



Rochester Hills

Minutes - Draft

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, September 24, 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
Ron Crowell, Fire Chief/Emergency Management Director
Kurt Dawson, Director of Assessing/Treasury
Pamela Gordon, Director of Human Resources
Mike Hartner, Director of Parks and Forestry
Captain Michael Johnson, Oakland County Sheriff's Office
Jane Leslie, City Clerk
Tara Presta, Chief Assistant
Keith Sawdon, Director of Finance
Allan Schneck, Director of DPS/Engineering
Leanne Scott, City Council Coordinator
John Staran, City Attorney
Pam Valentik, Manager of Economic Development
Kelly Winters, Deputy Director of Building/Ordinance Development*

PLEDGE OF ALLEGIANCE

*Mr. Tisdel introduced **Danielle Ziaja** and highlighted her many accomplishments. He stated that she is a Senior at Detroit Country Day High School, Magna Cum Laude status; and recently won the lead role in MacBeth. This past summer, Ms. Ziaja had three internships, including the Wayne State University Department of Physics, the University of Michigan School of Dentistry, and the Oakland University Department of Physics. He stated that she is the founder of Clean Start Service Project, which collects personal-use items and school supplies. To date, she*

has donated over 31,000 pieces to the Rochester Area Neighborhood House, Macomb County Rotating Emergency Shelter Team (MCREST), and Lighthouse of Oakland. He noted that this is the single largest donation by any individual in the history of those organizations. He mentioned that Ms. Ziaja is on the Women's Soccer and Bowling Teams at Detroit Country Day. He thanked her for her service to the community.

Danielle Ziaja led the Pledge of Allegiance.

APPROVAL OF AGENDA

A motion was made by Webber, seconded by Kochenderfer, that the Agenda be Approved as Amended to add Legislative File 2011-0575 Attorney General's Response to City of Rochester's Questions regarding the Older Persons Commission Budget Process. 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 announced that the Brooksie Way Half Marathon will be held on Sunday morning, September 30, 2012. He noted that information regarding the race and road closures have been distributed throughout the community.

ATTORNEY MATTERS

City Attorney John Staran had nothing to report.

PRESENTATIONS

2012-0337 Proclamation in Recognition of Douglas Thorpe for his 50 years of outstanding service and dedication to the Lions Club and the Greater Rochester Area

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

President Hooper recognized Douglas Thorpe for his fifty years of service to the Lions Club and the greater Rochester area, and noted that Mr. Thorpe has been a member of the community since 1929. He read the proclamation.

Mr. Thorpe extended his appreciation for the recognition of his efforts. He thanked Council and the Administration for their service to the community.

Presented.

Whereas, in October 2012, Douglas Thorpe will celebrate 50 years of outstanding service and dedication to the Lions Club Organization; and

Whereas, Doug has served the Lions Club as President and Secretary, and has been active at both the District and State levels. At the District level, Doug has been Zone Chairperson, Deputy District Governor, District Credentials & Registration Chair, and Cabinet Secretary Treasurer for PDG Keith Kennedy. At the State level, Doug served as the State Credentials Chairman; and

Whereas, Doug and his late wife Barbara, have been honored by the Rochester Hills Lion Club with a memorial tribute at the Lions Visually Impaired Youth Camp (aka Bear Lake Camp). Doug has served on the Board of Trustees for the Lions Visually Impaired Youth Camp for over 10 years.

Whereas, Doug is a Life Member of the Rochester Hills Lions Club. He received the International Leadership Presidents Medal in 2011, and had the unique honor of being presented the District 11 A2 Distinguished Service Award. This award is to recognize a District 11 A2 Lion for sustained, outstanding commitment and dedicated service as a Lion to the Community and District.

Now, Therefore, Be It Resolved, that the Mayor and City Council of Rochester Hills hereby recognize and honor Douglas Thorpe for his 50 years of service to the Lions Club and the Greater Rochester Area.

2012-0344 Proclamation in Recognition of October as Deer Awareness Month

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

President Hooper read the proclamation in recognition of October as Deer Awareness Month.

Mr. Kochenderfer stated that this issue does not have as much publicity as it did a couple of years ago; however, there are still concerns especially in the northeast corner of the city where there have been several recent deer-vehicle crashes. He commented that the deer population was the second-biggest concern he heard when he was campaigning last year. He noted that he and Mr. Webber are Council representatives to the Deer Management Advisory Committee (DMAC) and stated that activities undertaken by the DMAC have yielded results. He commented that the Committee will keep doing everything it can to keep deer-vehicle crash numbers in check.

