



# TROY CITY COUNCIL

## REGULAR MEETING AGENDA

**JULY 23, 2012  
CONVENING AT 7:30 P.M.**

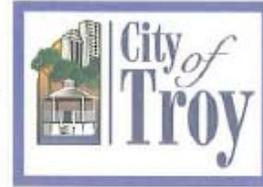
**Submitted By  
The City Manager**

---

***NOTICE: Persons with disabilities needing accommodations for effective participation in this meeting should contact the City Clerk at (248) 524-3316 or via e-mail at [clerk@troymi.gov](mailto:clerk@troymi.gov) at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.***

---





TO: The Honorable Mayor and City Council  
Troy, Michigan

FROM: Michael W. Culpepper, Acting City Manager

SUBJECT: Background Information and Reports

Ladies and Gentlemen:

This booklet provides a summary of the many reports, communications and recommendations that accompany your agenda. Also included are suggested or requested resolutions and/or ordinances for your consideration and possible adoption.

Supporting materials transmitted with this Agenda have been prepared by department directors and staff members. I am indebted to them for their efforts to provide insight and professional advice for your consideration.

As always, we are happy to provide such added information as your deliberations may require.

Respectfully submitted,

A handwritten signature in cursive script that reads "Michael W. Culpepper".

Michael W. Culpepper, Acting City Manager



# TROY CITY COUNCIL

## VISION STATEMENT AND GOALS

Adopted: Monday, February 7, 2011

### **VISION:**

To honor the legacy of the past and build a strong, vibrant future and be an attractive place to live, work, and grow a business.

### **GOALS:**

#### **Provide a safe, clean, and livable city**

- Practice good stewardship of infrastructure
- Maintain high quality professional community oriented police and fire protection
- Conserve resources in an environmentally responsible manner
- Encourage development toward a walkable, livable community

#### **Provide effective and efficient local government**

- Demonstrate excellence in community services
- Maintain fiscally sustainable government
- Attract and support a committed and innovative workforce
- Develop and maintain efficiencies with internal and external partners
- Conduct city business and engage in public policy formation in a clear and transparent manner

#### **Build a sense of community**

- Communicate internally and externally in a timely and accurate manner
- Develop platforms for transparent, deliberative and meaningful community conversations
- Involve all stakeholders in communication and engagement activities
- Encourage volunteerism and new methods for community involvement
- Implement the connectedness of community outlines in the Master Plan 2008

#### **Attract and retain business investment**

- Clearly articulate an economic development plan
  - Create an inclusive, entrepreneurial culture internally and externally
  - Clarify, reduce and streamline investment hurdles
  - Consistently enhance the synergy between existing businesses and growing economic sectors
  - Market the advantages of living and working in Troy through partnerships
-



**CITY COUNCIL  
AGENDA**  
July 23, 2012 – 7:30 PM  
Council Chambers  
City Hall - 500 West Big Beaver  
Troy, Michigan 48084  
(248) 524-3317

**INVOCATION: Pastor Simion Timbuc – Bethesda Romanian Pentecostal Church** 1

**PLEDGE OF ALLEGIANCE:** 1

**A. CALL TO ORDER:** 1

**B. ROLL CALL:** 1

**C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:** 1

C-1 Troy Chamber of Commerce – Troy Birmingham Transit Center Operating Expenses Funding Model Update 1

**D. CARRYOVER ITEMS:** 1

D-1 No Carryover Items 1

**E. PUBLIC HEARINGS:** 1

E-1 Zoning Ordinance Text Amendment (File Number ZOTA 243) – Proposed Amendment to Article 5, Permit Financial Institution Drive-Through Uses Within the Big Beaver District by Special Use Approval 1

---

<b><u>F.</u></b>	<b><u>PUBLIC COMMENT:</u></b>	<b><u>2</u></b>
<b><u>G.</u></b>	<b><u>RESPONSE / REPLY TO PUBLIC COMMENT</u></b>	<b><u>3</u></b>
<b><u>H.</u></b>	<b><u>POSTPONED ITEMS:</u></b>	<b><u>3</u></b>
H-1	No Postponed Items	3
<b><u>I.</u></b>	<b><u>REGULAR BUSINESS:</u></b>	<b><u>3</u></b>
I-1	Board and Committee Appointments: a) Mayoral Appointments – None; b) City Council Appointments – None	3
I-2	Board and Committee Nominations: a) Mayoral Nominations – None; b) City Council Nominations – Historic District Commission; Parks and Recreation Board	3
I-3	No Closed Session Requested	5
I-4	Smart Meter Resolution	5
I-5	City Manager Search	6
	a) Approval of City of Troy Profile for the Position of City Manager.....	6
<b><u>J.</u></b>	<b><u>CONSENT AGENDA:</u></b>	<b><u>7</u></b>
J-1a	Approval of “J” Items NOT Removed for Discussion	7
J-1b	Address of “J” Items Removed for Discussion by City Council	7
J-2	Approval of City Council Minutes	7
J-3	Proposed City of Troy Proclamations: None Proposed	8
J-4	Standard Purchasing Resolutions:	8
	a) Standard Purchasing Resolution 9: Approval to Expend Funds for Membership Dues and Membership Renewals: Southeast Michigan Council of Governments (SEMCOG).....	8
	b) Standard Purchasing Resolution 1: Award to Low Bidder – Beaver Trail Park Fencing.....	8

---

c) Standard Purchasing Resolution 6: Grant Approval and Authorization to Expend Funds – 2010 Edward Byrne Memorial Justice Assistance Grant (JAG) Program .....	8
<b><u>K.    MEMORANDUMS AND FUTURE COUNCIL AGENDA ITEMS:</u></b>	<b>9</b>
K-1    Announcement of Public Hearings:	9
a) August 13, 2012 – Industrial Facilities Exemption Certificate (IFEC) for US Farathane Corporation at 750 W. Wattles.....	9
K-2    Memorandums (Items submitted to City Council that may require consideration at some future point in time): None Submitted	9
<b><u>L.    COUNCIL REFERRALS:</u></b>	<b>9</b>
L-1    Council Member Henderson Referred Distracted Driving Ordinance for Discussion	9
<b><u>M.    COUNCIL COMMENTS</u></b>	<b>9</b>
M-1    No Council Comments Advanced	9
<b><u>N.    REPORTS</u></b>	<b>9</b>
N-1    Minutes – Boards and Committees:	9
a) Zoning Board of Appeals-Draft-June 19, 2012 .....	9
b) Zoning Board of Appeals-Final-June 19, 2012 .....	9
c) Planning Commission-Special/Study-Draft-June 26, 2012 .....	9
d) Planning Commission-Special/Study-Final-June 26, 2012 .....	9
N-2    Department Reports:	9
a) Building Department Report – June, 2012 .....	9
b) Update on Library Strategic Planning Process .....	9
N-3    Letters of Appreciation:	10
a) Letter of Appreciation to Mike Culpepper and City Council from Nancy and Don Johnson Thanking Paul Evans and Gary Bowers for Assistance .....	10
b) Letter of Appreciation to Chief Mayer from Andrew and Barbara Bartos Thanking Officer Drewek for Assistance .....	10
c) Letter of Appreciation to Chief Mayer from Jeffrey Frost, Special Agent in Charge, from the United States Secret Service, Thanking Troy Police Department Personnel for Assistance .....	10
d) Letter of Appreciation to Chief Mayer from Deborah Berkey Thanking Troy Police Department Personnel for Assistance .....	10

---

N-4	Proposed Proclamations/Resolutions from Other Organizations: None Proposed	10
N-5	Informational Item from David Ewick – City Librarian, Southfield Public Library, Regarding Shortened Hours of Operation	10
N-6	Fireworks Regulations	10

**O. STUDY ITEMS 10**

O-1	Council Rules	10
-----	---------------	----

**P. CLOSED SESSION: 10**

P-1	No Closed Session	10
-----	-------------------	----

**Q. ADJOURNMENT 10**

**FUTURE CITY COUNCIL PUBLIC HEARINGS: 11**

**SCHEDULED REGULAR CITY COUNCIL MEETINGS: 11**

Monday, August 13, 2012	Regular Meeting	11
Monday, August 27, 2012	Regular Meeting	11
Monday, September 10, 2012	Regular Meeting	11
Monday, September 24, 2012	Regular Meeting	11
Monday, October 8, 2012	Regular Meeting	11
Monday, October 22, 2012	Regular Meeting	11
Monday, November 12, 2012	Regular Meeting	11
Monday, November 26, 2012	Regular Meeting	11
Monday, December 3, 2012	Regular Meeting	11
Monday, December 17, 2012	Regular Meeting	11

**SCHEDULED SPECIAL CITY COUNCIL MEETINGS: 11**

**INVOCATION: Pastor Simion Timbuc – Bethesda Romanian Pentecostal Church**

**PLEDGE OF ALLEGIANCE:**

**A. CALL TO ORDER:**

**B. ROLL CALL:**

- a) Mayor Janice Daniels  
Jim Campbell  
Wade Fleming  
Dave Henderson  
Maureen McGinnis  
Dane Slater  
Doug Tietz

- b) Excuse Absent Council Members:

Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **EXCUSES** the absence of \_\_\_\_\_ at the Regular City Council Meeting of July 23, 2012, due to \_\_\_\_\_.

Yes:

No:

**C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:**

- C-1** Troy Chamber of Commerce – Troy Birmingham Transit Center Operating Expenses Funding Model Update

**D. CARRYOVER ITEMS:**

- D-1** No Carryover Items

**E. PUBLIC HEARINGS:**

- E-1** Zoning Ordinance Text Amendment (File Number ZOTA 243) – Proposed Amendment to Article 5, Permit Financial Institution Drive-Through Uses Within the Big Beaver District by Special Use Approval

Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

RESOLVED, That Article 5 of the City of Troy Zoning Ordinance, pertaining to the permitting of financial institution drive-through uses within the Big Beaver District by special use approval, be **AMENDED** to read as written in the proposed Zoning Ordinance Text Amendment (ZOTA 243), City Council Public Hearing Draft, as recommended by the Planning Commission.

Yes:

No:

**F. PUBLIC COMMENT:****In accordance with the Rules of Procedure of the City Council, Article 17 – Members of the Public and Visitors:**

Any person not a member of the City Council may address the Council with recognition of the Chair, after clearly stating the nature of his/her inquiry or comment. *City Council requests that if you do have a question or concern, to bring it to the attention of the appropriate department(s) whenever possible. If you feel that the matter has not been resolved satisfactorily, you are encouraged to bring it to the attention of the City Manager, and if still not resolved satisfactorily, to the Mayor and Council.*

- Petitioners shall be given a fifteen (15) minute presentation time that may be extended with the majority consent of City Council.
- Any member of the public, not a petitioner of an item, shall be allowed to speak for up to five (5) minutes to address any Public Hearing item.
- Any member of the public, not a petitioner of an item, shall be allowed to speak for up to five (5) minutes to address Postponed, Regular Business or Consent Agenda items or any other item as permitted under the Open Meetings Act during the Public Comment portion of the agenda.
- City Council may waive the requirements of this section by a majority of the City Council members.
- Agenda items that are related to topics where there is significant public input anticipated should initiate the scheduling of a Special meeting for that specific purpose.

