exceed amount of \$64,000.00; Orchard, Hiltz & McCliment, Inc., Livonia, MI

Attachments: [Agenda Summary.pdf](#)
[042312 Agenda Summary.pdf](#)
[Presentation.pdf](#)
[Salt Storage Facility Study.pdf](#)
[042312 Resolution.pdf](#)
[Resolution.pdf](#)

Allan Schneck, Director of DPS/Engineering, noted that the request for additional engineering and architectural design services is due to an increase of the height of the building by four feet to allow trucks to actually back up and dump salt within the facility. In addition, a design change for 18 foot wide doors will allow additional mobility with equipment. Changes also include structural adjustments to the door header along with additional bracing and trusses based on wind load calculations.

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

Aye 7 - Hooper, Klomp, Kochenderfer, Rosen, Tisdell, Webber and Yalamanchi

Enactment No: RES0211-2012

Resolved, that the Rochester Hills City Council hereby authorizes an increase to the Blanket Purchase Order for engineering and architectural design services for the Salt Storage Facility Project to Orchard, Hiltz & McCliment, Inc. (OHM) in the amount of \$1,500.00 for a new not-to-exceed amount of \$64,000.00.

- 2012-0368** Request for Authorization to refund all or part of the outstanding County issued Rewold Drainage District Phase II Bonds, Series 2005

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

Keith Sawdon, Director of Finance, explained that this request was to authorize the refunding of all or part of the outstanding County-issued Rewold Drainage District Phase II Bonds, Series 2005. He noted that the refunding process will achieve the minimum savings threshold of \$100,000 in net savings and two percent of net present value (NPV). He commented that estimation of savings is \$146,000 and 6.7 percent NPV.

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 - Hooper, Klomp, Kochenderfer, Rosen, Tisdell, Webber and Yalamanchi

Enactment No: RES0212-2012

Whereas, pursuant to the provisions of Chapter 20 of Act No. 40, Public Acts of Michigan, 1956, as amended, the Rewold Drainage District has issued its Drain Bonds,

Phase II Drain Improvements, Series 2005 dated August 1, 2005, in the original principal amount of \$3,235,000 (collectively, the "Prior Bonds"), to refund bonds originally issued to defray part of the cost of constructing the Rewold Drain in anticipation of the collection of the several installments against the City of Rochester Hills (the "City"), the County of Oakland (the "County"); and the State of Michigan (the "State"); and

Whereas, the City has been advised that conditions in the bond market have now improved from the conditions which prevailed at the time the Prior Bonds were sold and that the Prior Bonds could be refunded at a considerable savings to the City and the County; and

Whereas, it is the determination and judgment of this City Council that the Prior Bonds should be refunded to secure for the City the anticipated savings.

Now, Therefore, Be It Resolved By The City Council of the City of Rochester Hills, Michigan, as follows:

1. The Rewold Drainage District is requested and authorized to issue its refunding bonds (the "Refunding Bonds") pursuant to the provisions of Act No. 34, Public Acts of Michigan, 2001, as amended, in an amount necessary to refund all or part of the Prior Bonds (as shall be determined by the Drainage Board) and paying the costs of issuing the Refunding Bonds provided that the final result of the refunding, to the City, is a Net Present Value Savings of \$100,000 or more and at least 2%.
2. The proceeds of the Refunding Bonds shall be sufficient to pay the costs of issuing the Refunding Bonds and to establish an Escrow Fund in an amount which will be sufficient to pay the principal of, the redemption premiums on, and the interest on the Prior Bonds that are refunded without further payment by the City or the County.
3. The City agrees and consents to the Rewold Drainage District's imposition of special assessments against the City on the Rewold Drainage District's refunding bonds special assessment roll for the payment of the Refunding Bonds. It is also understood that the City will be levying a drain debt millage to satisfy its share of the refunding bonds issued.
4. The City Finance Director is authorized to file an Application for State Treasurer's Approval to Issue Bonds with respect to the Refunding Bonds.
5. The City Clerk, City Treasurer, City Finance Director is authorized to approve the circulation of a preliminary and final official statement for the Refunding Bonds, to cause the preparation of those portions of the preliminary and final official statement for compliance with Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended (the "Rule"). The Clerk, Treasurer, Finance Director is authorized to execute and deliver such certificates and to do all other things necessary to effectuate the sale and delivery of the Refunding Bonds.
6. The City Clerk, City Treasurer, City Finance Director is authorized to execute and deliver in the name and on behalf of the City a continuing disclosure certificate to comply with the requirements for a continuing disclosure undertaking by the City pursuant to paragraph (b)(5) of the Rule, and amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the "Continuing Disclosure Certificate"). The City hereby covenants and agrees that it will comply with and carry out all the provisions of the Continuing Disclosure Certificate.
7. All resolutions and parts of resolutions, insofar as the same may be in conflict herewith, are hereby rescinded.