A motion was made by Webber, seconded by Kochenderfer, 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: RES0185-2012

Whereas, the City of Rochester Hills, with its natural beauty, is home to many deer and abundant wildlife; and

Whereas, vehicle/deer crashes are a year-round concern that deserves the attention of the motoring public; and

Whereas, the City of Rochester Hills has established a Deer Management Advisory Committee which serves to review, evaluate and recommend to City Council solid and effective deer management policy for today and into the future; and

Whereas, through the hard work and dedication of the Deer Management Advisory Committee, efforts are being made to caution motorists of the increased prevalence of deer activity, and subsequent risk of crashes, during the fall mating season; and

Whereas, the City of Rochester Hills is making every effort to keep our motorists safe while maintaining the unique and treasured natural beauty Rochester Hills is known for.

Now, Therefore, Be It Resolved, that the Mayor and City Council of the City of Rochester Hills, hereby proclaim October 2012 as Deer Awareness Month, and encourage all citizens to drive cautiously and carefully, and to be aware of the possibility of deer crossing the roadways.

2008-0294 Update from Rayconnect, Inc. regarding their progress since the approval of a Tax Abatement in June of 2008; Ramesh Gaddam, President and CEO, presenter

Attachments: [Agenda Summary.pdf](#)
[Suppl Presentation 092412.pdf](#)
[062308 Agenda Summary.pdf](#)
[Application.pdf](#)
[Captured Taxes Analysis.pdf](#)
[RayConnect Financial Analysis-Personal 1.pdf](#)
[RayConnect TB Analysis-Real.pdf](#)
[Personal Property Depreciation.pdf](#)
[Public Hearing Notice.pdf](#)
[Resolution.pdf](#)
[Revised Resolution.pdf](#)
[061608 Agenda Summary.pdf](#)
[061608 Resolution.pdf](#)

Pam Valentik, Manager of Economic Development, stated that tax abatements are a tool established through legislation by the State to allow the City to compete for projects that bring added investment to the city. Every project that comes before the City for consideration of an abatement must be creating jobs for the city. She introduced Ramesh Gaddam, President and CEO of Rayconnect, and noted that the former President, Earl Brown, was promoted to the President and CEO of A. Raymond North America. She stated that in 2008, Rochester Hills was proud to be home to Rayconnect; however, the company was quickly outgrowing its facility and the parent company was looking for the best location for Rayconnect to expand its operations. She explained that Rochester Hills had to compete with sites in North and South Carolina for the new facility. The City looked to partner with the Michigan Economic Development Corporation (MEDC) to prepare a package of incentives to close the gap of business costs in Michigan versus North or South Carolina. Council granted an abatement in 2008 for real and personal property tax for the project, which allowed the City to win the project and keep the investment

in Michigan. Their plan in 2008 was to construct a 64,000 square foot LEED-Certified industrial building. When the project would be complete, it would have a total project investment of \$14 million and house 97 employees. She noted that Mr. Gaddam will provide an update and highlight the company's plan for the future.

Ramesh Gaddam, President and CEO, Rayconnect, Inc., thanked Council for their support and highlighted the activities of Rayconnect, Inc. He gave the following presentation:

A RAYMOND NETWORK - Rayconnect & A. Raymond Corporate North America

Multicultural:

- A Network of 4,800 people in 23 countries, across four continents

Mr. Gaddam noted that the parent company is located in France.

More than Fastening:

- Advanced Assembly Technology
- Clip Fasteners
 - * Metal and plastic and combination of the two
- Assembly process
 - * RayNICE® Nonstop Injected Clip Equipment
 - * RayTOOL®, assembly gun
- Bonding Technology
 - * Techbond® High Performance Adhesives
- Electrical Applications
 - * Tape on clips, straps
 - * Protecting channels and connector caps
- Fluid Handling
 - * Quick connectors
 - * Nozzles
- Communicating Fasteners
 - * Contain RFID technology (traceability)
- Global Product Range
 - * >25,000 products

He commented that while the company's focus is mostly automotive, it has a range of products reaching beyond into the non-automotive sectors as part of its diversification strategy. He explained that the company is privately-owned with a fifth-generation owner, and is an active part of the community.