The following has been approved by Troy City Council as a statement of the rules of decorum for City Council meetings. The Mayor will also provide a verbal notification of these rules prior to Public Comment:

*The audience should be aware that all comments are to be directed to the Council rather than to City Administration or the audience. Also, there is a timer on the City Council table in front of the Mayor that turns yellow when there is one minute of speaker time remaining, and turns red when the speaker's time is up.*

*In order to make the meeting more orderly and out of respect, please do not clap during the meeting, and please do not use expletives or make derogatory or disparaging comments about any one person or group. If you do so, then there may*

*be immediate consequences, including having the microphone turned off, being asked to leave the meeting, and/or the deletion of speaker comments for any re-broadcast of the meeting. Speakers should also be careful to avoid saying anything that would subject them to civil liability, such as slander and defamation.*

*Please avoid these consequences and voluntarily assist us in maintaining the decorum befitting this great City.*

**G. RESPONSE / REPLY TO PUBLIC COMMENT**

**H. POSTPONED ITEMS:**

---

**H-1 No Postponed Items**

**I. REGULAR BUSINESS:**

---

**I-1 Board and Committee Appointments: a) Mayoral Appointments – None; b) City Council Appointments – None**

a) **Mayoral Appointments - None**

b) **City Council Appointments - None**

---

**I-2 Board and Committee Nominations: a) Mayoral Nominations – None; b) City Council Nominations – Historic District Commission; Parks and Recreation Board**

a) **Mayoral Nominations - None**

b) **City Council Nominations:**

Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **FORWARDS** the following nominated person(s) to serve on the Boards and Committees as indicated to the next Regular City Council Meeting for action:

**Historic District Commission**

Appointed by Council  
7 Regular Members  
3 Year Term

**Current Members:**

Last Name	First Name	Appointment Expire	Notes 1	Notes 3

Chambers	Barbara	3/1/2014		
Doyle	Hugh Stephen	7/31/2013		Requests Reappointment
Kuppa	Padma	3/1/2014		
Partlan	Ann	3/1/2014	Historical Society Recommendation	
Rounds	Muriel	5/15/2012	Historical Society Recommendation	<b>NO Reappointment</b>
Schuchter	Doris	5/15/2012	Historical Society Recommendation	
Voigt	W. Kent	3/1/2013		

**Nominations to the Historic District Commission:****Term Expires: 05/15/2015****Term currently held by: Muriel Rounds****Interested Applicants:**

Last Name	First Name	App Resume Expire	Notes 2
Viola	Vincent J.	11/16/2013	Animal Control Appeal Bd. exp. 9/30/2012

**Parks and Recreation Board**

Appointed by Council

7 Regular Members and 1 Troy School Board Member:

Regular Member: 3 Year Term / Troy School Board Member: 1 Year Term

**Current Members:**

Last Name	First Name	Appointment Expire	Notes 2	Notes 3
Biegler	Jeff	12/31/2099		
Fejes	Kathleen M.	9/30/2013		
Gazetti	Tod	9/30/2013		
Hauff	Gary	7/31/2012	Troy School Dist. Rep. on P&R Board	
Kaltsounis	Orestis (Rusty)	9/30/2012	P&R Bd exp 9/30/2012; ZBA (Alt.) exp 1/31/2015	
Kovacs	Meaghan	9/30/2014		
Redpath	Stuart F.	9/30/2012		<b>NO Reappointment</b>
Stewart	Jeffrey L.	9/30/2013		

Yelamanchi	Aditya	7/31/2012	Student Rep.	
Zikakis	Janice	9/30/2014		

**Nominations to the Parks and Recreation Board:**

**Term Expires: 07/31/2013** **(Troy School Board Member)**

**Term currently held by:** Gary Hauff

**Term Expires: 07/31/2013** **(Student Rep.)**

**Term currently held by:** Aditya Yelamanchi

Yes:

No:

---

**I-3 No Closed Session Requested**

---

**I-4 Smart Meter Resolution**

Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

WHEREAS, Detroit Edison Company, Consumers Energy Company and other energy providers have deployed Smart Meters in Troy; and

WHEREAS, The Michigan Public Service Commission (MPSC) opened a case on January 12, 2012 (Case U-17000), and directed electric utility companies to provide information on whether the electric utility intends to allow customers to opt out of having a Smart Meter and, if so, how does the utility intend to recover the cost of an opt out program; and

WHEREAS, The MPSC's Order also issued a temporary moratorium on any new installations of Smart Meters until further Order; and

WHEREAS, HB 5411 has been introduced in the Michigan Legislature, which would codify the rights of customers to decline the installation of a Smart Meter or ask to have an installed Smart Meter removed; and

WHEREAS, Michigan Attorney General Bill Schuette filed comments in MPSC Case U-17000 on April 16, 2012. In his comments, he strongly advocated that customers should be afforded a meaningful and fair opportunity to opt out of Smart Meter installation without being penalized by unwarranted and excessive costs; and

WHEREAS, There has been concern expressed by some electric customers that the Smart Meters are overly intrusive into their energy usage; and

WHEREAS, Some electric customers have alleged that emissions from the Smart Meters are actually dangerous to their health.

NOW, THEREFORE, BE IT RESOLVED, That the Troy City Council **SUPPORTS** the ability of customers to opt out of the Smart Meter program on their homes.

BE IT FURTHER RESOLVED, That the Troy City Council **AGREES** with Attorney General Schuette that utility customers who opt out of the Smart Meter program should be able to opt out without being penalized by unwarranted and excessive costs; and

BE IT FURTHER RESOLVED, That the Troy City Council **SUPPORTS** HB 5411 to the extent that it legislatively mandates a Smart Meter Opt Out provision; and

BE IT FURTHER RESOLVED, That copies of this resolution be **SENT** to Governor Snyder, the Oakland County delegation of the Michigan Legislature, the Michigan Attorney General, the Michigan Public Service Commission, the Michigan Association of Counties and the Oakland County Board of Commissioners and all elected officials representing the City of Troy.

Yes:

No:

---

## I-5 City Manager Search

### Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

#### a) Approval of City of Troy Profile for the Position of City Manager

### Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

BE IT RESOLVED, That the City of Troy Profile for the Position of City Manager is **APPROVED**. A copy of the profile will be **ATTACHED** to the minutes of this meeting, as well as **POSTED** on the City of Troy webpage.

Yes:

No:

#### b) Call for Special Meeting – Closed Session Regarding Finalists

### Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

BE IT RESOLVED, That a Special Meeting of the Troy City Council is **CALLED** for Wednesday, August 15, 2012 at 5 PM in the City Council Board Room, 500 W. Big Beaver Road, Troy, MI 48084, for the purpose of meeting in Closed Session, as permitted by MCL 15.268 (f) and MCL 15.268 (h)- MCL 15.243 (e) and (k), to review material and/or select finalists to be scheduled for interviews.

Yes:

No:

**c) Call for Special Meeting – Interviews of Finalists**

Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

BE IT RESOLVED, That a Special Meeting of the Troy City Council is **CALLED** for Wednesday, August 29, 2012, starting at 9 AM and continuing on Thursday, August 30, 2012, starting at 9 AM, in the City Council Board Room, 500 W. Big Beaver Road, Troy, MI 48084, for the purpose of conducting interviews of the finalists for the City Manager position and for the purpose of deliberating and selecting a new City Manager.

Yes:

No:

**J. CONSENT AGENDA:**

---

**J-1a Approval of “J” Items NOT Removed for Discussion**

Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **APPROVES** all items on the Consent Agenda as presented with the exception of Item(s) \_\_\_\_\_, which **SHALL BE CONSIDERED** after Consent Agenda (J) items, as printed.

Yes:

No:

---

**J-1b Address of “J” Items Removed for Discussion by City Council**

---

**J-2 Approval of City Council Minutes**

Suggested Resolution

Resolution #2012-07-

RESOLVED, That Troy City Council hereby **APPROVES** the Minutes of the Regular City Council Meeting of July 9, 2012, as submitted.

---

**J-3 Proposed City of Troy Proclamations: None Proposed**

---

**J-4 Standard Purchasing Resolutions:**

**a) Standard Purchasing Resolution 9: Approval to Expend Funds for Membership Dues and Membership Renewals: Southeast Michigan Council of Governments (SEMCOG)**

Suggested Resolution  
Resolution #2012-07-

RESOLVED, That approval is **GRANTED** to pay membership dues to the Southeast Michigan Council of Governments (SEMCOG) in the amount of \$9,861.00, which covers the time period of July 15, 2012 to July 15, 2013.

**b) Standard Purchasing Resolution 1: Award to Low Bidder – Beaver Trail Park Fencing**

Suggested Resolution  
Resolution #2012-07-

RESOLVED, That Troy City Council hereby **AWARDS** a contract to remove and replace the fencing surrounding the detention pond at Beaver Trail Park to the low bidder, Motor City Fence Company of Troy, MI, for an estimated total cost of \$15,029.00, as reflected on the bid tabulation opened June 21, 2012, a copy of which shall be **ATTACHED** to the original minutes of this meeting.

BE IT FURTHER RESOLVED, That the award is **CONTINGENT UPON** contractor's submission of properly executed bid and contract documents, including insurance certificates and all other specified requirements.

**c) Standard Purchasing Resolution 6: Grant Approval and Authorization to Expend Funds – 2010 Edward Byrne Memorial Justice Assistance Grant (JAG) Program**

Suggested Resolution  
Resolution #2012-07-

RESOLVED, That the Troy City Council hereby **AUTHORIZES** the Troy Police Department to receive the 2010 Edward Byrne Memorial Justice Assistance Grant in the amount of \$10,604.00 and amend the budget accordingly to expend the funds for the purchase of security equipment for the prisoner detention center from the sole source provider, Simplex Grinnell, for an estimated total cost of \$10,597.00, as detailed in the attached quote dated March 28, 2012.

**K. MEMORANDUMS AND FUTURE COUNCIL AGENDA ITEMS:**

---

**K-1 Announcement of Public Hearings:**

- a) August 13, 2012 – Industrial Facilities Exemption Certificate (IFEC) for US Farathane Corporation at 750 W. Wattles
- 

**K-2 Memorandums (Items submitted to City Council that may require consideration at some future point in time): None Submitted****L. COUNCIL REFERRALS:**

Items Advanced to the City Manager by Individual City Council Members for Placement on the Agenda

---

**L-1 Council Member Henderson Referred Distracted Driving Ordinance for Discussion**Suggested Resolution

Resolution #2012-07-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **DIRECTS** City Administration to prepare an amendment to Chapter 106 – Traffic by deleting part 3. of Section 1.20.05.

Yes:

No:

**M. COUNCIL COMMENTS**

---

**M-1 No Council Comments Advanced****N. REPORTS**

---

**N-1 Minutes – Boards and Committees:**

- a) Zoning Board of Appeals-Draft-June 19, 2012  
b) Zoning Board of Appeals-Final-June 19, 2012  
c) Planning Commission-Special/Study-Draft-June 26, 2012  
d) Planning Commission-Special/Study-Final-June 26, 2012
- 

**N-2 Department Reports:**

- a) Building Department Report – June, 2012  
b) Update on Library Strategic Planning Process
-

---

**N-3 Letters of Appreciation:**

- a) Letter of Appreciation to Mike Culpepper and City Council from Nancy and Don Johnson Thanking Paul Evans and Gary Bowers for Assistance
- b) Letter of Appreciation to Chief Mayer from Andrew and Barbara Bartos Thanking Officer Drewek for Assistance
- c) Letter of Appreciation to Chief Mayer from Jeffrey Frost, Special Agent in Charge, from the United States Secret Service, Thanking Troy Police Department Personnel for Assistance
- d) Letter of Appreciation to Chief Mayer from Deborah Berkey Thanking Troy Police Department Personnel for Assistance

---

**N-4 Proposed Proclamations/Resolutions from Other Organizations: None Proposed**

---

**N-5 Informational Item from David Ewick – City Librarian, Southfield Public Library, Regarding Shortened Hours of Operation**

---

**N-6 Fireworks Regulations**

---

**O. STUDY ITEMS**

---

**O-1 Council Rules**

---

**P. CLOSED SESSION:**

---

**P-1 No Closed Session**

---

**Q. ADJOURNMENT**

Respectfully submitted,



Michael W. Culpepper, Acting City Manager

**FUTURE CITY COUNCIL PUBLIC HEARINGS:**

**SCHEDULED REGULAR CITY COUNCIL MEETINGS:**

Monday, August 13, 2012 .....	Regular Meeting
Monday, August 27, 2012 .....	Regular Meeting
Monday, September 10, 2012.....	Regular Meeting
Monday, September 24, 2012.....	Regular Meeting
Monday, October 8, 2012 .....	Regular Meeting
Monday, October 22, 2012 .....	Regular Meeting
Monday, November 12, 2012.....	Regular Meeting
Monday, November 26, 2012.....	Regular Meeting
Monday, December 3, 2012.....	Regular Meeting
Monday, December 17, 2012.....	Regular Meeting

**SCHEDULED SPECIAL CITY COUNCIL MEETINGS:**



Michele Hodges  
Troy Chamber President

**2012 Board of Directors  
Chair**

Scott Foster, Wellco Corp.

**Vice Chair**

Peter Arvant, Stark Reagan  
PC

**Secretary**

Jordan Kotubey, International  
Academy of Design and  
Technology

**Treasurer**

Bob Gigliotti, Rehmann

**Immediate Past Chair**

John Tagle, AIA, John Tagle  
Architects, Inc.