2012-0383 Request for Consideration and Approval of a Oil and Gas Lease with Jordan Development Company, L.L.C.

Attachments: [Agenda Summary.pdf](#)
[Mayor Summary Report 092112.pdf](#)
[Brower Letter and Lease 092112.pdf](#)
[Suppl Presentation.pdf](#)
[050505 Agenda Summary and Attach.pdf](#)
[062605 Agenda Summary and Attach.pdf](#)
[Minutes CDV Joint Mtg 042805.pdf](#)
[Minutes CC 060105.pdf](#)
[Minutes CC 072005.pdf](#)
[Resolution.pdf](#)

Ed Anzek, Director of Planning and Economic Development, noted that approximately five or six weeks ago, the City was contacted by Jordan Management Company, LLC, regarding the possibility of obtaining a lease on mineral rights on City-owned properties. He introduced **Ben Brower**, in attendance to represent Jordan Management. He noted that this idea was not new to the City and stated that **Mike Hartner**, Director of Parks and Forestry, was also in attendance to provide some history on activities regarding oil and gas leases which Council approved in 2005 to pursue potential oil reserves under Borden, Allen and Nowicki Parks.

Mr. Brower gave the following presentation:

Oil and Gas in Michigan:

- Ranks 17th out of 33 for Oil and 10th for Gas
- 52,000 Wells drilled since 1925
- 15,000 Oil Wells
- 13,000 Gas Wells
- Drilled depths from a few hundred feet to 17,466 feet
- Deepest Oil (10,515 feet) and Gas (11,635 feet) Wells
- Largest gas storage capacity in the United States (6000 BCFG from 60 fields).
- Produced over 1.3 billion barrels of oil and 6.9 trillion cubic feet of gas since 1925

He noted that Jordan Management operates approximately 450 wells in the state; most are gas wells. Slides depicted how oil is located under ground, noting that seismic data is collected to identify a structural trap of source rock that could indicate the presence of an oil reservoir. He commented that the State of Michigan Department of Environmental Quality (MDEQ) has jurisdiction on operations and explained that three different casings are required to isolate production and protect the aquifer. He detailed how horizontal drilling is done, and noted that it is almost a sure thing in this area.

Mr. Brower explained the various pollution prevention measures and secondary containment provisions that will be in place at the wellhead and production facilities.

He stated that revenues from oil and gas help purchase land and develop beaches, parks and walks through the Michigan Natural Resources Trust Fund. A slide depicted royalty income received by the State of Michigan and Michigan State University from leases on lands. He explained that the proposed lease will not allow surface development to occur unless it was approved at a later date. He stated that the exploration process takes approximately three weeks to drill the well, after which the equipment is removed. The lease provides for a payment of \$150 per net acre.

President Hooper questioned how far horizontal drilling can be done.

Mr. Brower responded that horizontal drilling in Mason County was done at a distance of two miles.

President Hooper questioned what sites were under consideration.

Mr. Anzek displayed a map highlighting Nowicki Park, parkland on Tienken Road just west of Adams, just inside of the City of Rochester boundary near Dinosaur Hill Nature Preserve, and at the Van Hoosen Jones-Stoney Creek Cemetery.

Mr. Klomp questioned what the actual drilling structure would look like and whether surrounding residents would experience any disruption due to nuisance activities.

Mr. Brower responded that a drilling rig would be in place for three to four weeks. If oil or gas is found, a small well head would be installed. Production would be shipped via a pipeline. He stated Jordan Management has not had any complaints or incidents and offered that the local Metroparks could be contacted. He mentioned that while activities that include hydraulic fracking are of concern, Jordan Management has no intention of doing any fracking for its wells.

Mr. Kochenderfer questioned whether Jordan Management has had any incidents and if nearby homeowners would be able to tell what is taking place.

Mr. Brower responded that it has not had any incidents. He pointed out that activities occur 5,000 to 6,000 feet below ground.