A Better World:

- **We want to proactively contribute to a better world**
- Added value through **creativity and innovation**
- Increase the **motivation** of our human resources
- Reduce continuously our **CO2 emissions** and our waste of **natural resources**

A. Raymond Network in North America:

- A long and proud history in Rochester Hills
 - * A. Raymond, Inc. founded in 1989
 - * Rayconnect, Inc. founded in 2005
 - * Rayconnect, Inc. facility (LEED Gold) built in 2009
 - * A. Raymond, Inc. acquired Tinnerman, one of the top three metal fastener specialists in the United States, founding A. Raymond Tinnerman Automotive and A. Raymond Tinnerman Industries in 2009.
 - * Raynet Americas, Inc. (IT Services) formed in 2009
 - * RayCE Americas, Inc. (Advanced R&D) formed in 2009
 - * A. Raymond Corporate North America Formed 2009
 - * Expansion of the Rayconnect Facility 2010 and 2011
 - * Leased a space for ARTA and Raynet, Inc. in Rochester Hills in 2011
- The A. Raymond North America Network today:
 - * 900 employees
 - * Production sites in Canada, Ohio, Kentucky, Indiana and two in Rochester Hills
 - * Southeast Michigan (Rochester Hills and Auburn Hills):
 - 286 permanent employees
 - Two production sites in Rochester Hills
 - Three Sales and Engineering offices (two in Rochester Hills; 1 in Auburn Hills)
 - One distribution warehouse (Rochester Hills)
 - A. Raymond Tinnerman Industries, Raynet, Inc. and RayCE Offices (Rochester Hills and Auburn Hills)

Rayconnect Fluid Connections:

- Fluid Connection Applications
 - * Automotive, Trucks, RV, Motorcycles, Marine

Mr. Gaddam displayed a graphic that showed various fluid connection application components for cars, trucks and motorcycles that Rayconnect produces. A world-wide map showed a closed network of plants connected throughout the world, primarily in Europe, but also in Brazil, China, India and Japan. He noted that Rayconnect produces over 300 million connectors globally each year. He continued the presentation, detailing the Rochester Hills Facility:

Rochester Hills Facility:

- 54,000 square feet of Manufacturing Space
- 20,000 square feet of Office Space
- 24 x 5 - Three shift operation
- 18 Injection Molding Machines
- 8 Assembly Machines (Clean room environment)
- LEED Gold Certified facility, US Green Building Council

Rayconnect Sales Growth:

- Rayconnect has continued to gain market share

Mr. Gaddam stated that revenue for 2012 is estimated to be close to \$33 million, almost double the dip in revenue experienced in 2009.

Rayconnect, Inc. Investment:

- The table below shows investments in millions.
- \$1.25 million assembly machine ordered in 2011 for delivery in March 2012. \$700,000 paid in 2011 as progress payments not included in the actual investment figure.
- The recession led to a delay in the purchase of the assembly machine. Including this equipment now on the manufacturing floor, the pledged equipment has been exceeded by \$703,000.

	Pledged	2009	2010	2011	2012	Actual
Building (without land)	\$9.184	\$9.407	\$0.849	\$0.517	\$0.000	\$10.772
Equipment	\$5.351	\$1.447	\$2.107	\$0.840	\$1.660	\$6.054
Total Investment	\$14.535	\$10.854	\$2.956	\$1.357	\$1.660	\$16.827

Summary - In Closing:

- Recession delayed timing on some Equipment Investment
- Total investments to date exceed commitments
- Retained 60 jobs and added 37 (including 16 full-time temporary) since moving into the new building
- Additional jobs (25) moved to Austin Ave as a result of finishing North America Corporate Office on 2nd level

He noted that although the economic crisis resulted in a lengthening of the original commitment, the company has continued to invest and looks toward tremendous progress and growth. Since 2008, the company has been looking at diversification to non-automotive products, moving into plumbing and other industries.

Council Discussion:

Mr. Kochenderfer thanked Mr. Gaddam for his company's investment in the city. He questioned how Lansing's move to get away from individual tax abatements would affect investment.