**Directors**

Stephanie Bergeron,  
Walsh College

John Bergmann, Portfolio  
Solutions, LLC

Sandy Burgess, Burgess  
Strategic Marketing Services

Ted Canaday, Charles H.  
Wright Museum of African  
American History

Greg Clark, AT&T

Bill Cowger,  
Acacia Photography

Shailesh Doshi, P.E.,  
Doshi Group, Inc.

Barry Demp,  
Barry Demp Coaching, LLC

Christopher Hengstebeck,  
Beaumont, Troy

Marty Orłowski,  
McNish Group, Inc.

Mark Powers, 118id

Kent Sharkey, Ulliance

Jamie Spriet, Health Alliance  
Plan

John Wells, Toyoda Gosei  
North America Corp.

Date: July 11, 2012  
To: Mayor and City Council  
From: Michele Hodges, Troy Chamber of Commerce  
Subject: Troy Birmingham Transit Center Operating Expenses Funding Model Update

As a part of the Troy Chamber of Commerce's intent to develop a business model to help identify supplemental revenue sources for the Troy Birmingham Transit Center, the Chamber has convened an advisory committee to formulate recommendations, and expects the committee to remain in place on an ongoing basis. The committee is made up of individuals from leading Troy companies that are committed to the development of an effective supplementary revenue model for the Troy Birmingham Transit Center. Troy Chamber staff and leadership are working in tandem with city staff members including Mike Culpepper, Mark Miller, Glenn Lapin, Steve Vandette, and Susan Leirstein. Meetings are taking place on a bi-weekly basis and progress is being made.

To date, these meetings have resulted in the identification of several potential transit center related business opportunities along with a prioritization of these opportunities. Under consideration for further review include the following business opportunities: naming rights, signage/advertising, car/bike rentals, public art, food trucks/carts, sponsorships, vending machines, green and technology based sponsorships (i.e. LED lighting, electric charging stations, Wi-Fi, etc.), shuttle/limo/Zip Car services, and others. The Troy Chamber will continue to work with city staff and local business community representatives to assess these potential opportunities. I will provide updates to the Mayor and City Council as warranted.

Please be aware that Amtrak's lease agreement reflects Amtrak's commitment to pay all actual operation and maintenance costs once the Troy Birmingham Transit Center is completed. If another entity occupies the center then the costs will be divided among all parties on a pro-rata basis.

The Troy Chamber believes strongly that viable business opportunities can derive from the ongoing operations of the facility given the site's outstanding location, multi-modal traffic anticipated and regional visibility. The Troy Chamber greatly appreciates the support of the Mayor, City Council and city staff on this matter, and we look forward to continuing this productive partnership.



## CITY COUNCIL AGENDA ITEM

---

Date: July 17, 2012

To: Michael Culpepper, Interim City Manager

From: Mark F. Miller, Director of Economic & Community Development  
R. Brent Savidant, Planning Director

Subject: PUBLIC HEARING – ZONING ORDINANCE TEXT AMENDMENT (File Number ZOTA 243) – Proposed Amendment to Article 5, Permit Financial Institution Drive-Through Uses within the Big Beaver District by Special Use Approval

### Background

The Planning Department has received numerous inquiries from financial institutions requesting bank branches with drive-through facilities within the Big Beaver Zoning District.

Drive-through uses are not permitted within the Big Beaver Zoning District. There are eight (8) existing bank branches within the Big Beaver District that have functioning drive-through facilities. The drive-through facilities are considered legal non-conforming uses and can continue to operate but cannot expand.

The proposed text amendment would eliminate the non-conforming status of the existing drive-through uses. Furthermore, it would allow banks without a drive-through presence on Big Beaver Road to add a drive-through window(s). The attached report, prepared by Carlisle/Wortman Associates, Inc., summarizes this item.

The Planning Commission held a public hearing on this item at the June 12, 2012 Regular meeting, and recommended approval of the proposed text amendment.

### Recommendation

City Management recommends approval of the proposed Zoning Ordinance text amendment.

---

City Attorney's Review as to Form and Legality

---

Date

### Attachments:

1. Draft ZOTA 243
2. Report prepared by Carlisle/Wortman Associates, Inc.
3. Minutes from June 12, 2012 Planning Commission Regular meeting (excerpt)

CITY OF TROY

AN ORDINANCE TO AMEND  
CHAPTER 39 OF THE CODE  
OF THE CITY OF TROY  
CITY COUNCIL PUBLIC HEARING DRAFT

The City of Troy ordains:

Section 1. Short Title

This Ordinance shall be known and may be cited as an amendment to Chapter 39, Zoning Ordinance, of the Code of the City of Troy.

Section 2. Amendment

Chapter 39 of the Code of the City of Troy is amended as follows

**Add Section 5.04.E.5.d to read as follows:**

d. Drive-throughs. Drive-throughs are allowed in the Big Beaver District in conjunction with the principal building of a Financial Institution under a Special Use, subject to the following standards:

- i. A drive-through and associated structure cannot be a primary use or principal building.
- ii. Ingress and egress to drive-through facilities shall be part of the internal circulation of the site and integrated with the overall site design. Clear identification and delineation between the drive-through facility and the parking lot shall be provided. Drive-through facilities shall be designed in a manner which promotes pedestrian and vehicular safety.
- iii. Drive-throughs must be located behind facade opposite Big Beaver Road or detached from principal structure and shall be located in a manner that will be the least visible from a public thoroughfare.
  - (a) If detached, the point-to-point tube transport system (pneumatic tubes) must be located underground to serve the drive-through kiosk or canopy.
  - (b) Canopy design shall be compatible with the design of the principal building and incorporate similar materials and architectural elements.
- iv. Each drive-through facility shall provide stacking space meeting the following standards:
  - (a) Each stacking lane shall be one-way, and each stacking lane space shall be a minimum of ten (10) feet in width and twenty (20) feet in length.
  - (b) If proposed, an escape lane shall be a minimum of twelve (12) feet in width to allow other vehicles to pass those waiting to be served.
  - (c) Four (4) stacking spaces per drive-through lane.
  - (d) All stacking lanes must be clearly delineated through the use of striping, landscaping, curbs, or signage

- v. A drive-through aisle shall not be directly accessed from or exit onto Big Beaver Road.

**Amend Table 5.04.C-1 to read as follows:**

**Table 5.04.C-1  
Use Groups Permitted**

Use Group (Table 5.03-1)	Site Type BB:A: Major Sites			Site Type BB:B: Medium Sites			Site Type BB:C: Minor Sites		
	Street Type BB:A: Big Beaver	Street Type BB:B: Arterials	Street Type BB:C: Collectors	Street Type BB:A: Big Beaver	Street Type BB:B: Arterials	Street Type BB:C: Collectors	Street Type BB:A: Big Beaver	Street Type BB:B: Arterials	Street Type BB:C: Collectors
1 Residential	NP	NP	NP	NP	NP	NP	NP	NP	NP
2 Residential/ Lodging	UP	UP	P	UP	UP	P	UP	UP	P
3 Office/ Institution	P	P	P	P	P	P	P	P	P
4 Auto/ Transportation	NP	NP	NP	NP	NP	NP	NP	NP	NP
5 Retail/ Entertainment/ Service*	P	P	P	P	P	P	P	P	P
6 Misc. Commercial	NP	NP	NP	NP	NP	NP	NP	NP	NP
7 Industrial	NP	NP	NP	NP	NP	NP	NP	NP	NP

P - Permitted Use Groups

UP - Permitted Use Groups in Upper Stories Only

S - Special Use Approval Groups

NP - Prohibited Use Groups

\* Drive-through uses for Financial Institutions are allowed under Special Use in compliance with Section 5.04.E.5.d

### Section 3. Savings

All proceedings pending, and all rights and liabilities existing, acquired or incurred, at the time this Ordinance takes effect, are hereby saved. Such proceedings may be consummated under and according to the ordinance in force at the time such proceedings were commenced. This ordinance shall not be construed to alter, affect, or abate any pending prosecution, or prevent prosecution hereafter instituted under any ordinance specifically or impliedly repealed or amended by this ordinance adopting this penal regulation, for offenses committed prior to the effective date of this ordinance; and new prosecutions may be instituted and all prosecutions pending at the effective date of this ordinance may be continued, for offenses committed prior to the effective date of this ordinance, under and in accordance with the provisions of any ordinance in force at the time of the commission of such offense.

Section 4. Severability Clause

Should any word, phrase, sentence, paragraph or section of this Ordinance be held invalid or unconstitutional, the remaining provision of this ordinance shall remain in full force and effect.

Section 5. Effective Date

This Ordinance shall become effective ten (10) days from the date hereof or upon publication, whichever shall later occur.

This Ordinance is enacted by the Council of the City of Troy, Oakland County, Michigan, at a regular meeting of the City Council held at City Hall, 500 W. Big Beaver, Troy, MI, on the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Janice Daniels, Mayor

\_\_\_\_\_  
Aileen Bittner, City Clerk



CARLISLE

WORTMAN  
associates, inc.

605 S. Main Street, Ste. 1  
Ann Arbor, MI 48104

(734) 662-2200  
(734) 662-1935 Fax

## **MEMORANDUM**

**TO:** Brent Savidant, Planning Director  
**FROM:** Ben Carlisle, AICP  
**DATE:** April 19, 2012  
**RE:** Drive-throughs on Big Beaver Road

---

Recently the City has either received applications or met with applicants who are interested in developing financial institutions that include a drive-through along Big Beaver Road. The Big Beaver Form-Based District, which runs from just west of Coolidge to just east of Rochester Road, does not allow drive-through uses. The only way to develop a drive-through on Big Beaver Road is through the P.U.D. process. While the P.U.D. process might be appropriate for some of the proposed developments, the P.U.D. process should not be used to circumvent specific requirements and regulations in the zoning ordinance.

In speaking to many of the applicants they note the existence of numerous existing financial institutions with drive-throughs along Big Beaver Road, and a need in the financial institution market for drive-through facilities. Based on aerial photo review and a driving survey, there are eight (8) financial institutions with drive-throughs within the Big Beaver Form-Based District. Under the previous zoning code, drive-throughs were allowed under a special use permit.

A goal of the City of Troy is to provide a fair, fast, and predictable development process. As such, we are seeking the input from the Planning Commission regarding the allowance of drive-throughs along Big Beaver Road for financial institutions. Due to more intensity (see regulations of drive-through section below) we are not proposing the consideration of restaurant drive-throughs.

### **Regulations of Drive-Through Uses**

Drive-through uses are prohibited or regulated for various reasons: 1). A drive-through can increase pedestrian, bicycle and automobile points of conflict; 2). A drive-through can detract from streetscape character which enhances pedestrian activity in retail, multifamily, and commercial areas; 3). A drive-through is a large land consumer, requiring additional site area to accommodate the use; 4). A drive-through use supports an automobile culture and discourages healthy active transportation; and 5). Due to secondary effects of noise from idling cars, voice amplification equipment, lighting, and hours of operation, a drive-through is typically not desired adjacent to residential properties.

Drive-throughs for financial institutions are typically less intense than those for restaurant uses. Due to stacking requirements<sup>1</sup>, drive-through restaurant uses are larger land consumers including greater

---

<sup>1</sup> Section 6.10: Restaurants with a drive-through require ten (10) stacking spaces while financial institutions only require four (4).

circulation needs and additional points of pedestrian and vehicular conflict. Furthermore, studies have shown that restaurant drive-through uses have greater secondary effects including noise from idling cars, voice amplification equipment, lighting, greater hours of operation, and more debris. Lastly, financial institutions are able to have a drive-through that is either detached or in the rear of a principal structure. Detached or rear drive-through designs can provide for better site circulation to reduce pedestrian, bicycle, and automobile conflicts, eliminate drive-through exits into a public right-of-way, and allow for better screening from the right-of-way and adjacent properties.

### **Big Beaver Corridor Study and Master Plan**

Big Beaver Road has been studied as part of both the Big Beaver Corridor Study, adopted in 2006, and the 2008 Master Plan. The Big Beaver Corridor Study, confirmed through the 2008 Master Plan, very clearly layouts the vision and intended design of future development along this key corridor. The design intent both in the public realm in the right-of-way and the private realm through building placement standards was to provide a pedestrian friendly environment and visually appealing corridor. While the Corridor Study and the Master Plan do not expressly prohibit the use of drive-throughs, the clear design intent is that “automobile and parking are no longer #1,” by maintaining a quality streetscape and transforming the corridor into a pedestrian-friendly environment.