Mr. Tisdell questioned whether the Parks Charter Amendment would have any effect on the City's mineral rights.

John Staran, City Attorney, stated that the Parks Charter Amendment pertains to use of the park. He noted that these activities are subterranean and there would be no restriction or interference with the surface use of the park. He commented that if it does come to the point where there is a request for above-surface permanent facilities, a review of the Charter Amendment would be undertaken.

Mr. Tisdell questioned whether any wellhead would be protected by security fencing.

Mr. Brower responded that it would. He stated that the company would work with the surface owner to determine what security fencing would be installed.

Mr. Tisdell questioned what impact a lease of mineral rights would have on private property valuation.

Mr. Anzek responded that it is difficult to pin down any valuation impact. He stated that the City Assessor's thought is that if people are aware that they have mineral rights, they typically keep them instead of selling them with the property.

Mr. Staran stated that property tax revenues to the City would not change unless the sale of the properties were impacted. He commented that any valuation changes would be speculative at this point.

Mr. Anzek noted that every property owner within that 160-acre tract would participate in any windfall of royalties.

Mr. Rosen noted that Nowicki Park and the Tienken Road park have been identified as City-owned properties that Jordan Management wants to start the leasing process with and questioned whether drilling would occur on City park property.

Mr. Brower responded that Jordan Management would like to enter into an oil and gas lease with the City for those tracts. He explained that this would not give the company rights to drill on City property but would give the company the right to pool those lands with properties next door. He explained that the State has a requirement of a one-quarter mile unit.

Mr. Rosen questioned whether he should recuse himself from the discussion as he lives adjacent to the area of Nowicki Park. He questioned whether every property is treated equally.

Mr. Brower responded that property owners are paid royalties in proportionate to the acreage owned.

Mr. Rosen questioned when a determination would be made on how large the leasehold area would be and commented that he did not believe the process was to the point where he should back away.

Mr. Staran commented that consideration would need to be given to whether Mr. Rosen's decision would potentially have a positive economic impact on his own situation.

Mr. Brower stated that as a homeowner, he would receive \$100 to sign a lease. With property of only one-third of an acre, royalty income could be likened to a "dinner-a-month".

Mr. Staran suggested that Mr. Rosen could wait until the next step before considering whether or not to recuse himself from the discussion.

President Hooper commented that there may not be a next step as Council will not approve the placement of a facility on City park property.

Mr. Staran stated that unless a Council member believes that his objectivity would be influenced by a decision, he would say that there is no conflict that automatically requires a Council member to recuse himself.

President Hooper questioned whether the company's goal is to obtain leases on at least 81 of the 160 acres to define the area.

Mr. Brower responded that the company's goal is to obtain leases on all 160 acres; however, he noted that there are many owners in a subdivision. He commented that property must be leased where the company wants to place any well.

Mr. Yalamanchi questioned whether the 160 acre tract of properties must be contiguous.

Mr. Brower responded that they must. He stated that a tract is not limited to 160 acres and noted that it could contain 320 acres.

Mr. Yalamanchi questioned how many homeowners have signed to date.

Mr. Brower responded that not all have signed, but the company has obtained a number of leases.

Mr. Yalamanchi commented that he has received emails indicating disapproval. He noted that there is an expectation that the Charter Amendment will prevail in preventing this from proceeding. He stated that he is not willing to say yes unless all of the homeowners are supportive. He recommended Council not proceed in granting approval until it sees the residents' response.

Mr. Webber requested that Mr. Brower review the lease process.

Mr. Brower explained that a letter is sent with a lease form that requests a non-development lease on a property owner's land, followed by a phone call and an appointment to discuss the lease. The company would have to show the MDEQ that it at least attempted to lease the property.

Mr. Webber questioned what Council would have to lose in approving the request.

Mr. Hartner stated that he is staying close to the project to ensure that there are no impacts on park properties. He commented that thus far, he does not see a downside to the request, as there appears to be no disruption to the aquifer or surface of the parkland.

Mr. Anzek noted that the City's Environmental Consultant, Tom Wackerman, ASTI Environmental, was consulted, and reported back that the MDEQ has many safety checks in place.

Mr. Webber questioned whether Jordan Management has ever gone through the process of obtaining leases and found that it cannot locate a place for a production facility.

Mr. Brower responded that while the company had to get creative in the past in locating a facility, it has never been unable to secure a location.