Ms. Valentik responded that the State still has an incentive program. She explained that under the Michigan Economic Growth Authority (MEGA) Program, the incentive was an employment credit, depending on the jobs created and anticipated income. The new State administration has taken the approach to

address each company's individual need and identify gaps to bring that company to Michigan, whether that need is in the area of tax incentives or cash up front to finance a project. She noted that the Administration is still learning the process and hopes that the State's efforts to eliminate the Michigan Business Tax and move to eliminate Personal Property Tax will level the playing field for all companies coming to Michigan.

Mr. Kochenderfer stated that he would hope that the City's governmental relations firm could be of service in this area and commented that efforts in Lansing should move away from one-time fixes.

Ms. Valentik commented that Rayconnect's project fits in with the City's economic development strategy to identify international companies poised for growth in North America. She pointed out that other divisions of the firm may not have established roots in Rochester Hills if it were not for Rayconnect's facility.

Mr. Gaddam concurred, noting that additional expansion happened because Rayconnect had constructed a plant and had available space. He thanked the City for its efforts to keep the firm in Rochester Hills and commented that the company wants to continue to be an active part of the city.

Mr. Webber stated that the City entered into a partnership with the company, and it is good to know that it is successful and has gone above what was anticipated.

President Hooper commented that it is good to hear these success stories and stated that the company is one-third into its tax abatement. He questioned whether the company has additional expansion plans.

Mr. Gaddam responded that the company will review its needs next year and commented that an expansion in 2015 is not out of the question.

Ms. Valentik noted that a progress report on the City's tax abatements should be available for Council's review at the end of the week. She stated that she is verifying final job figures to finalize that report.

Presented.

CONSENT AGENDA

2012-0347 Request for Approval to Add Delinquent Charges to the 2012 Winter Tax Roll

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

This Matter was Adopted by Resolution on the Consent Agenda.

Enactment No: RES0186-2012

Resolved, that the Rochester Hills City Council approves the following delinquent charges, as certified by the City of Rochester Hills Treasurer, to be made a part of the 2012 Winter Tax Roll; and

Further Resolved, the City Assessor be and is hereby authorized to spread said amount on the 2012 Winter Tax Roll.

<u>Roll/Fund</u>	<u>Total</u>	<u>Ordinance</u>
Delinquent W/S Charges Water/Sewer Fund	\$1,303,953.56	Ch. 102-92.(b)
Delinquent Weed Control General Fund	\$15,232.32	Ch. 106-125.(e)
Delinquent SAD Local Road Fund	\$11,548.73	Ch. 90-114.(b)
Delinquent Costs Incurred Temporary Safeguards General Fund	\$300.82	Ch. 90-30.(d)
Delinquent False Alarms Special Police Fund	\$16,110.00	Ch. 42-65.(f)(2)
Delinquent Solid Waste Collection Allied Waste Services	\$177,673.96	Ch. 86-103.(4) and .(5)
Delinquent Costs Incurred Tree Removal General Fund	\$188.50	Ch. 90-30.(d)

Passed the Consent Agenda

A motion was made by Yalamanchi, seconded by Webber, 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

NOMINATIONS/APPOINTMENTS

2012-0290 Nomination/Appointment to the Deer Management Advisory Committee to fill the unexpired term of Terry Scott Bain ending December 31, 2012

Attachments: [Agenda Summary.pdf](#)
[Appointment Form.pdf](#)
[Suppl Austin CQ.pdf](#)
[Barno CQ.pdf](#)
[Shurkus CQ.pdf](#)
[091012 Agenda Summary.pdf](#)
[Nomination Form.pdf](#)
[Dieters-Williams CQ.pdf](#)
[Marries CQ.pdf](#)
[Moore CQ.pdf](#)
[Olson CQ.pdf](#)
[Paurazas CQ.pdf](#)
[Pawlowicz CQ.pdf](#)
[Suppl Denno CQ.pdf](#)
[Notice of Vacancy.pdf](#)
[081312 Agenda Summary.pdf](#)
[Bain Resignation.pdf](#)
[081312 Resolution.pdf](#)
[Resolution.pdf](#)

President Hooper noted that Bruce Austin, Deborah Barno and Danielle Shurkus were nominated at the September 20, 2012 Regular City Council Meeting for the vacancy on the Deer Management Advisory Committee.

