



CITY OF AUBURN HILLS
REGULAR CITY COUNCIL MEETING
MINUTES

OCTOBER 2, 2023

CALL TO ORDER: Mayor McDaniel at 7:00 PM.
LOCATION: Council Chamber, 1827 N. Squirrel Road, Auburn Hills MI
Present: Mayor McDaniel, Council Members Carrier, Hawkins, Knight, Marzolf, and Verbeke
Absent: Council Member Cionka
Also Present: City Manager Tanghe, City Attorney Beckerleg, City Clerk Pierce, Chief of Police Gagnon, Fire Chief Massingill, Finance Director/Treasurer Schulz, Deputy Treasurer Vittone, DPW Director Baldante, Mgr of Public Utilities Deman, Community Development Director Cohen, Construction Coordinator Lang, Director of Recreation and Senior Services Adcock, Management Assistant Hagge, Engineers Juidici & Driesenga

4 Guests

A workshop session was held prior to the regular City Council meeting at 5:30 PM. Workshop Topic: River Walk Four-Phase Plan Presentation

4. APPROVAL OF MINUTES

4a. City Council Workshop Minutes, September 25, 2023.

Moved by Knight, Seconded by Verbeke.

RESOLVED: To approve the City Council Workshop Minutes of September 25, 2023.

VOTE: Yes: Carrier, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 23.10.105

Motion Carried (6 - 0)

4b. City Council Regular Meeting Minutes, September 25, 2023.

Moved by Knight, Seconded by Carrier.

RESOLVED: To approve the City Council Regular Meeting Minutes of September 25, 2023.

VOTE: Yes: Carrier, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 23.10.106

Motion Carried (6 - 0)

5. APPOINTMENTS AND PRESENTATIONS

6. PUBLIC COMMENT

Mr. R. Lance Boldrey attorney for the Dykema Law Firm located at 201 Townsend St., Ste. 900, Lansing, MI spoke to the matter of marijuana licensing. Mr. Boldrey responded to the allegations by Attorney Kevin Blair from the last several City Council meetings. He stated that the Crain's article on the cannabis topic did not mention that the Crain's magazine CEO, KC Crain, is an investor in Lume nor did it identify Mr. Blair's law firm as counsel for the Lume company. Mr. Boldrey disclosed that it was only after Dykema Law reached out to the

Crain's magazine to explain errors in their reporting did the Crain's magazine run another version of the story that Mr. Blair had referred to at previous City Council meetings.

With regards to the licensing process, Mr. Boldrey shared that by the broadening the geography for applications, it brought in other applicants that met the real estate and regulatory requirements of the initiated ordinance. He commented that Lume does not have qualifying real estate and that the real estate Lume has, was offered to Mr. Yatooma's firms by a broker for Oakland Land Development in January 2023.

7. CONSENT AGENDA

Mr. Knight requested Item 7b (extension to the household hazardous waste collection agreement) be removed from the Consent Agenda.

7a. Motion – To approve the 2024 City Council Meeting Schedule.

RESOLVED: To approve the 2024 City Council Meeting Schedule.

Moved by Verbeke, Seconded by Carrier.

RESOLVED: To approve the Consent Agenda Item 7a.

VOTE: Yes: Carrier, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 23.10.107

Motion Carried (6 - 0)

7b. Motion – To award a one-year extension for the household hazardous waste collection and disposal agreement.

Mr. Knight commented that he has been inquiring about rubber tires being picked up. It appears that the general contractor does not pick them up causing concern that the tires could be thrown out on Bald Mountain Road if there is not a way to dispose of them properly. Mr. Knight believes not collecting tires shows a error in the process.

Mr. Baldante clarified that the tires are not a part of the Household Hazardous Waste program, nor does GFL take them due to not decomposing in the landfill but rising to the top. GFL suggests that tires be cut into pieces or find a place that will recycle tires. He is happy to explore other options for the residents if needed.

Mayor McDaniel made the comparison of old tires to electronic items being taken to another location for disposal and suggested that staff provide a solution on the website so that residents can have a location to take their non-House Hazardous Waste items to.

Mr. Tanghe commented that GFL is not allowed to take tires. Mr. Hagee will talk to the Community Engagement Manager and will add this information to the website.

Moved by Knight, Seconded by Hawkins.

RESOLVED: To award a one-year professional services agreement extension for annual collection and disposal of household hazardous waste for the City of Auburn Hills to ERG Environmental Services for the projected amount of \$29,684 from account # 227-526-802.002.

VOTE: Yes: Carrier, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 23.10.108

Motion Carried (6 - 0)

8. UNFINISHED BUSINESS

9. NEW BUSINESS

9a. Motion – To adopt the 2024 Budget and 2023 Millage Rates.

