



**CITY OF AUBURN HILLS**  
Regular City Council Meeting

October 7, 2019

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**CALL TO ORDER:** Mayor McDaniel at 7:05 p.m.

**LOCATION:** City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326  
Present: Mayor McDaniel, Council Members Burmeister, Hammond, Kittle, Knight, Moniz and Verbeke

Absent: None

Also Present: City Manager Tanghe, City Attorney Beckerleg, Assistant City Manager Grice, City Clerk Pierce, Fire Chief Taylor, Police Chief Baker, Recreation Director Hegdal, City Planner Keenan, DPW Director Melchert, Mgr of Municipal Properties Torres, Finance Director Schulz, Deputy Finance Director/Deputy Treasurer Farmer, City Assessor Griffin, Director of Authorities Skopek, City Engineer Juidici, Recreation Coordinator Mullins, Senior Program Coordinator Stasyk, Accounts Receivable Manager Culver, DPW Administrative Assistant Lent

5 Guests

**4. APPROVAL OF MINUTES**

4a. City Council Minutes, September 23, 2019

**Moved by Hammond, Seconded by Verbeke.**

**RESOLVED: To approve the City Council Minutes of September 23, 2019 as presented.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**

**No: None**

**Resolution No. 19.10.141**

**Motion Carried (7 - 0)**

**5. APPOINTMENTS AND PRESENTATIONS**

5a. Motion – To appoint Valeria Eloby-Slade to the Board of Review.

Ms. Valeria Eloby-Slade shared that she is honored to be able to serve on the Board of Review.

**Moved by Verbeke, Seconded by Moniz.**

**RESOLVED: To confirm the appointment of to the Valeria Eloby-Slade to the Board of Review for a term ending December 31, 2021.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**

**No: None**

**Resolution No. 19.10.142**

**Motion Carried (7 - 0)**

5b. Motion – To appoint Valeria Eloby-Slade to the Beautification Advisory Commission.

Ms. Valeria Eloby-Slade shared that she is honored to be able to serve on the Beautification Advisory Commission.

**Moved by Hammond, Seconded by Knight.**

**RESOLVED: To confirm the appointment of Valeria Eloby-Slade to the Beautification Advisory Commission for a term ending December 31, 2021.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**

**No: None**

**Resolution No. 19.10.143**

**Motion Carried (7 - 0)**

5c. Recognition of Mandy Mullins achievement of her Certified Park and Recreation Professional Certificate.

Ms. Hegdal recognized the Recreation Coordinator, Many Mullins, for her completion of the Certified Park and Recreation Professional Certificate. It was explained that this is a national standard to those that are wanting to be at the forefront of the profession.

## **6. PUBLIC COMMENT**

Mr. Ryan Paloski, owner of Build-A-Burger, located at 2016 Opdyke Rd. shared that this is a new business in the community and that there will be a Grand Opening on October 26, 2019 with an expanded menu and hours.

## **7. CONSENT AGENDA**

The following items were removed from the Consent Agenda

- Item 7c (Dark Fiber Contract) by Mayor McDaniel
- Item 7d (123Net Contract Modification) by Mayor McDaniel
- Item 7b (2020 City Council Meeting Schedule) by Ms. Verbeke

7a. Board and Commission Minutes

7a1. Tax Increment Finance Authority, September 10, 2019

7a2. Brownfield Redevelopment Authority, September 17, 2019

**RESOLVED: To receive and file the Board and Commission Minutes.**

7e. Motion – To approve the delinquent tax transfer to 2019 winter tax bills.

**RESOLVED: To accept the transfer of the delinquent special assessments in the amount of \$729,090.04 for collection on the 2019 City of Auburn Hills Winter Tax Bills, in accordance with Ordinance #634 Resolution No. 74-108, 74-143, and MCL 211.44(3)(4) and (7).**

**Moved by Verbeke, Seconded by Kittle.**

**RESOLVED: To approve the Consent Agenda Items 7a1, 7a2, 7e.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**

**No: None**

**Resolution No. 19.10.144**

**Motion Carried (7 - 0)**

7b. Motion – To approve the 2020 City Council Meeting Schedule.

It was discussed by City Council members to remove December 21<sup>st</sup> from the schedule due to the busyness of that time of year.

**Moved by Verbeke, Seconded by Kittle.**

**RESOLVED: To approve the 2020 City Council Meeting Schedule with the adjustment of December 21<sup>st</sup> being removed and a workshop being added, as a second meeting, to the 7<sup>th</sup> of December.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**  
**No: None**

**Resolution No. 19.10.145**

**Motion Carried (7 - 0)**

7d. Motion – To approve the contract modification for 123Net.