Public Comment:

Bruce Austin, 848 Longford, stated that as a retired parks superintendent, he is acutely aware of delicate balance between residential concerns and the presence of wildlife. He mentioned that he has given presentations and sat on panels dealing with wildlife concerns in suburban settings. He commented that it should be recognized that the deer population is always in flux and requires vigilance and ability to adjust the levels of management activities, as well as a need to keep up to date with new approaches. He requested Council's consideration for the vacancy.

President Hooper instructed Council members to vote for one of the nominees.

The nominees received the following votes:

Bruce Austin: President Hooper, Mr. Klomp and Mr. Yalamanchi

Deborah Barno: Mr. Rosen

Danielle Shurkus: Mr. Kochenderfer, Mr. Tisdell and Mr. Webber

As the vote resulted in a tie between Bruce Austin and Danielle Shurkus, a second vote was held:

Bruce Austin: President Hooper, Mr. Klomp, Mr. Rosen and Mr. Yalamanchi

Danielle Shurkus: Mr. Kochenderfer, Mr. Tisdell and Mr. Webber

President Hooper announced that **Bruce Austin** would be appointed to the Deer Management Advisory Committee.

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: RES0187-2012

Resolved, that the Rochester Hills City Council appoints Bruce Austin as a Citizen Representative to the Deer Management Advisory Committee to fill the unexpired term of Terry Scott Bain ending December 31, 2012.

NEW BUSINESS

2012-0324 Request for Conditional Land Use Approval - For a drive-through to be constructed at a proposed Tim Hortons restaurant on .5 acre located on Rochester Road, north of Avon (formerly a Dunkin' Donuts), Parcel No. 15-15-476-011, zoned B-2, General Business, Tim Hortons, Applicant

Attachments: [Agenda Summary.pdf](#)
[Map.pdf](#)
[Updated Elevations.pdf](#)
[Site Plans.pdf](#)
[Minutes PC 091812.pdf](#)
[Staff Report.pdf](#)
[Public Hearing Notice.pdf](#)
[Resolution.pdf](#)

Ed Anzek, Director of Planning and Economic Development, stated that a Conditional Land Use is required for a drive-through at the proposed Tim Horton's. He noted that the Planning Commission held a Public Hearing and recommended approval, with the seven findings listed in Council's packet.

Mark Kellenberger, representing Tim Horton's, stated that the company is very excited for the opportunity to have a facility in Rochester Hills. He commented that the company worked diligently with the City's Planning, Engineering and Building Departments on the redevelopment project; and will incorporate a new café bake shop style building. He noted that modifications were made to upgrade the building elevation. He stated that while the development will feature a small dining room, because of the size of the site, the facility will focus on drive-through customers.

Public Comment:

Scot Beaton, 655 Bolinger Street, expressed his concern that site is on one of the worst stretches of Rochester Road, and he commented that the increased traffic will only make matters worse. He suggested the City approach the State of Michigan to determine whether a pilot project could be undertaken to establish a business speed district regulating speed limits on that stretch of road during various times of the day.

Council Discussion:

Mr. Yalamanchi stated that he was surprised that the site had enough room to accommodate a drive-through.

Mr. Kellenberger responded that the dining room will feature nine seats. He noted that Flexible Business Overlay Zoning was applied. He pointed out that there will be a connection with the sidewalk along Rochester Road, with the installation of a bench, encouraging people to sit outside and enjoy their visit.

Mr. Yalamanchi questioned whether left turns would be prohibited for cars leaving the driveway and noted the site's proximity to the intersection at Avon Road.

Mr. Anzek responded that the City is not requesting the elimination of left turn movements. He noted that the current traffic pattern suggests that there will mostly be right-turns in and right-turns out during the morning rush hour. He commented that while concerns are valid, once beyond the peak hours, left turns will be possible. He stated that after review, the City's traffic engineers approved the proposed plan.

Mr. Yalamanchi commented that turns from the McDonald's to the north are dangerous.

Mr. Anzek responded that the City is working with Tim Horton's to facilitate their obtaining a cross-access easement to the north.

Mr. Kochenderfer welcomed Tim Horton's to Rochester Hills. He commented that when a building or structure conforms with Ordinance requirements it is not Council's place to dictate materials to be used. He noted that while extending stonework to the back of the building improves the look of the building, there is still a good deal of siding on the exterior and the building will not look similar to other buildings in the City.

Mr. Rosen questioned how customers will know that this restaurant is primarily a drive-through.