Mr. Sal Vittone presented the 2024 proposed budget which also included the 2023 Millage rates for the City and Library as directed by the City Charter. Mr. Vittone provided detailed information on the budget line items that will have an impact on the city. It was shared that there is an expected 15% increase in property tax revenue from 2023 to 2024 and a 4.5% increase in 2025. There is still \$7.8 million dollars in PPT revenue budgeted through 2028 and it is anticipated to end in 2029. The General fund carries around 49% of the City's costs while water and sewer carry 26.5%. Wages and benefits, capital projects, and water and sewer are major areas for the budget making up 72% of expenditures of the 2024 budget. Property taxes and charges for services make up 78% of the revenues. Property taxes mainly come from the general fund and charges for services are primarily in the water and sewer fund. There will be a 1% increase in sewer rates beginning January 2024 however, there are no rate increases planned for the next 2 years for water. He concluded by sharing that the four-year projections show a healthy fund balance.

Mayor McDaniel opened the Public Hearing at 7:30 PM.

Hearing no public comment, the Mayor closed the Public Hearing at 7:31 PM.

Moved by Carrier, Seconded by Knight.

RESOLVED: To accept and adopt the proposed 2024 budget for the City and to approve the proposed millage rates for the City and Library for the 2023 tax year.

VOTE: Yes: Carrier, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 23.10.109

Motion Carried (6 - 0)

9b. Motion – To accept the First Reading of the adjusted ordinance to Amend Article II, Section 74-108 and Article IV, Section 74-143, Collection of Rates and Charges and set the Public Hearing and Second Reading/Adoption on October 16, 2023.

Mr. Deman presented the proposal to amend Section 74-108 and 74-143 of the Ordinances to lower the penalty for late payment on water and sewer utility bills. The current 6% compounding penalty has become burdensome to some. In looking at other communities, the City of Auburn Hills is high with the compounding penalty rates. After much discussion it was decided that the best option would be to lower the compounding penalty rate to 3%. This lower percentage will allow customers an easier path to make their account current. This change will impact the water and sewer revenue in the budget by about 50%, it has already been taken into consideration in the 2024 budget. Currently there is a process in place to help those that are in dire need of assistance with water and sewer bills.

Moved by Marzolf, Seconded by Carrier.

RESOLVED: To accept the First Reading of the adjusted ordinance to amend Article II, Section 74-108, Collection of Rates and Charges, and Article IV, Section 74-143, Collection of Rates and Charges

of the Auburn Hills City Code and to set the Public Hearing and Second Reading/Adoption at the meeting of October 16, 2023.

VOTE: Yes: Carrier, Hawkins, Knight, Marzolf, McDaniel, Verbeke
No: None

Resolution No. 23.10.110

Motion Carried (6 - 0)

10. COMMENTS AND MOTIONS FROM COUNCIL

Mr. Marzolf thanked staff for the workshop that was held regarding the Riverwalk. He explained that this is a long range plan to connect the parks and the downtown area. He also thanked staff for the work on the budget.

Mr. Knight announced that the last jazz concert had around 200 persons in attendance. He also mentioned that the pathways south of Walton Blvd. are exceptional.

Mr. Hawkins shared the upcoming Health Fair and Fall Festival in the Woods events.

Mr. Carrier reminded residents that on October 4, 2023 FEMA and the FCC are conducting a Nationwide Emergency Alert.

11. CITY ATTORNEY REPORT

12. CITY MANAGER REPORT

13. CLOSED SESSION

13b. Motion – To meet in closed session to discuss property acquisition pursuant to MCL 15.268(1)(d) of the Open Meetings Act.

Moved by Verbeke, Seconded by Hawkins.

RESOLVED: To meet in closed session to discuss property acquisition pursuant to MCL 15.268(1)(d) of the Open Meetings Act.

VOTE: Yes: Carrier, Hawkins, Knight, Marzolf, McDaniel, Verbeke
No: None

Resolution No. 23.10.111

Motion Carried (6 - 0)

13a. Motion – To meet in closed session to discuss a written attorney's opinion letter pursuant to MCL 15.268(1)(h) of the Open Meetings Act.

Moved by Carrier, Seconded by Knight.

RESOLVED: To meet in closed session to discuss a written attorney's opinion letter pursuant to MCL 15.268(1)(h) of the Open Meetings Act.

VOTE: Yes: Carrier, Hawkins, Knight, Marzolf, McDaniel, Verbeke
No: None

Resolution No. 23.10.112

Motion Carried (6 - 0)

The meeting recessed to Closed Session at 7:44 PM.

The meeting reconvened in Open Session at 9:01 PM.

Moved by Verbeke, Seconded by Hawkins.

RESOLVED: To approve the settlement with Gideon Partners according to the terms discussed in the Closed Session.

VOTE: Yes: Carrier, Hawkins, Knight, Marzolf, McDaniel, Verbeke

No: None

Resolution No. 23.10.112

Motion Carried (6 - 0)

14. ADJOURNMENT

Hearing no objections, the Mayor adjourned the meeting at 9:02 PM.

Kevin R. McDaniel, Mayor

Laura M. Pierce, City Clerk