### **Design Standards**

Due to the existing building form requirements in the Big Beaver Form-Based District, most importantly the requirement to place building on street, some of the aforementioned issues of drive-throughs are mitigated. However, through the adoption of drive-through specific design standards the intent of the Big Beaver Corridor Study can be met, Big Beaver Road can become a pedestrian friendly environment, and the safety of pedestrians and automobiles can be maintained. While we have not drafted detailed design standards, potential standards could include minimum lot size, orientation of drive-through, screening, limitations on curb cuts, and egress.

### **Issues for Planning Commission Consideration**

Due to current economic conditions, the existing presence of drive-throughs for financial institution, and through the adoption of design standards that can mitigate potential issues, the allowance of drive-throughs for financial institutions might be appropriate along Big Beaver Road. As such we are seeking input from the Planning Commission. Specifically:

- Should drive-throughs for financial institutional be permitted within the Big Beaver Form-Based District?
- Should additional design standards be considered?

I look forward to addressing any comments and questions from the Planning Commission.

---



CARLISLE/WORTMAN ASSOC., INC.  
Benjamin R. Carlisle, LEED AP, AICP

**ZONING ORDINANCE TEXT AMENDMENT**

7. **PUBLIC HEARING – ZONING ORDINANCE TEXT AMENDMENT (File Number ZOTA 243)** – Proposed Amendment to Article 5, Financial Institutions within the Big Beaver District by Special Use Approval

Mr. Carlisle addressed the few revisions to the proposed language since it was last reviewed and discussed by the members.

There was general discussion relating to traffic flow onto residential streets, curb cuts on Big Beaver and internal circulation of drive-throughs.

Mr. Strat stated the proposed language does not provide enough flexibility.

Mr. Carlisle replied that the proposed language permitted a use that was presently not permitted within the Big Beaver Zoning District.

**PUBLIC HEARING OPENED**

No one was present to speak.

**PUBLIC HEARING CLOSED****Resolution # PC-2012-06-036**

Moved by: Schultz  
Seconded by: Edmunds

***RESOLVED***, That the Planning Commission hereby recommends to the City Council that Article 5 of Chapter 39 of the Code of the City of Troy which permits Financial Institutions within the Big Beaver District by Special Use Approval, be amended as printed on the proposed Zoning Ordinance Text Amendment.

Yes: Edmunds, Krent, Sanzica, Schepke, Schultz, Tagle  
No: Strat  
Absent: Hutson

**MOTION CARRIED**



## MEMORANDUM

TO: Members of the Troy City Council  
FROM: Lori Grigg Bluhm, City Attorney *LG*  
DATE: July 17, 2012  
SUBJECT: Smart Meter Resolution

---

At the July 9, 2012 City Council meeting, City Council postponed Mayor Daniels' Resolution to Opt Out of Smart Meters until the July 23, 2012 City Council meeting. This postponement allowed for a review and possible reference in the resolution to House Bill 5411, introduced by State Representative Tom McMillan. This proposed legislation, introduced on February 16, 2012, was referred to by speakers in the Public Comment portion of the meeting.

Enclosed please find a copy of House Bill 5411, which is currently pending in the House Energy and Technology Committee. Also enclosed please find a copy of the Staff Report- Michigan Public Service Commission, Case Number U-17000. As of today's date, the Michigan Public Service Commission has not yet taken any action, and the utility companies have not detailed the costs that would be incurred by persons choosing to opt out of the installation of Smart Meters.

Based on the discussion at the last City Council meeting, minor modifications to Mayor Daniels' proposed resolution have been prepared for your consideration.

**WHEREAS** Detroit Edison Company, Consumers Energy Company and other energy providers have deployed Smart Meters in Troy; and

**WHEREAS** the Michigan Public Service Commission (MPSC) opened a case on January 12, 2012 (Case U-17000), and directed electric utility companies to provide information on whether the electric utility intends to allow customers to opt out of having a Smart Meter and if so, how does the utility intend to recover the cost of an opt out program; and

**WHEREAS**, the MPSC's Order also issued a temporary moratorium on any new installations on Smart Meters until further Order; and

**WHEREAS**, HB 5411 has been introduced in the Michigan Legislature, which would codify the rights of customers to decline the installation of a Smart Meter or ask to have an installed Smart Meter removed; and

**WHEREAS** Michigan Attorney General Bill Schuette filed comments in MPSC Case U-17000 on April 16, 2012. In his comments, he strongly advocated that customers should be afforded a meaningful and fair opportunity to opt out of Smart Meter installation without being penalized by unwarranted and excessive costs; and

**WHEREAS** there has been concern expressed by some electric customers that the smart meters are overly intrusive into their energy usage; and

**WHEREAS** some electric customers have alleged that emissions from the smart meters are actually dangerous to their health.

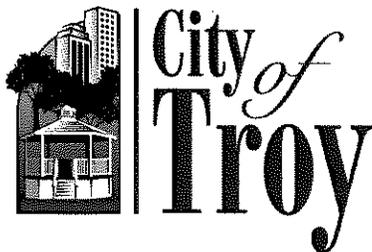
**NOW THEREFORE BE IT RESOLVED** that the Troy City Council supports the ability of customers to opt out of the Smart Meter program on their homes.

**BE IT FURTHER RESOLVED** that the Troy City Council agrees with Attorney General Schuette that utility customers who opt out of the Smart Meter program should be able to opt out without being penalized by unwarranted and excessive costs; and

**BE IT FURTHER RESOLVED** that the Troy City Council supports HB 5411 to the extent that it legislatively mandates a Smart Meter Opt Out provision; and

**BE IT FURTHER RESOLVED** that copies of this resolution be sent to Governor Snyder, the Oakland County delegation of the Michigan Legislature, the Michigan Attorney General, the Michigan Public Service Commission, the Michigan Association of Counties and the Oakland County Board of Commissioners and all elected officials representing the City of Troy.

me



## MEMORANDUM

TO: Lori Grigg Bluhm, City Attorney *LGB*  
 FROM: Kenneth Christopher Scudder, Intern *KS*  
 DATE: July 3, 2012  
 SUBJECT: Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters

---

Under Michigan law, utilities are regulated by the Michigan Public Service Commission (MPSC). After Detroit Edison and Consumers started installing Smart meters (Advanced Metering Infrastructure a.k.a. AMI) for Michigan customers, complaints were filed with the MPSC. On January 12, 2012, the MPSC opened a new docket, case number U-17000 (see attached). With this Order, the MPSC ordered the utility companies to answer certain questions concerning smart meters. The order also provided that interested persons could file comments with the MPSC until April 16, 2012. Lastly, the order required the MPSC staff to complete a report and make recommendations on or before June 29, 2012.

The 30 page MPSC staff report was released on June 29, 2012 and is attached. Here is a summary of the report:

***Background:** Smart meters are a digital upgrade to electromechanical readers, and are part of the nationwide smart grid initiative which is designed to assist in the prediction of future energy needs. They are digital devices capable of two way communication, and instantaneously convey accurate readings of a customers' actual electrical consumption using radio frequencies.*

After reviewing the public comments, municipal comments, and the responses of the utility companies, the MPSC Staff has made the following conclusions:

- *"Smart meters are the primary replacement to electromechanical readers because they are more accurate, enhance outage response, and offer opportunities for customer energy management." (Page 2)*
- *"The health risk from metering systems using radio transmitters is insignificant." (Page 2)*
- *"Data privacy and cyber security continue to be priorities for customers...Michigan utilities currently have large amounts of critical customer information that they have safeguarded for years and will continue to adequately safeguard." (Page 3)*

The MPSC Staff made the following recommendations.

- *"The Staff recommends that the Commission regulated utilities in Michigan continue to assess smart grid technologies as part of their efforts to improve the reliability and efficiency of the grid." (Page 3)*
- *"The Staff understands that some people remain opposed...and should be allowed to opt-out." (Page 3)*

- *If smart meters result in increased cost of service by the utility, this could be charged to the customers choosing to opt-out, or a discount can be given to the customers with a smart meter.*
- *The MPSC and the utilities should enact measures to ensure consistent protection of customer privacy and data, since consistent with state and federal laws.*

The below sections are summaries of the text from pages 4-30.

*Customer Complaints:* *The 397 complaints received primarily dealt with the opt-out policy, health concerns, privacy, and the legality of the meters.*

*Opt-out Policy:* *Both Consumer Energy and Detroit Edison project that customers will cover the additional costs of opting out of a smart meter.*

*Financial Analysis:* *“Detroit Edison estimates smart meter savings of \$65 million per year...” (Page 6) They will pay \$447 for deployment costs. They received some reimbursement from the Department of Energy.*

*Health and Safety Concerns:* *The MPSC Staff reviewed technical reports from numerous accredited sources regarding health and safety concerns, and opined that the health risk is “insignificant.” (Page 28) The California Council on Science and Technology found “that smart meters, when installed correctly and with FCC certification, emit only a fraction of the level [of radio frequency radiation] that the FCC has determined to be safe.” (Page 9)*

*Fire Risk:* *House fires starting from smart meters were also not major concern. “Less than 1% of all fires resulted from a measuring meter.” (Page 12)*

*Customer Education:* *Many customer complaints referenced a lack of knowledge about the smart meters. Because of this, the MPSC Staff recommended that utility companies should create and enhance education programs.*

*The Smart Grid Vision:* *Smart meters are only a single component of a fully modernized grid. When fully implemented, however, “AMI presents a unique opportunity for Michigan ratepayers to take control of their energy consumption and energy bills. AMI meters, with the use of dynamic and time-of-use rates can reduce peak demand and increase energy conservation. This could curtail the need for future capital investment...this would lead to lower capital costs for all ratepayers.” (Page 22-23)*

With the submission of the MPSC staff report, the next step is for the MPSC Commission to enter an order closing the case. Until that time, comments or resolutions could be filed, even though the date for public comment has technically expired. Since the utility companies have not yet provided the actual cost estimates for customers wishing to opt out, it is unlikely that an order would be entered on the opt-out costs without allowing additional comment and an opportunity for the utilities to submit supporting documentation calculating the costs of allowing an opt-out.

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

\* \* \* \* \*

In the matter, on the Commission's own motion,            )  
to review issues bearing on the deployment of smart        )  
meters by regulated electric utilities in Michigan.        )  
\_\_\_\_\_)

Case No. U-17000

At the January 12, 2012 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. John D. Quackenbush, Chairman  
          Hon. Orjiakor N. Isiogu, Commissioner  
          Hon. Greg R. White, Commissioner

**ORDER OPENING DOCKET**

In the past several months, the Commission has become aware of concern on the part of some individuals in this state and an increasing number of municipal officials regarding the deployment of smart meters by electric utilities operating in Michigan. During the Commission's annual consumer forums conducted at various locations during the fall of 2011, individual Commissioners on several occasions encountered vocal opponents to the deployment of smart meters in their communities. More recently, through direct submissions, media reports, and by other means, the Commission has learned that the elected governing bodies of at least nine local communities across Michigan have by resolution implored the Commission to either (1) make information about smart meters available to the public, (2) investigate the safety of the physical attachment of a smart meter to a residential dwelling house, (3) halt ongoing efforts by regulated electric utilities to deploy smart meters throughout their service territories, or (4) force these electric utilities to

allow concerned customers to “opt out” of having a smart meter attached to her or his own dwelling house.<sup>1</sup>

In hopes of increasing the Commission’s and the public’s understanding of smart meters, the Commission opens this docket for the purpose of addressing these concerns to the degree possible in light of the limits of the Commission’s statutory authority and expertise.

Toward this end, the Commission directs all regulated electric utilities to submit information in this docket regarding the following topics: (1) The electric utility’s existing plans for the deployment of smart meters in its service territory; (2) The estimated cost of deploying smart meters throughout its service territory and any sources of funding; (3) An estimate of the savings to be achieved by the deployment of smart meters; (4) An explanation of any other non-monetary benefits that might be realized from the deployment of smart meters; (5) Any scientific information known to the electric utility that bears on the safety of the smart meters to be deployed by that utility; (6) An explanation of the type of information that will be gathered by the electric utility through the use of smart meters; (7) An explanation of the steps that the electric utility intends to take to safeguard the privacy of the customer information so gathered; (8) Whether the electric utility intends to allow customers to opt out of having a smart meter; and 9) How the electric utility intends to recover the cost of an opt out program if one will exist.

The electric utility comments required by this order shall be submitted through the Commission’s standard e-file system. Wherever possible, supplemental documentation may be referenced in the comments via the use of hyperlinks. All comments shall be submitted by 5:00 p.m. on March 16, 2012.