Mr. Kellenberger responded that it is rare that Tim Horton's restaurants have many people sitting inside at any one time. He stated that given the size and the location of the property, the customer will understand that it will not have a large interior area. He commented that while Tim Horton's would have loved to have a larger building with a larger seating area, the property is only one-half acre in size and would not accommodate a bigger building. He stated that guests will learn by experience.

Mr. Rosen commented that he has been in larger Tim Horton's facilities and stated that a small facility will invite disorganization. He questioned how cars would be quickly moved through the line.

Mr. Kellenberger responded that the design speed of service is 25 seconds. He stated that once service speed exceeds 30 seconds, training policies are instituted. He noted that the company's mainstay is the morning coffee, donut and breakfast sandwich. He explained that the food is finished for the order and is not specially-made.

Mr. Anzek stated that Tim Horton's could consider locations for additional restaurants in the City to meet demand.

Mr. Kellenberger stated that additional locations are being considered in the City. He commented that the company looked at constructing a 2,000 square foot building; however, it was deemed not to be feasible for the site. He mentioned that in other areas where a small facility was constructed, they have been very successful in attracting the person on-the-go in the morning.

Mr. Rosen suggested the company focus on promoting the drive-through concept.

Mr. Kellenberger responded that the best way to promote the drive-through business is the speed of service.

Mr. Klomp commented that he was pleased that the restaurant was coming into the city and stated that it is a terrific use of space. He noted that the site is ideal and there are no lighting concerns with surrounding properties. He stated that the drive-through should work well; and while he has concerns for turning cars, that is the nature of the roadway. He noted that there is a single curb-cut.

Mr. Kellenberger noted that the company worked with the Michigan Department of Transportation in the planning of the the curb cut.

President Hooper welcomed Tim Horton's to the community.

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: RES0188-2012

Resolved, that the Rochester Hills City Council hereby approves a Conditional Land Use for a drive-through at Tim Hortons, City File No. 12-008, located at 940 S. Rochester Road, north of Avon, Parcel No. 15-15-476-011, zoned B-2, General Business with FB-1 Overlay, Tim Hortons, Applicant with the following findings:

1. The proposed building and other necessary site improvements meet or exceed the standards of the Zoning Ordinance.
2. The expanded use will promote the intent and purpose of the Zoning Ordinance.
3. The proposed building has been designed and is proposed to be constructed, operated, maintained and managed so as to be compatible, harmonious, and appropriate in appearance with the existing and planned character of the area, the general vicinity, adjacent uses of land, the natural environment and the capacity of public services and facilities affected by the land use.
4. The proposal should have a positive impact on the community as a whole and the surrounding area by further offering jobs and another dining option.

5. The proposed development is served adequately by essential public facilities and services, such as highways, streets, police and fire protection, drainage ways and refuse disposal.
6. The proposed development should not be detrimental, hazardous or disturbing to existing or future neighboring land uses, persons, property or the public welfare.
7. The proposal will not create additional requirements at public cost for public facilities and services that will be detrimental to the economic welfare of the community.

2012-0294 Adoption of the Fiscal Year 2013 Budget

Attachments: [Agenda Summary.pdf](#)
[Straw Poll Budget Impacts.pdf](#)
[091012 Agenda Summary.pdf](#)
[Budget Straw Poll Results.pdf](#)
[Suppl 2013 Budget CC Response to Admin Considerations.pdf](#)
[Public Hearing Notice.pdf](#)
[081312 Agenda Summary.pdf](#)
[081312 Resolution.pdf](#)
[Resolution.pdf](#)

Keith Sawdon, Director of Finance, stated that the budget process began in March with the development of the Capital Improvement Plan, the seven-year financial forecast, and the Mayor's presentation of the proposed Budget at the first meeting in August. Two special meetings were held with Council in August to present how the Administration would line their strategic goals with City Council goals. He stated that the proposed budget numbers were adjusted after the September 10th Public Hearing and the input of City Council; the attached budget figures are the result of the modifications.

President Hooper noted that modifications were made to reflect the results of the Straw Poll process.