Mr. Rosen stated that while he is all in favor of finding new energy sources, Council should first obtain a formal Attorney's Opinion regarding the City's Charter and mineral rights to ensure that the mineral rights can be separated from the surface. He commented that Council should find a way to determine that a majority or very high number of homeowners in the area are aware of and have the opportunity to give feedback to the City whether they believe this is a good idea. He stated that Council should not vote on granting approval tonight.

Mr. Kochenderfer stated that he does not want to force this onto the residents. He questioned whether a denial would stop the company from proceeding, noting that it is actually each individual property owner's decision.

Mr. Klomp concurred, stating that this is a property owner's decision. He noted that \$150 is not a large amount, and commented that it is a small gain for possible disruption.

Mr. Brower noted that not all properties are subdivision lots; some large parcels are included.

Mr. Klomp stated that this is a densely-populated area and mentioned a pipe breakage in the Kalamazoo River that required environmental cleanup.

Mr. Yalamanchi suggested that while he is not questioning the company's record, he would offer that the Homeowner's Associations should be consulted first.

Mr. Brower noted that it is individual homeowners, not the associations, that own the properties in question.

Mr. Anzek responded that the City has received multiple calls from residents questioning whether the correspondence they have received is legitimate.

Mayor Barnett stated that the Administration's role in these efforts is to educate the owners. He pointed out that the City is not representing this company or vouching for them. The City's efforts thus far have been to get its Environmental Consultant involved and obtain the City Attorney's view on whether this can be pursued. He commented that the City does not have the ability to add steps to the process and noted that the company can do this with or without the City's approval. He pointed out that the company cannot put a wellhead on City property.

Mr. Staran noted that there have been adjustments to the draft lease presented and suggested that any approval could include a caveat that the form of the agreement be subject to the City Attorney and Mayor's review.

Mr. Rosen stated that he would not vote for approval until he sees the City Attorney's formal opinion.

President Hooper noted that a verbal opinion has been given. He questioned references in the lease to exhibits which were not included in the documents.

Mr. Brower responded that one exhibit details legal descriptions of the subject properties and the other includes conditions to be incorporated such as no fracking or surface operations.

Mr. Staran noted that another condition of approval could include a caveat that if a property description changes or other properties are added, it must come back to Council for approval.

Discussion ensued regarding the subject properties. It was noted that the property adjacent to Dinosaur Hill Nature Preserve is actually in the City of Rochester.

Mr. Staran suggested that Council could grant tentative approval with direction that a finalized form of the lease with property descriptions and conditions return to Council for final approval at its next meeting.

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

Aye 6 - Hooper, Klomp, Kochenderfer, Rosen, Tisdell and Webber

Nay 1 - Yalamanchi

Enactment No: RES0213-2012

Whereas, Jordan Management Company, a Michigan company, and/or its subsidiaries has requested to enter into a lease agreement ("the Lease") with the City of Rochester Hills for the right to explore for oil and gas reserves on City land, and

Whereas, City property covered under terms of the Lease, including optional lands, are held under clear title by the City of Rochester Hills, and

Whereas, the Lease identifies various terms and conditions, including lease rates, royalty shares and primary terms, and

Whereas, the location of oil and gas facilities on the City Parks property is prohibited, subject to the terms of the Lease, and

Whereas, the City retains ownership of all mineral rights on the property, subject to the terms of the Lease.

Resolved, that the Rochester Hills City Council hereby tentatively decides to proceed with the proposed Oil and Gas Lease, subject to the following:

1. The form of the agreement is subject to the City Attorney's and Mayor's further review;
2. Exhibits shall be clarified and attached to the Lease, including property descriptions and supplemental conditions; and
3. The City Attorney is requested to provide his written legal opinion concerning whether the proposed oil and gas lease is permitted under the City Charter parkland and open space amendment.

Be It Further Resolved, that the final form of the lease shall be brought back to City Council for final approval at their next regular meeting.

COUNCIL COMMITTEE REPORTS

Paint Creek Trailways Commission:

Mr. Klomp reported that the bridge work has been completed on the Paint Creek Trail.

ANY OTHER BUSINESS

None.

NEXT MEETING DATE

Regular Meeting - Monday, November 12, 2012 - 7:00 p.m.

ADJOURNMENT

There being no further business before Council, President Hooper adjourned the meeting at 10:20 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 December 3, 2012 Regular City Council Meeting.