---

<sup>1</sup>All such resolutions known to the Michigan Public Service Commission at this time are attached to this order.

After the submission of the information by the regulated electric utilities, all interested persons shall have until April 16, 2012 to examine those comments. Written and electronic comments by interested persons may be filed with the Commission, but must be received no later than 5:00 p.m. on April 16, 2012. Written comments should be sent to: Executive Secretary, Michigan Public Service Commission, P.O. Box 30221, Lansing, Michigan 48909. Electronic comments may be emailed to: [mpscedockets@michigan.gov](mailto:mpscedockets@michigan.gov). Any person requiring assistance prior to filing comments, may contact Commission Staff at (517) 241-6180. All comments should reference Case No. U-17000. Comments and other documents received in this proceeding will become public information, posted on the Commission's website, and subject to disclosure.

Following the deadline for the submission of comments by members of the general public, the Commission Staff (Staff) shall prepare a report for the Commission's consideration. The Staff's report shall be given to the Commission and filed in this docket by 5:00 p.m. on June 29, 2012. In its report, the Staff shall summarize the filings in this docket, independently review the literature regarding smart meters, and identify any developments in other jurisdictions pertinent to this investigation. At the end of its report, the Staff shall make its recommendations, including suggestions regarding how best for the Commission to implement the Staff's recommendations.

THEREFORE, IT IS ORDERED that:

A. The Commission's Executive Secretary shall serve a copy of this order on all regulated electric utilities in this state.

B. Alpena Power Company, Consumers Energy Company, The Detroit Edison Company, Indiana Michigan Power Company, Northern States Power Company-Wisconsin, Upper Peninsula Power Company, Wisconsin Electric Power Company, Wisconsin Public Service Corporation, Alger Delta Cooperative Electric Association, Cherryland Electric Cooperative, Cloverland

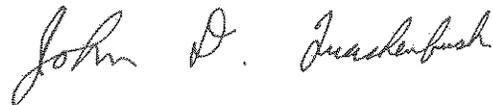
Electric Cooperative, Great Lakes Energy Cooperative, Midwest Energy Cooperative, Ontonagon County Rural Electrification Association, Presque Isle Electric & Gas Co-op, Thumb Electric Cooperative, and Tri-County Electric Cooperative shall file comments as described in this order by 5:00 p.m. on March 16, 2012.

C. Interested persons shall have until 5:00 p.m. on April 16, 2012 to file comments in this docket as described in this order.

D. The Commission Staff shall file a report and recommendations in this docket as described in this order by 5:00 p.m. on June 29, 2012.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION



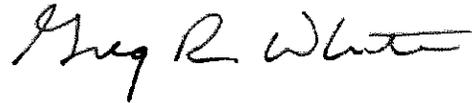
---

John D. Quackenbush, Chairman



---

Orjiakor N. Isiogu, Commissioner



---

Greg R. White, Commissioner

By its action of January 12, 2012.



---

Mary Jo Kunkle, Executive Secretary

# **U-17000 Report to the Commission**

**Prepared by the Staff of the Michigan Public Service Commission**

**June 29, 2012**

## **EXECUTIVE SUMMARY**

The smart grid encompasses technological improvements to the electric grid designed to increase reliability, reduce outage time, accommodate the integration of distributed generation sources, and improve electric vehicle charging capacity. Advanced Metering Infrastructure (AMI) systems “combine meters with two-way communication capabilities. These systems typically are capable of recording near-real-time data on power consumption and reporting that consumption to the utility at frequencies of an hour or less”.<sup>1</sup> AMI meters are also known as smart meters, and they represent one component of an improved or smart grid.

On January 12, 2012, the Michigan Public Service Commission (Commission) issued an order in Case No. U-17000. This order directed the utilities to provide information by March 16, 2012, regarding their plans for smart meter deployment including proposed costs and benefits, scientific information addressing the safety of smart meter deployment, assurance of customer data privacy and other information. The order also allowed for public comments in response to the utilities’ filings to be submitted by April 16, 2012.

Approximately 400 residential customer comments were received. The vast majority of these comments voice concerns about the installation of smart meters. The concerns can generally be categorized into the following topics: health and safety, privacy/data security, cyber security and bill impacts.

The Staff has engaged in a thorough review of resources in response to public concerns about smart meters. The resources fall into one or more of the following categories: technical in nature, relevant to smart meter technology, research focused, science based, peer reviewed, commentary and/or opinion.

The Staff’s review supports the following conclusions:

- Smart meters are quickly becoming the primary replacement meter to the existing electromechanical meters because they are more accurate, enhance outage response and offer opportunities for customer energy management. The traditional electromechanical meter is obsolete and currently not in production.
- Smart meters are an important component to the success of a much larger picture, an emerging smart grid. As the United States Department of Energy (U.S. DOE) states “[a] smart grid uses digital technology to improve the reliability, security, and efficiency of the electricity system . . .”<sup>2</sup>
- After careful review of the available literature and studies, the Staff has determined that the health risk from the installation and operation of metering systems using radio transmitters is insignificant. In addition, the appropriate federal health and safety regulations provide assurance that smart meters represent a safe technology.

---

<sup>1</sup> Massachusetts Institute of Technology, *The Future of the Electric Grid*; An Interdisciplinary MIT Study, 2011, p.133. [http://web.mit.edu/mitei/research/studies/documents/electric-grid-2011/Electric\\_Grid\\_Full\\_Report.pdf](http://web.mit.edu/mitei/research/studies/documents/electric-grid-2011/Electric_Grid_Full_Report.pdf)

<sup>2</sup> U.S. Department of Energy, *2010 Smart Grid System Report*, February 2012, Message from the Assistant Secretary. <http://energy.gov/sites/prod/files/2010%20Smart%20Grid%20System%20Report.pdf>

- Data privacy and cyber security continue to be priorities for customers, utilities and the Commission. Data protection procedures are continually being updated at the national and state levels. Michigan utilities currently have large amounts of critical customer information that they have safeguarded for years and will continue to adequately safeguard. Several national organizations are focused on monitoring and improving cyber security efforts that will continue to guide electric service providers' efforts.

### **The Staff's Recommendations**

Smart Meter Implementation: Smart meters are part of the larger smart grid initiative that is being pursued by investor-owned and other utilities throughout the world. The smart grid initiative has been endorsed by federal laws and the technologies have been declared to be safe by accredited national agencies and industry councils. The Staff recommends that the Commission regulated utilities in Michigan continue to assess smart grid technologies as part of their efforts to improve the reliability and efficiency of the grid. AMI investments should continue to be reviewed by the Commission in contested rate cases.

Opt-out: A minority of customers have expressed concerns about smart meters. The Staff understands that some people remain opposed to the installation of smart meters for a number of reasons and should be allowed to opt-out. The Staff believes that ratemaking for the opt-out provision should be based on cost of service principles. If AMI meters result in a reduced cost of service, this could be accounted for by either an additional charge for those customers choosing to opt-out or a discount for those customers with an AMI meter.

Revised Rules and/or Tariffs: Several comments reflect concerns about customer privacy and data security. The Staff recommends there be additional consideration to ensure consistent protection of customer privacy and data.

Smart Grid Vision: The Staff has created a comprehensive smart grid vision which provides an all-inclusive perspective of the emerging smart grid. The vision will provide a framework for future grid modernization.

Details of these recommendations are contained in the body of this report.

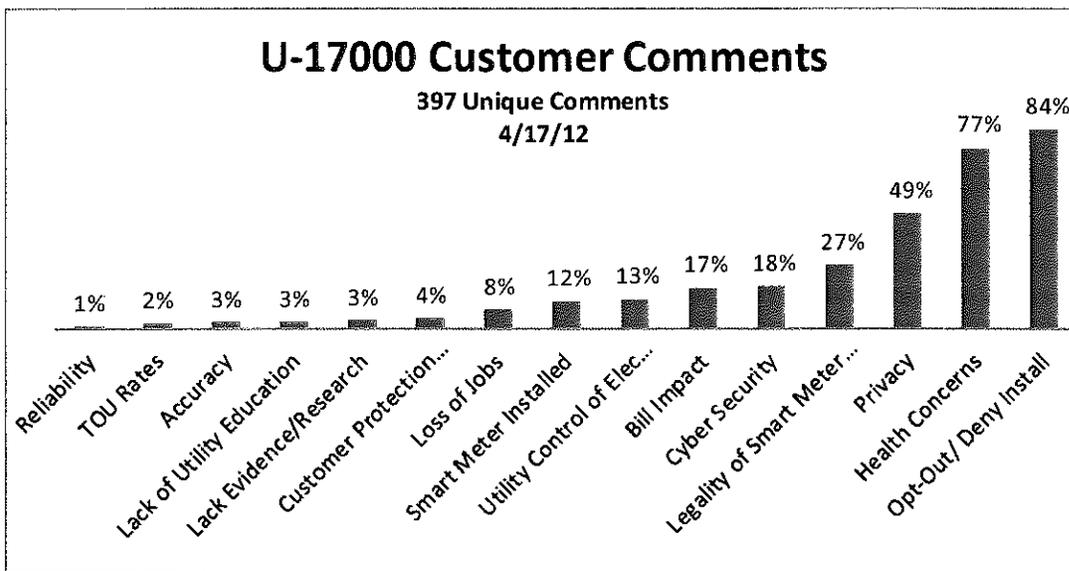
### **SUMMARY OF DOCKET FILINGS**

The Staff logged 397 entries received from *unique parties* during the comment period. (Several people submitted multiple entries; however, these were counted as one comment for purposes of this report.) Three comments were received from non-Michigan residents.

**Residential Customers**

A number of topics were addressed in the comments. The dominant ones are shown in the chart below. Some customers addressed more than one topic in their submission. Of the customer commenters whose electric provider could be determined, the breakdown was: Detroit Edison (250), Consumers Energy (39), Cherryland Electric Cooperative (1), Clinton Board of Public Works (2), Indiana/Michigan Power Company (I&M) (4), Lansing Board of Water & Light (2), Upper Peninsula Power (4).

*Chart 1: Residential Customer Comments*



Reliability	TOU Rate	Accuracy	Lack of Education	Lack of Research	Customer Protection	Loss of Jobs	SM Installed	Utility Control of Power	Bill Impact	Cyber Security	Legality of SM Install	Privacy	Health	Opt-out/ Deny Install
4	9	10	11	13	17	32	46	50	69	71	106	193	304	334

**Governmental Units**

Seven resolutions were submitted by local governmental units:

- Townships of Harrison and Royal Oak,
- Villages of Almont and Grosse Pointe Shores,
- Cities of Farmington Hills and Madison Heights, and
- Macomb County Board of Commissioners.

Report to the Commission  
Case No. U-17000  
June 29, 2012

Requested actions included: 1) further exploration into the health and safety of AMI meters, 2) delay/moratorium on further AMI installations until the Commission's review is completed, and 3) creation of an opt-out program for customers.

Although not formally submitted to the Case No. U-17000 docket, the Staff is aware of additional resolutions from other municipalities containing similar language to the resolutions filed in this docket.

### **Professional Organizations**

Three professional organizations weighed in with submissions to the docket:

- American Academy of Environmental Medicine (AAEM) expresses concern with the levels of radio frequency (RF) radiation emitted by meters.
- Environmental Defense Fund (EDF) supports AMI deployment as a necessary element of grid modernization resulting in positive environmental impacts.
- TechNet also supports AMI deployment focusing on customer control of energy usage, data privacy and encouraging market innovation.

### **State of Michigan**

A state agency and a state house representative filed comments:

- The Department of Attorney General asserts that smart meter benefits are not greater than the deployment costs for ratepayers.
- Representative Paul E. Opsommer states that filings for utilities with AMI meters were incomplete in the areas of meter function, cost and data privacy/protections.

### **Utilities**

The order issued in Case No. U-17000 required utilities to provide specific information regarding smart meter deployment plans, investments, benefits, health and safety, data privacy, and opt-out options. The Commission received responses from investor-owned utilities (IOU) and Michigan electric cooperatives. Consumers Energy and Detroit Edison are the only Michigan utilities currently installing smart meters, so their responses are more thoroughly summarized.