Mr. Webber stated that the budget process has been good, and he thanked all the Department Directors for being actively engaged. He mentioned Mr. Rosen's comments during the September 10th Public Hearing and stated that the City anticipated the challenges it faced in 2008, 2009 and 2010 and prepared itself by making difficult decisions such as setting up defined contribution versus defined benefit, reducing staff by 20 percent, lowering health care costs and sharing services. He commented that it is good that Police Funding will not be a part of the General Fund after 2013. He stated that while the challenge is to not overspend, this has not been the case in this particular budget. Money is being leveraged for additional funding for roads. He stated that Rochester Hills is at the cutting edge of other communities.

Mr. Rosen questioned whether the Administration will continue to do a seven-year forecast or will expand that to eight years.

Mr. Sawdon responded that seven years is the limit for prudent forecasting.

Mr. Rosen commented that the seven-year forecast provides a good picture of what the bounds are for what could happen.

Mr. Yalamanchi questioned what the budget surplus will be after incorporating the results of the Straw Poll.

Mr. Sawdon responded that the budget initially proposed a surplus of \$731,000. After incorporation of the Straw Poll, the surplus is roughly \$126,000.

Mr. Yalamanchi thanked the Department Directors and City staff, and stated that it is impressive what work has been accomplished. He expressed appreciation for items added this year, citing additional funding for Local Roads, the proposed design and development of River Bend Park, and a move to provide for a conversion of some gravel roads to asphalt. He commented that the City is investing more into the community. He stated that he met with Mayor Barnett and Mike Hartner, Director of Parks and Forestry, to discuss a move toward establishing 501(c)3 non-profit status for the Museum and looks forward to holding more discussions. He questioned whether Council needed to also adopt a resolution regarding the Police Millage and use of the General Fund Millage.

John Staran, City Attorney, responded that a resolution is not necessary as the Police Millage does not go into effect until 2014.

After the vote, **Mayor Barnett** noted that this is his first unanimously-approved budget in his seven years of preparing them. He stated that the team has been well-positioned and listened to Council's direction. He commented that the process, led by Mr. Sawdon, is a labor of love that begins in February. He thanked Council for its input, direction and commentary. He stated that during the process the public has shown little concern over the direction that the City is headed, and commented that this can be largely read as a measure of support.

A motion was made by Webber, seconded by Tisdell, 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: RES0189-2012

Whereas, in accordance with the provisions of Public Act 2 of 1968, Public Act 621 of 1978, the Uniform Budgeting and Account Act for Local Government, the Special Appropriations Act pursuant to PA 493 of 2000, and Section III of the Charter for the City of Rochester Hills, the Mayor as the Chief Executive Officer prepared the proposed budget for the ensuing year and submitted it to the Council at its first meeting in August; and

Whereas, at its August 13, 2012 meeting City Council acknowledged receipt from the Mayor of the Proposed 2013 Budget Plan and set a Public Hearing to be held September 10, 2012 at 7:00 p.m. to solicit comments on the proposed budget plan from the public; and

Whereas, at its September 10, 2012 meeting City Council held said Public Hearing on the proposed budget plan and the related millage rates to defray the fiscal year 2013 proposed budget expenditures; and

Whereas, subsequent to the City Council's review and comments, the Mayor adjusted the original proposed budget; and

Resolved, the following list of funds sets forth the general appropriations for the City and adopts the following City Budgets for fiscal year 2013.

Be It Further Resolved, the Mayor is hereby authorized to administratively adjust the operating budget line items up to \$25,000 per event, but in no case may total expenditures of a particular fund exceed that which is appropriated by the City Council without a budget amendment. Adjustments from capital accounts and fund balances shall be made only by further action of the City Council.