Mayor McDaniel stated that this item was pulled to ask further questions of IT regarding speed and price. Mr. Purdy explained that the increase from 100Mbps to 5Gbps will have a positive effect on the City Campus with the addition of the dark fiber line. This will also help with the effectiveness of the computers at the DPW building and the other outstation buildings.

**Moved by Knight, Seconded by Burmeister.**

**RESOLVED: To authorize the City Manager to sign a five (5) year contract amendment increasing the City's 123Net internet connection contract from 100Mbps to 5Gbps. Contract amendment will cost an additional \$940 per month, for a total contract increase of \$56,400, over five years. Funds are available in the IT budget, GL #101-883-814.000.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**  
**No: None**

**Resolution No. 19.10.146**

**Motion Carried (7 - 0)**

7c. Motion – To approve a five year Dark Fiber Contract with Crown Castle.

This item was removed from the consent agenda to discuss if what is being proposed is really what is needed at Fire Stations 1 and 3 as well as Fieldstone Golf Course. Discussion took place as to what are the specific needs of those departments. Mayor McDaniel stated that, with the server in the area, he is not certain that is an ideal decision to be made at this time. He questioned if something different could be done at that location instead.

Chief Taylor stated that she has specific needs for the Fire Stations which include a direct connection to the County, without interruptions with security, reliable and consistent connections so that there is a direct connection to the County dispatch center, and also to start station alert toning.

Chief Taylor stated that she needs a direct connection to Fire Station 2, not only for internal purposes, but also to get involved in a regional training program and to connect to the InterOp centers in order to participate in the trainings. It was discussed that what is being proposed can be done at a fraction of the price by using other methods of technology.

Mr. Purdy clarified that the proposal is based on the pricing from the 2018 dark fiber bid. Consideration was given to other methods of technology and it was discussed that Comcast limits the upload speed. When discussing the proposal, the camera and improvements at the Knight Amphitheater were taken into consideration. He stated that not only does Fire Station 1 use the current server but the University Center, Den and downtown WiFi, are all running off the connection there. Mr. Purdy stated that he could get an engineer to look at the issues that are taking place.

**NO ACTION TAKEN.**

## **8. OLD BUSINESS**

8a. Motion - To approve construction of Hawk Woods Nature Center.

Mr. Grice stated that the purpose of the design is to build a multi-use facility for businesses and residents. The bids that were submitted came in higher than expected so a deduction list of changes was created to help bring down the cost of construction.

Council shared their desire to ensure that the facility would fully support the original function, as well as meet the needs of the community. It was shared that this project has a high cost but it is believed that it will be completed correctly.

**Moved by Knight, Seconded by Moniz.**

**RESOLVED: To award construction of the Hawk Woods Lodge to Vesta Homes Inc., of 31400 Kendall, Ste. A, Fraser, MI, in the amount of \$544,881.55. In addition, increase the construction project budget to \$700,000 to cover the purchase of furniture for the facility and which includes a 10% contingency for any unanticipated project costs. Funds are available in account #101-000-671.000.**

**VOTE: Yes: Burmeister, Hammond, Knight, McDaniel, Moniz, Verbeke**

**No: Kittle**

**Resolution No. 19.10.147**

**Motion Carried (6 - 1)**

## **9. NEW BUSINESS**

9a. Public Hearing/Motion – To adopt the 2020 Budget and 2019 Millage Rates.

Ms. Schulz presented highlights of the 2020 budget and the 2019 Millage rates.

1. Cash outlay of \$11.9 million for road improvements and maintenance, \$3.8 million water/sewer improvements, \$1.5million for additional legacy costs and \$2.8 million in general building, equipment and city wide utilities.
2. Personal property tax reimbursements are expected from the state but it will be less than 2019.
3. Expect to see an increase in property tax revenue due to increased values from new developments and a stronger 2019 economy.
4. This year the increase in water purchased and in sewer treatment will be absorbed by the City.
5. There will be no increase in water rates and 1% increase for sewer rates.

She shared the following projections.

1. An average 2.3% cpi annual increase over the 5 year span of 2020-2024 which will increase future property tax revenues, growth is expected to decline since the City is at near capacity for new development.
2. Road funding was driven by the directive to maintain a PACER level of 6 which averages a little over \$4 million for the years between 2021-2024.
3. State funding is uncertain for the roads and is anticipated to decline from current funding levels after 2021.
4. No additional taxes imposed or mileages have been increased. It is assumed there will be no personal property tax reimbursement after 2022.
5. Additional legacy costs through the year 2022.

In the future, the City will need to rely on the General Fund reserves as is evidenced by the decline of the Fund Balance. The current plan will have to change. The City has been successful in reprioritizing spending and putting off some improvements when able. If any changes deviate from the budget plan it will be brought before Council for approval.

Mayor McDaniel opened the Public Hearing at 8:16PM. Hearing no comment, he closed the Public Hearing at 8:17PM.