Alpena Power plans to change to digital meters but does not intend to install smart meters. I&M has installed 10,000 AMI meters in South Bend, Indiana as a pilot. I&M has Automated Meter Reading (AMR)<sup>3</sup> at nearly all of its Michigan accounts and does not intend to replace those with smart meters. All of Northern States Power's Michigan customers have AMR, which send daily reads. Northern States

---

<sup>3</sup> Automated Meter Reading (AMR) "AMR technology allows utilities to read customer meters via short-range radio-frequency signals. These systems typically capture meter readings from the street using specially equipped vehicles." Massachusetts Institute of Technology, *The Future of the Electric Grid*; An Interdisciplinary MIT Study, 2011, p. 133. [http://web.mit.edu/mitei/research/studies/documents/electric-grid-2011/Electric\\_Grid\\_Full\\_Report.pdf](http://web.mit.edu/mitei/research/studies/documents/electric-grid-2011/Electric_Grid_Full_Report.pdf)

Power does not intend to allow opt-out, but believes customers should pay for that option if an opt-out plan is required. Upper Peninsula Power uses electromechanical meters and is planning to continue this method. Wisconsin Electric Power Company (WEPCO) has installed AMR throughout its Michigan territory. WEPCO does not anticipate offering opt-out of AMR. Wisconsin Public Service Corporation has meters with both one and two-way communication. Its systems have been in place for over 10 years.

Alger Delta Cooperative, Cherryland Electric Cooperative, Cloverland Electric Cooperative, Great Lakes Energy Cooperative, HomeWorks Tri-county Cooperative, Midwest Energy Cooperative, Ontonagon County Rural Electrification Association, Presque Isle Electric & Gas Cooperative and Thumb Electric Cooperative filed a joint response and individual information. Most of the cooperatives have installed AMR that sends energy use data over power lines. Some of these meters have two-way communication. The cooperatives indicated they have experienced significant benefits from these meters. Presque Isle has a 10 meter AMI pilot. Cooperatives who have AMR do not intend to allow for opt-out.

Below are the responses from Consumers Energy and Detroit Edison regarding smart meter deployment plans as specified in the order in Case No. U-17000.

*(1) The electric utility's existing plans for the deployment of smart meters in its service territory:*

Consumers Energy Consumers Energy has completed Phase I of a four-phase pilot program, with the intention of full deployment by 2019 with 1.9 million total smart meters.

Detroit Edison Detroit Edison intends to install 2.6 million smart meters in a deployment plan that was initiated by a pilot in 2009. Detroit Edison currently has 650,000 meters installed and plans to have 1,000,000 installed by year end 2013.

*(2) The estimated cost of deploying smart meters throughout its service territory and any sources of funding:*

Consumers Energy The estimated cost is \$750 million with no external funding (e.g., U.S. DOE ARRA grant); \$398 million for smart meters and installation; \$352 million for systems modifications, program management and other expenses.

Detroit Edison The estimated cost of smart meter deployment is \$447 million for 2.6 million new electric meters, and the company received a U.S. DOE grant that reimbursed 50 percent of costs up to a pre-determined grant cap.

*(3) An estimate of the savings to be achieved by the deployment of smart meters:*

Consumers Energy Estimated savings over the anticipated 20-year life of the smart meters is \$2 billion. Although benefits were described, no quantified breakdown of the savings total was provided.

Detroit Edison Detroit Edison estimates smart meter savings of \$65 million per year, although this figure includes both electric and gas meters. Case No. U-16472, Exhibit A-18 was referenced for details.

- (4) *An explanation of any other non-monetary benefits that might be realized from the deployment of smart meters:*

Consumers Energy Consumers Energy cited a U.S. DOE study (DOE/NETL-2010/1413) which summarizes the benefits tied to smart meter deployment. The study discusses societal benefits that include reduced outage times, as well as improvements in national security, environmental conditions, and economic growth.

Detroit Edison Proposed non-monetary benefits include an increase in customer satisfaction, the ability to identify voltage problems, new rate offerings, and the ability to expedite emergency disconnect response.

- (5) *Any scientific information known to the electric utility that bears on the safety of the smart meters to be deployed by that utility:*

Consumers Energy Consumers Energy described its proposed system. No scientific information was provided.

Detroit Edison Detroit Edison provided a link to the report, *No Health Threat from Smart Meters*, Utilities Telecom Council, Q4 2010. The following studies were also included in an appendix:

*Analysis of Radio Frequency Exposure Associated with Itron OpenWay® Communications Equipment*, March 2011

*Wireless Transmissions: An Examination of OpenWay® Smart Meter Transmissions in 24-Hour Duty Cycle*, March 2011

*Smart Meters and Smart Systems: A Metering Industry Perspective*, Edison Electric Institute (EEI), Association of Edison Illuminating Companies (AEIC) and Utilities Telecom Council (UTC), March 2011

*A Discussion of Smart Meters And RF Exposure Issues*, Edison Electric Institute (EEI), Association of Edison Illuminating Companies (AEIC) and Utilities Telecom Council (UTC), March 2011

- (6) *An explanation of the type of information that will be gathered by the electric utility through the use of smart meters:*

Consumers Energy The amount of kilowatt-hours (kWh) consumed each hour, kilovolts-ampere-reactive hours (kVARh) delivered, and actual voltage delivered will be collected every four-six hours. Some of this data is also added together and then sent once per day. Alarms and notification of field events will be sent out in real time.

Detroit Edison The data collected is accumulated Watt hour (Whr) consumption readings, load profile hourly interval watt-hour (Whr) and Volt Ampere hour (VAhr) energy data, load profile energy data, instantaneous voltage, meter messages, events, alarms, and network parameters. No customer-specific data such as addresses, phone numbers, account status or social security numbers will be gathered.

- (7) *An explanation of the steps that the electric utility intends to take to safeguard the privacy of the customer information so gathered:*

Consumers Energy Safeguards for customer privacy include using data encryption and code division multiple access (CDMA). There is no personal customer information in the transmittal of data.

Detroit Edison Customer information is safeguarded through data encryption and internal confidentiality policies.

(8) *Whether the electric utility intends to allow customers to opt out of having a smart meter:*

Consumers Energy Consumers Energy proposes a future opt-out, but no details were provided.  
Detroit Edison Detroit Edison is developing an opt-out for customers, but has yet to develop any details.

(9) *How the electric utility intends to recover the cost of an opt-out program if one will exist:*

Consumers Energy In accordance with utility cost of service principles, Consumers Energy suggests a future opt-out will be subject to a monthly maintenance fee. Fixed costs for opt-out would be recovered through a tariff-based, one-time charge and a monthly maintenance charge.

Detroit Edison Detroit Edison projects that customers choosing to opt-out will be responsible for all costs associated with an opt-out tariff provision.

Detroit Edison and Consumers Energy provided responses to the Commission's request in Case No. U-17000 regarding AMI deployment. The utilities could have provided additional details that would have been helpful for the Staff's analyses, including more specific information on savings calculations and privacy protections.

## **THE STAFF'S REVIEW OF AMI**

The Staff reviewed the submitted comments, and the cited resources and literature provided by the electric utilities and the public. The Staff examined resources considered "technical" in nature. Many of these resources were published in reputable scientific or professional peer-reviewed journals or were based on reproducible, sound scientific methods and procedures. The Staff also examined many other resources and literature from a variety of sources. The Lawrence Berkeley National Laboratory (LBNL) document identifying resources was beneficial to the Staff in its review.<sup>4</sup> This report addresses some of the more frequently cited resources.

### **Safety and Health Concerns**

The Federal Communications Commission (FCC) is charged with regulating international communications by radio, television, wire, satellite and cable within the United States and its territories. The FCC is responsible for providing licenses for RF emissions. The FCC regulations cover matters relating to public health and safety and have been designed to ensure that the levels of RF emissions that consumers are exposed to are not harmful.

---

<sup>4</sup> LBNL Website. <http://smartresponse.lbl.gov/reports/sm-resourcelist041912.xlsx>

In January 2011, the California Council on Science and Technology (CCST) completed a report titled *Health Impacts of Radio Frequency from Smart Meters*.<sup>5</sup> The CCST compiled a comprehensive overview of known information on human exposure to wireless signals, including the effectiveness of the FCC RF safety regulations. After evaluating numerous RF related publications and soliciting the opinions of technical experts in this and related fields, the CCST concluded that no additional standards are needed at this time and that FCC standards are adequate to ensure the health and safety of people from the known thermal effects of smart meters. The report also indicates that smart meters, when installed correctly and with FCC certification, emit only a fraction of the level that the FCC has determined to be safe.

In a recent report, *Radio-Frequency Exposure Levels from Smart Meters: A Case Study of One Model*,<sup>6</sup> the Electric Power Research Institute (EPRI) researched smart meter emission data that provides valuable insight into RF exposure scenarios for a widely used type of smart meter. There were three key findings: (1) exposure levels from individual meters declined rapidly as distance from the meter increased, (2) meters transmitted for only a small fraction of time, and (3) RF exposure levels remained well below the FCC exposure limits.

The Utilities Telecom Council (UTC), in an article titled *No Health Threat from Smart Meters*,<sup>7</sup> provided a review of the safety standards associated with RF emissions and stated that smart meters did not pose a health or safety threat. The UTC's research established that laptop computers using Wi-Fi transmit at levels similar to smart meters, although laptop transmitters are always "on" or transmitting and smart meters transmit for short intervals periodically throughout the day. After reviewing this and other common RF devices (cell phones, microwave ovens, etc.), the UTC concluded that the RF emissions from smart meters would not pose a threat to human health and safety.

The January 13, 2012, County of Santa Cruz Health Services Agency memorandum titled *Health Risks Associated with SmartMeters*<sup>8</sup> was drafted in response to the Santa Cruz County Board of Supervisors' request that the agency identify potential smart meter health effects and possible mitigation measures. The memorandum concluded that research addressing the health effects of electromagnetic fields (EMF) does not specifically address smart meters; there is no scientific data regarding non-thermal effects of smart meters; and government agencies should take precautionary avoidance measures. LBNL reviewed the agency's memorandum as part of the Smart Grid Technical Advisory Project.<sup>9</sup> LBNL's review focused on the objective of the memorandum, consistency of cited sources with agency established peer review criteria, and clarification of technical assumptions and claims. LBNL noted:

---

<sup>5</sup> *Health Impacts of Radio Frequency from Smart Meters*, January 2011.  
<http://www.ccst.us/publications/2011/2011smartA.pdf>

<sup>6</sup> *Radio-Frequency Exposure Levels from Smart Meters: A Case Study of One Model*, February 2011.  
[https://www.nvenergy.com/NVEnergize/documents/EPRI\\_1022270\\_caseStudy.pdf](https://www.nvenergy.com/NVEnergize/documents/EPRI_1022270_caseStudy.pdf)

<sup>7</sup> *No Health Threat From Smart Meters*, Fourth Quarter 2010 Issue of the UTC JOURNAL.  
<http://www.utc.org/utc/no-health-threat-smart-meters-says-latest-utc-study>

<sup>8</sup> County of Santa Cruz, *Health Risks Associated with SmartMeters*, <http://emfsafetynetwork.org/wp-content/uploads/2009/11/Health-Risks-Associated-With-SmartMeters.pdf>

<sup>9</sup> The Smart Grid Technical Advisory Project provides technical assistance and training to state regulatory commissions on topics related to smart grid. The Smart Grid Technical Advisory Project does not participate in litigated or contested regulatory or other proceedings.

[T]he Agency memorandum does not appear to provide a balanced representation of research, the risks, or mitigation options. Instead the Agency memorandum is largely focused on scientifically unsupported claims related to “electromagnetic hypersensitivity” (EHS).

Individuals with EHS report real symptoms; however, health research has been unable to consistently attribute those symptoms to EMF exposure.<sup>10</sup> LBNL’s review of the Santa Cruz memorandum highlighted concerns with the methodology of the agency memorandum cited sources.<sup>11</sup>

On April 12, 2012, the AAEM submitted their position paper, *Electromagnetic and Radiofrequency Fields Effect on Human Health*, to Case No. U-17000.<sup>12</sup> The paper supports AAEM’s position that emissions from smart meters are potentially harmful. LBNL also provided a response to the AAEM position paper. LBNL’s primary concerns with the paper’s findings are a) the research used to establish a cause and effect relationship does not address smart meters, b) the research citations and references are unrelated to smart meters, c) conclusions are about EHS, and d) the minimal amount of RF smart meters actually contribute to total environmental RF. LBNL explains that RF is distinguished by a number of characteristics including frequency, intensity and proximity.<sup>13</sup> There are multiple sources of RF exposure in our everyday environment such as cellular phones, wireless devices such as laptops and routers, microwave ovens, baby monitors, garage door openers, “walkie talkies,” computer monitors, fluorescent lighting, and electrical wires within the home.<sup>14 15</sup> Smart meters are a small contributor to the total environmental RF emissions to which the general public is exposed. Eliminating smart meters would result in a minimal reduction of total emissions.<sup>16</sup>

Several comments submitted in Case No. U-17000 cited the World Health Organization’s (WHO) classification of RF EMF as a class 2B carcinogen in support of their smart meter health concerns. This classification means that RF EMF has been deemed as *possibly* carcinogenic to humans.<sup>17</sup> RF EMF was designated as a class 2B carcinogen due to limited evidence associating glioma and acoustic neuroma, two types of brain cancer, with wireless telephone users. The Staff was unable to identify research that associates AMI meters with any type of cancer.