**Adoption of the FY 2013 Annual Appropriation Budget(s) for the
City of Rochester Hills, Michigan**

Fund 101 - General Fund	\$24,791,500
Fund 202 - Major Road Fund	\$6,402,680
Fund 203 - Local Street Fund	\$7,863,090
Fund 206 - Fire Fund	\$7,323,310
Fund 207 - Special Police Fund	\$9,284,540
Fund 211 - Stoney Creek Perpetual Care Fund	\$0
Fund 213 - RARA Millage Fund	\$569,680
Fund 214 - Pathway Millage Fund	\$543,790
Fund 232 - Tree Fund	\$54,000
Fund 244 - Drain Maintenance Fund	\$522,100
Fund 265 - OPC Millage Fund	\$962,330
Fund 299 - Green Space Millage Fund	\$33,830
Fund 313 - Street Improvement Bond - 2001 Series Fund	\$269,070
Fund 314 - SAD Street Improvement Bond - 2001 Series Fund	\$245,030
Fund 331 - Drain Debt Fund	\$1,253,390
Fund 369 - Older Persons Building Bond Refunding Fund	\$747,370
Fund 393 - Municipal Building Refunding Bond - 2010 Series	\$740,330
Fund 394 - Local Street Refunding - 2011 Series Fund	\$449,020
Fund 402 - Fire Capital Fund	\$50,000
Fund 403 - Pathway Construction Fund	\$531,260
Fund 420 - Capital Improvement Fund	\$126,220
Fund 510 - Sewer Operations	\$13,966,140
Fund 530 - Water Operations	\$17,375,770
Fund 593 - Water & Sewer Capital Fund	\$4,563,140
Fund 595 - Water & Sewer Debt Fund	\$640,420
Fund 631 - Facilities Fund	\$5,158,940
Fund 636 - MIS Fund	\$1,749,850
Fund 661 - Fleet Fund	\$3,701,370
Fund 677 - Insurance Fund	\$366,000
Fund 736 - Retiree Health Care Trust	\$119,690
Fund 843 - Brownfield Redevelopment Fund	\$0
Fund 848 - LDFA Fund	\$490,750
Fund 851 - SmartZone Fund	\$0
Fund 893 - EDC Fund	\$670
Total	\$110,895,280

COUNCIL COMMITTEE REPORTS

None.

ANY OTHER BUSINESS

2011-0575 Attorney General's Response to City of Rochester's Questions regarding the Older Persons Commission Budget Process

Attachments: [Agenda Summary.pdf](#)[Atty General Response to Rochester 090512.pdf](#)
[Ltr to Marleau 062512.pdf](#)
[Beier Howlett Ltr 052212.pdf](#)
[121211 Agenda Summary.pdf](#)
[Rochester Revised OPC Budget 2012.pdf](#)
[Resolution.pdf](#)

Mr. Yalamanchi stated that he received correspondence late this afternoon from the Michigan Attorney General's Office in response to the City of Rochester's questions regarding the Older Persons' Commission (OPC) Budget Process. He commented that the third paragraph of the response appears to confirm that the OPC is an independent entity, and the authority to approve its budget lies with its governing body. Once the budget is approved in this manner, it meets the requirements of the Uniform Budgeting Act.

John Staran, City Attorney, stated that even though the letter is dated September 5, 2012, he became aware of the response mid-day today. He noted that it is a staff attorney's response and is not a formal Attorney General Opinion. He pointed out that the letter responds to the questions that the City of Rochester posed and defers to findings of the State Operations Division. He commented that while the letter could be interpreted to mean that it supports the OPC approving its own budget, he does not know whether the City of Rochester will share the same interpretation. He stated that he sees nothing in the letter that suggests that the handling of the budget by the OPC or any of the other entities involved is wrong, nor does the letter respond to the additional questions that the City of Rochester Hills posed.

Mr. Yalamanchi stated that he is not certain that the City will receive another response from the Attorney General to its questions. He commented that the response received sets the stage for the Inter Local Agreement changes, which include that the final authority of approving the budget should rest with the governing body, with the resulting budget transmitted for informational purposes to the three municipalities. He stated that he hopes that the matter will rest with this response.

Mr. Rosen stated that the letter does not cite anything that the City does not already know. He pointed out that the City of Rochester's questions to the Attorney General did not delve into the fundamental issue of whether all three communities must approve the budget to complete the process. He commented that it is his view that the current Inter Local Agreement is written as it was intended to be. He stated that the questions that Rochester Hills posed were much more specific as to what happens when the budget gains the approval of two out of three communities; and these questions were not addressed.

Mr. Kochenderfer stated that while he agrees with all the comments tonight, he would defer to the City Attorney in his view that the letter merely reiterates the law and does not apply specific facts. He noted that the Attorney General's office chose not to issue a ruling; and feels that this is a local dispute.

Discussed.

NEXT MEETING DATE

Regular Meeting - Monday, October 8, 2012 - 7:00 p.m.

ADJOURNMENT

There being no further business before Council, President Hooper adjourned the meeting at 8:23 p.m.

*GREG HOOPER, President
Rochester Hills City Council*

*JANE LESLIE, Clerk
City of Rochester Hills*

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

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