**Moved by Knight, Seconded by Burmeister.**

**RESOLVED: To accept and adopt the proposed 2020 budget for the City and to approve the proposed millage rates for the City and Library for the 2019 tax year.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**

**No: None**

**Resolution No. 19.10.148**

**Motion Carried (7 - 0)**

9b. Motion - To award an agreement for Horticulture & Landscape Services.

Mr. Torres presented the agreement with Miller Landscape for horticulture and landscaping services in the downtown. He explained that the same plantings will be supplied as in the past with the exception of the tulip bed which no longer exists. Mr. Grice stated that historically the tulips have been removed once they had "yellowed out", which made it easier to work around the beds for the other seasons. Mr. Jeremy Miller of Miller Landscape explained that there will be a 3 season turnover and with the massive turnover it will be in the best interest of the downtown area to remove and replace the tulip bulbs.

**Moved by Moniz, Seconded by Hammond.**

**RESOLVED: To award a three year agreement for horticulture and landscaping services to Miller Landscape, Inc. Funding for these services is contingent upon the respective adopted Annual City Budget and Tax Increment Finance Authority Budget.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**

**No: None**

**Resolution No. 19.10.149**

**Motion Carried (7 - 0)**

9c. Motion – To amend the TSP Services, Inc. contract for construction services for the Galloway Creek Wetland Restoration Project.

Mr. Keenan presented that this project began in 2017 with the goal of completion in 2017. The project was stopped due to harmful chemicals found. Proper disposal of these chemicals needed to take place. Mr. Keenan explained the breakdown of the fees and explained that the Brownfield Redevelopment Authority and the EPA provided funds to help with the restoration project but due to the delay there has been a project cost increase. Clarification was provided regarding the 10% contingency of the TSP Services amount not the total cost of the project and is only in place in the case of an unforeseen expense.

**Moved by Kittle, Seconded by Knight.**

**RESOLVED: To amend the contract with TSP Services, Inc. of Redford, Michigan, for Construction Services, for the Galloway Wetland Restoration Project to include the cost for soil disposal in the amount \$135,000.00 and the cost associated with increased construction cost in the amount of \$47,192.00 and also authorize the City Manager to approve up to a 10% contingency for any unanticipated project costs. The total amount awarded to TSP Services, Inc. for project completion is \$560,172.00.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**

**No: None**

**Resolution No. 19.10.150**

**Motion Carried (7 - 0)**

9d. Motion – To approve the 2020 Fee Schedule.

Ms. Pierce presented the 2020 Fee Schedule and the increases from various departments. It was discussed that the Summer Camp Fees have not been on the fee schedule for the past several years due to the changes from program to program and the negotiations that are made with different providers. It was difficult to keep the numbers consistent with what was on the printed fee schedule. Ms. Hegdal is looking

at the rates of other communities and will adjust them accordingly. If amendments are needed, it will be brought back before Council.

**Moved by Hammond, Seconded by Knight.**

**RESOLVED: To adopt the 2020 City of Auburn Hills Fee Schedule as submitted.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Moniz, Verbeke**

**No: None**

**Resolution No. 19.10.151**

**Motion Carried (7 - 0)**

#### **10. COMMENTS AND MOTIONS FROM COUNCIL**

Ms. Hammond – Shared the Fall Festival in the Woods event, will be held on October 12, 2019 from 11:00AM-3:00PM. She shared her appreciation of Mr. Keenan and his efforts for the Clinton River Clean Up.

Mr. Knight – Shared his gratitude for the striping on the roads in the downtown area. He commented that asphalt will be placed on S. Squirrel Rd. He shared his frustration of the dust from the rock crushing plant on Auburn Rd. He would like to see better maintenance from the plant to keep the dust off the roads.

Ms. Verbeke – Thanked Mr. Melchert and his staff for the care that was given to a tree removal in local neighborhoods. She questioned the road construction on Baldwin Road and if it will be done by the holiday time. Mr. Melchert shared that construction will probably continue through October and into November, but the goal is to not have construction taking place during Thanksgiving.

Mr. Moniz – Questioned why the handicapped parking spots are painted white in certain areas. Mr. Juidici shared that on-street parking lines are painted white as well as the symbols and that reflective tape is not made in blue.

#### **11. CITY ATTORNEY REPORT**

#### **12. CITY MANAGER REPORT**

Mr. Tanghe – Shared that the DDA hosted the movie Hocus Pocus in the park with approximately 125 people in attendance with freshly made popcorn and stuffed toys to the children. The City hopes to provide more events like this in the future.

#### **13. ADJOURNMENT**

Hearing no objections, the Mayor adjourned the meeting at 9:04PM

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Kevin R. McDaniel, Mayor

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Laura M. Pierce, City Clerk