---

<sup>10</sup> LBNL, *Review of the January 13, 2012 County of Santa Cruz Health Services Agency memorandum: Health Risks Associated with Smart Meters* <http://smartresponse.lbl.gov/reports/schd041312.pdf>

<sup>11</sup> LBNL, *et al.* <http://smartresponse.lbl.gov/reports/schd041312.pdf>

<sup>12</sup> American Academy of Environmental Medicine, *Electromagnetic and Radiofrequency Fields Effect on Human Health*. <http://efile.mpsc.state.mi.us/efile/docs/17000/0391.pdf>

<sup>13</sup> LBNL, *Review of the April 12, 2012 American Academy of Environmental Medicine (AAEM) submittal to the Michigan Public Service Commission*, <http://smartresponse.lbl.gov/reports/aaem041812.pdf>

<sup>14</sup> Federal Communications Commission: *Radio Frequency Safety* <http://transition.fcc.gov/oet/rfsafety/rf-faqs.html>.

<sup>15</sup> Federal Communication Commission: *Interference – Defining the Source* <http://www.fcc.gov/guides/interference-defining-source>.

<sup>16</sup> City of Naperville, Naperville Smart Grid Initiative (NSGI), Pilot 2 RF Emissions Testing – Summary Report-V2.0, *Smart Meters, Household Equipment, and the General Environment*, November 10, 2011. [http://www.naperville.il.us/emplibrary/Smart\\_Grid/Pilot2-RFEmissionsTesting-SummaryReport.pdf](http://www.naperville.il.us/emplibrary/Smart_Grid/Pilot2-RFEmissionsTesting-SummaryReport.pdf)

<sup>17</sup> International Agency for Research on Cancer, *IARC Monographs on the Evaluation of Carcinogenic Risks to Humans*, January 2006. <http://monographs.iarc.fr/ENG/Preamble/currentb6evalrationale0706.php>

In May 2011, members of the WHO's International Agency for Research on Cancer's (IARC) Monographs Working Group reviewed roughly 900 studies that involved RF EMF and cancer.<sup>18</sup> The group categorized the studies by the following RF EMF sources: occupational exposure (i.e., radar installations), personal exposure associated with the use of wireless telephones, and environmental exposure (i.e., radio/television signals). For occupational exposure to RF EMF, the group determined that there are "some positive but inconsistent signals." With respect to environmental sources of RF EMF, the group determined that there was no "solid data" to conclude a link between cancer and RF EMF exposure. Lastly, regarding personal exposure, the group found there to be limited evidence linking glioma and acoustic neuroma to wireless phone use, with inadequate evidence for other cancer types.

Experts in the field of RF EMF have testified in front of public utility commissions outside of Michigan as to how the IARC classification correlates with smart meter technology. For example, Baltimore Gas & Electric provided the expert opinion of Dr. Peter Valberg to the Public Service Commission of Maryland, who testified on how the category 2B classification of RF EMF should be interpreted. Dr. Valberg stated that the IARC has not found any "... adverse health consequences established from exposure to RF fields at levels below the international guidelines on exposure limits published by the International Commission on Non-Ionizing Radiation Protection."<sup>19</sup> He goes on to state that the 2B classification of RF EMF was "... made with reference to the quantity of exposure, e.g., no quantitative estimate as to how various uses of RF contribute to human exposure. . . ."<sup>20</sup> and that "... smart meters constitute one of the weakest sources of our RF exposure."

Dr. Yakov Shkolnikov and Dr. William H. Bailey, engineers from the consulting firm Exponent, provided expert testimony to the Public Utility Commission of Nevada concerning NV Energy's smart meter deployment, and addressed smart meter RF EMF emission concerns. These witnesses pointed out that although RF EMF was classified in group 2B "... the evidence is limited that cancer develops from exposures from RF fields."<sup>21</sup> They also make it clear that "... the indications of potential risk derive almost entirely from statistical associations in some studies between the use of mobile phones and certain types of cancer."<sup>22</sup>

The WHO's decision to classify RF EMF in the group 2B category was based on studies involving wireless phones, not smart meters. While both wireless phones and smart meters emit RF EMF, the

---

<sup>18</sup> International Agency for Research on Cancer, *Radiofrequency Electromagnetic Fields: evaluation of cancer hazards*. [http://monographs.iarc.fr/ENG/Publications/REF\\_Poster2012.ppt](http://monographs.iarc.fr/ENG/Publications/REF_Poster2012.ppt)

<sup>19</sup> *In the Matter of Baltimore Gas and Electric Company for Authorization to Deploy a Smart Meter Initiative and to Establish a Surcharge Mechanism for the Recovery of Cost*, Case No. 9208, Comments on an "Opt-Out" Option for Smart Meters, Testimony of Dr. Peter A. Valberg, April 6, 2012.

[http://webapp.psc.state.md.us/Intranet/Casenum/CaseAction\\_new1.cfm?CaseNumber=9208](http://webapp.psc.state.md.us/Intranet/Casenum/CaseAction_new1.cfm?CaseNumber=9208)

<sup>20</sup> *In the Matter of Baltimore Gas and Electric Company for Authorization to Deploy a Smart Meter Initiative and to Establish a Surcharge Mechanism for the Recovery of Cost*, et al.

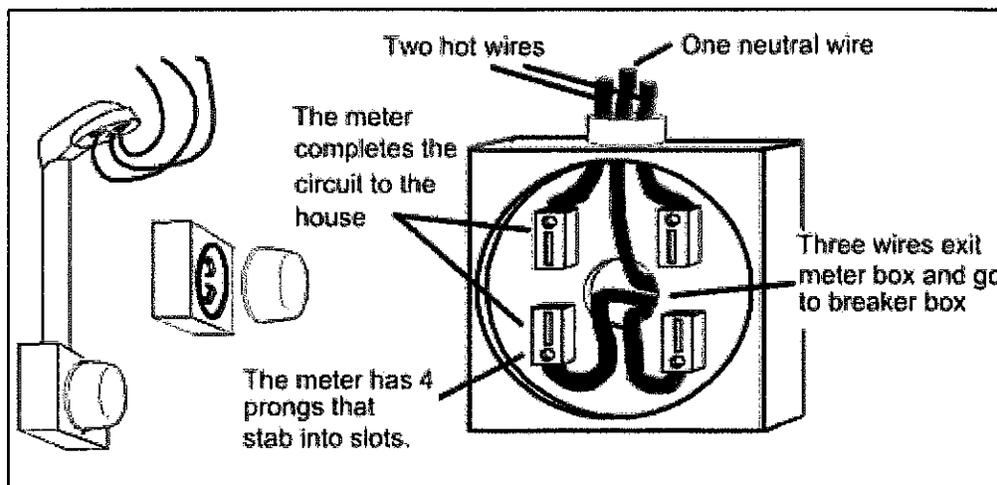
<sup>21</sup> *Investigation regarding NV Energy's Advanced Service Delivery Meter Program a/k/a Smart Meter and its implementation*, Docket No. 11-10007, Comment of S. Stirling, December 22, 2011.

<sup>22</sup> *Investigation regarding NV Energy's Advanced Service Delivery Meter Program a/k/a Smart Meter and its implementation*, et al

major difference between the two is the lower level of exposure to frequencies from smart meters. Low exposure levels from smart meters coupled with the fact that the IARC's classification is based on weak mechanistic evidence and limited evidence derived from different RF EMF emitting devices is important to consider when evaluating the substance of the group 2B classification. After careful review of the available literature and studies, the Staff believes that the health risk from the installation and operation of metering systems using radio transmitters is insignificant. In addition, the appropriate federal health and safety regulations provide assurance that smart meters represent a safe technology.

Some public comments stated a link between smart meters and house fires. Meter fires for any type of meter are a rare occurrence, according to the National Fire Protection Agency's 2012 annual report<sup>23</sup> on home electrical fires. This type of fire makes up only 1% of the average reported cause of home electrical fires. Factors associated with meter fires are not exclusive to smart meters but apply to all meters. Installation details for smart meters and electromechanical meters are the same. Both meter types have four prongs on the back. The four prongs attach to four slots known as stabs. These stabs, along with the wires from the power lines and meter itself, are housed inside a protective case known as a meter box. Once the meter is connected, the electrical circuit is complete. This is shown in the diagram below. Component failure (i.e. loose stab connection) can cause arcing, potentially resulting in a meter fire. It is the component failure, not the meter unit that is the cause of an arcing-induced fire.

Figure 1: Meter Connection



<sup>23</sup> Home Electrical Fires, National Fire Protection Association, January 2012.  
<http://www.nfpa.org/assets/files//PDF/OS.electrical.pdf>

**Data Privacy**

As smart meter deployments have become more prevalent throughout the United States, customer data privacy has become a priority issue. In order to address the concerns of the public regarding smart meter data privacy, multiple entities have engaged in efforts to identify and address the fundamental privacy issues. The Staff reviewed data privacy literature that specifically addressed or were clearly applicable to concerns arising from smart meters collection of customer electric usage information. Documents reviewed originated from the following entities: municipal utilities, state utility commissions, state legislation, standard development organizations, federal government and academia. The following table lists the literature reviewed in preparation of this section.<sup>24</sup>

*Table 1: Data Privacy Policies*

<i>Entity:</i>	<i>Document Name:</i>
<b><i>Municipal Utilities</i></b>	
City of Naperville	Naperville Smart Grid Initiative Customer Bill of Rights
<b><i>State Utility Commissions</i></b>	
State of California	Privacy Protections For Energy Consumption Data
State of Colorado	Rules Regulating Electric Utilities
State of New York	Smart Grid Policy Statement
State of Texas	Customer Protection Rules For Retail Electric Service
<b><i>State Legislation</i></b>	
State of Arizona	Consumer Protections; Rules; Confidentiality; Unlawful Practice
State of Oklahoma	Electric Usage Data Protection Act
State of Washington	WAC 480-100-153 Disclosure of Private Information
<b><i>Standards Development Organizations</i></b>	
NAESB	Third Party Access To Smart Meter-Based Information
NISTIR 7628	Guidelines for Smart Grid Cyber Security
<b><i>Federal Government</i></b>	
US Dept. of Energy	Smart Grid Privacy Workshop Summary Report
US Dept. of Homeland	Fair Information Practice Principles
<b><i>Academia</i></b>	
Vermont Law School	A Model Privacy Policy for Smart Meter Data

AMI necessitates a higher volume of data collected by utilities, therefore it is imperative that customer information be properly protected through appropriate regulations. Federal legislation protecting consumer data privacy is forthcoming;<sup>25</sup> however, it is important to identify ways to protect Michigan’s ratepayers in the interim. States that feature more advanced AMI deployment such as California,

<sup>24</sup> Links to the table documents can be found in Appendix A.

<sup>25</sup> U.S. Department of Energy Smart Grid Privacy Workshop Summary Report.

[http://www.smartgrid.gov/sites/default/files/doc/files/Privacy%20report%202012\\_03\\_19%20Final.pdf](http://www.smartgrid.gov/sites/default/files/doc/files/Privacy%20report%202012_03_19%20Final.pdf)

Colorado, Texas, Arizona, Oklahoma, and Washington have addressed customer data protection through state legislation or administrative rules adopted by the public utilities commissions. The Staff acknowledges that interim protections could be achieved through the development of utility tariffs that address customer data privacy. The Staff recommends including the following fundamental concepts when addressing privacy policy:

- Definitions of various types of data collected (*usage/billing, aggregate, customer identifiable*),
- Permitted usage of data types by utility (*sales, contractor work, emergency*),
- Customer consent and third-party disclosure rules (*notice, timeframe, records*),
- Availability of usage information to customer (*web portal, direct mail, email*), and
- Privacy breach requirements (*notification to customer/commission*).

The Staff recommends that there be further investigation into the most appropriate manner (administrative rules, legislation, tariffs, etc.) to ensure customer privacy. This process should include all relevant stakeholders. In the interim, the Staff recommends that utility tariffs include provisions to enhance customer privacy.

## Cyber Security

As Michigan transitions to a more technologically advanced power grid, it is important that the proper actions are taken by utilities to address cyber security threats. Cyber security planning is defined as preventing damage to, unauthorized use of, or exploitation of electronic information and communications systems and the information contained therein to ensure confidentiality, integrity, and availability.<sup>26</sup> The attention cyber security has received at the national and state levels for many years indicates that utilities, regulators and consumers all share common concerns. Improving the electrical grid involves gathering more data and utilizing more technology. With every added piece of technology, the risk of vulnerabilities inherently increases. The U.S. DOE has stated that the smart grid of the future should be secure and resilient against all forms of attacks. A smarter grid includes more devices and connections that may become avenues for intrusions, error-caused disruptions, malicious attacks, destruction, and other threats.<sup>27</sup>

It is important to balance the need for a more digitally connected grid and the inherent risks of these new technologies and their interconnection. At the national level, several organizations are currently addressing this issue: North American Electric Reliability Corporation (NERC), National Institute of Standards and Technologies (NIST), Smart Grid Interoperability Panel Cyber Security Working Group (CSWG), National Electric Sector Cybersecurity Organization (NESCO), and the U.S. DOE. These

---

<sup>26</sup> National Association of State Energy Officials (NASEO), *Smart Grid and Cyber Security for Energy Assurance*. [http://www.naseo.org/energyassurance/NASEO\\_Smart\\_Grid\\_and\\_Cyber\\_Security\\_for\\_Energy\\_Assurance\\_rev\\_November\\_2011.pdf](http://www.naseo.org/energyassurance/NASEO_Smart_Grid_and_Cyber_Security_for_Energy_Assurance_rev_November_2011.pdf)

<sup>27</sup> Executive Office of the President, National Science and Technology Council, *A Policy Framework For The 21<sup>st</sup> Century Grid: Enabling Our Secure Energy Future*, June 2011. <http://www.whitehouse.gov/sites/default/files/microsites/ostp/nstc-smart-grid-june2011.pdf>

groups have published reports and compliance programs to provide utilities guidance on cyber security in the electric industry.

The overall goal is to develop a framework that ensures effective cyber security is appropriately implemented and that all stakeholders contribute to the security and reliability of the electrical grid.<sup>28</sup> The goal is not a compliance-based culture in which companies are expected to stand alone in this effort. Instead it should be a proactive, responsible and collaborative culture in the state of Michigan. The Staff reviewed multiple cyber security related documents published by the leading cyber security associations and found the following commonalities:

- Cyber security efforts should concentrate on rigorous open standards and guidelines through public-private partnerships for security,
- Effective cyber security will rely on data sharing and cooperation between regulatory, private and electric industry entities,
- A risk-based approach to cyber security planning should be implemented,
- A cyber security performance accountability system should be created to fulfill risk-based planning, and
- Regulatory bodies should be in constant contact with asset owners regarding cyber security.

Several states have taken positions on cyber security including California and Texas. The Public Utility Commission of Texas enacted a cyber security rule requiring electric utilities to have an independent security audit of the mechanism for customer and Retail Electric Provider (REP) access to meter data conducted within one year of initiating such access and promptly report the results to the commission.<sup>29</sup>

The Federal Trade Commission (FTC) has studied how entities collect and use personal information. They have compiled their findings in the Fair Information Practices (FIP), which has been used successfully across many industries. The California Public Utilities Commission (CPUC) cited the FIP as a proven model for data security that the electric industry should utilize. In regards to cyber security, the CPUC stated upon any breach<sup>30</sup> affecting 1000 or more customers, an electric provider has two weeks to notify a commission appointed cyber security representative.<sup>31</sup> They also required IOU's to file a year-end cyber security breach report with the cyber security representative at the commission.<sup>32</sup>

---

<sup>28</sup> Executive Office of the President, *et al.*

<http://www.whitehouse.gov/sites/default/files/microsites/ostp/nstc-smart-grid-june2011.pdf>

<sup>29</sup> Public Utility Commission of Texas, Electric Substantive Rules.

<http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/Electric.aspx>

<sup>30</sup> A breach is any unauthorized use or exploitation of customer information.

<sup>31</sup> Order Instituting Rulemaking to Consider Smart Grid Technologies Pursuant to Federal Legislation and on the Commission's own Motion to Actively Guide Policy in California's Development of Smart Grid, *et al.*

<sup>32</sup> Order Instituting Rulemaking to Consider Smart Grid Technologies Pursuant to Federal Legislation and on the Commission's own Motion to Actively Guide Policy in California's Development of Smart Grid, *et al.*

The Staff proposes that the following cyber security measures be implemented in Michigan:

- Each utility should adopt an annual independent security audit of the mechanisms of customer access, third party access and internal cyber risk-management practices. The independent auditor should be approved by the Staff.
- As outlined in the National Association of Regulatory Utility Commissioners' (NARUC) resolution regarding cyber security, the Staff should maintain a dialogue with regulated utilities to ensure that they are in compliance with standards, and that preparedness measures are employed to deter, detect and respond to cyber attacks and to mitigate and recover from them.<sup>33</sup>
- Utilities should adopt the same breach notification policies as other states have adopted, namely the notification of any breach affecting 1000 or more customers within two weeks of the breach.
- Each utility should be required to file a yearly breach notification summary with the Staff, detailing all breaches of customer information, including any third party breach information.

### **Customer Education**

Customer education and participation is an important component of the successful implementation of the smart grid. A portion of the smart meter benefits rely upon customer engagement. To facilitate customer engagement, utilities must provide customers with clear and accurate information about programs and services available both prior to and *throughout* the deployment of smart meters.<sup>34</sup> Within the 397 unique comments submitted to Case No. U-17000, 360 comments reference a lack of communication with customers about the functionality and benefits of smart meters.<sup>35</sup> As the Maryland Public Service Commission<sup>36</sup> stated:

The negative experiences in other states . . . illustrate vividly that poor customer education will magnify small-scale problems and create disproportionate customer skepticism and unhappiness.

For this reason, the Staff reviewed customer education efforts in various states. Several states have supported the importance of customer education through both legislation and orders.

---

<sup>33</sup> NARUC, *Resolution Regarding Cybersecurity*, February 17, 2010.

<http://www.naruc.org/Resolutions/Resolution%20on%20Cybersecurity1.pdf>

<sup>34</sup> Massachusetts Institute of Technology, *The Future of the Electric Grid*; An Interdisciplinary MIT Study, 2011, p. 164. [http://web.mit.edu/mitei/research/studies/documents/electric-grid-2011/Electric\\_Grid\\_Full\\_Report.pdf](http://web.mit.edu/mitei/research/studies/documents/electric-grid-2011/Electric_Grid_Full_Report.pdf)

<sup>35</sup> Pg. 4, Chart 1 of this report (combined categories of lack of education, utility control of power, legality of smart meter install and privacy).

<sup>36</sup> *In the Matter of Baltimore Gas and Electric Company for Authorization to Deploy Smart Meter Initiative and to Establish a Surcharge Mechanism for the Recover of Cost*, Case No. 9208, Order No. 83531, pp. 42-43.

[http://webapp.psc.state.md.us/Intranet/Casenum/CaseAction\\_new1.cfm?CaseNumber=9208](http://webapp.psc.state.md.us/Intranet/Casenum/CaseAction_new1.cfm?CaseNumber=9208)

- Colorado Public Utilities Commission concluded that utilities should submit a smart meter plan with a detailed customer education and outreach plan.<sup>37</sup>
- Nevada Public Utilities Commission concluded that NV Energy should enhance its consumer outreach efforts. The outreach efforts were to include a “media plan leading up to the deployment of smart meters that will frequently reach out into the community and use multiple channels to reach customers more effectively.”<sup>38</sup>
- California Public Utility Commission (CPUC) was directed by California Public Utilities Code § 8360 (2009), to identify criteria to ensure that the utility smart grid deployment plans conform to best practices. Commission Rulemaking R 08-12-009 identifies the need for a smart grid strategy recognizing that customer participation is necessary for the demand-side benefits.<sup>39</sup> In addition, CPUC Decision 12-04-025 identifies metrics to use to track customer participation.<sup>40</sup>
- The Maryland Public Service Commission directly addressed customer education in Case No. 9208, Order No. 83531. The commission order states “[t]hat Baltimore Gas and Electric Company shall submit, for the Commission’s approval, the Company’s updated customer education plan and associated proposed messaging that it will provide customers prior to and during installation of the meters, before Peak Time Rebates begin, and before any other programmatic changes take effect. Baltimore Gas and Electric and other parties in the matter shall develop, and submit for Commission approval, a comprehensive set of metrics by which the Commission may measure the effectiveness of the customer education plan, . . .”<sup>41</sup>
- The Public Utility Commission of Texas met regularly with utilities to help develop radio ads, door hangers, billboards, etc. which were used to educate the public about smart meters. The education effort specifically targeted smart meter cost recovery, deployment, and implementation. The Texas Public Utility Commission also approved each utility’s budget associated with smart meter customer education<sup>42</sup>.
- Maine Public Utility Commission ordered Central Maine Power to “. . . develop and implement a customer communication plan that will explain the various opt-out options, describe the benefits of the AMI program, describe the functionality of the available meter options, describe the

---

<sup>37</sup> *In the Matter of the Investigation of the Issues Related to Smart Grid and Advanced Metering Technologies*, Docket No. 10I-099EG. Decision No. C11-0406, Order State Conclusions and Next Step, March 30, 2011, p. 5.

<sup>38</sup> *Investigation regarding NV Energy’s Advanced Service Delivery Program a/k/a Smart Meters and its implementation*, Docket No. 11-10007, Interim Order, January 11, 2012, p. 8.

<sup>39</sup> California Public Utility Commission, R 08-12-009.

[http://docs.cpuc.ca.gov/PUBLISHED/FINAL\\_DECISION/119902-02.htm#P201\\_29007](http://docs.cpuc.ca.gov/PUBLISHED/FINAL_DECISION/119902-02.htm#P201_29007)

<sup>40</sup> California Public Utility Commission, Decision 12-04-025, April 24, 2012.

[http://docs.cpuc.ca.gov/PUBLISHED/FINAL\\_DECISION/164808.htm](http://docs.cpuc.ca.gov/PUBLISHED/FINAL_DECISION/164808.htm)

<sup>41</sup> *In the Matter of the Application of Baltimore Gas and Electric Company for Authorization to Deploy a Smart Grid Initiative and to Establish a Surcharge for the Recovery of Cost*, Case No. 9208, Order No. 83531, p. 50. <http://webapp.psc.state.md.us/Intranet/sitesearch/CN9208.pdf>.

<sup>42</sup> Relevant Dockets include: Oncor Docket No. 35718, CenterPoint Docket No. 35639, AEP TX Docket No. 36928, TNMP Docket No. 38306.

<http://interchange.puc.state.tx.us/WebApp/Interchange/application/dbapps/filings/pgSearch.asp>.

charges associated with the opt-out, and describe the process by which a customer may opt-out.”<sup>43</sup>

- In 2008, the Ohio legislature enacted changes to the Ohio Revised Code – Title XLIX Public Utilities which required utilities file a customer education plan; the purpose of which is to “ . . . educated [sic] Ohio’s consumers about their new choices for electric service.”<sup>44</sup>

The transition to smart meters and related infrastructure will provide customers access to current data about their energy usage, creating an opportunity to better control energy consumption. Smart meters also provide the basic infrastructure for aggregate benefits related to reliability, outage identification, and reduced peak demand. These benefits have a positive effect on all customers including those who choose to opt-out.<sup>45</sup> A smooth transition to smart meters can be accomplished only through customer education. A well thought out education strategy allows customers to develop a sense of trust with the utility and an understanding of the available benefits.

The Staff recommends utilities develop and implement a new education strategy similar to those used in other jurisdictions. Education program results should reflect high levels of customer engagement, acceptance and enthusiasm with their smart meter program. The strategy should include metrics to measure the overall effectiveness of the education program.

### **National Policy**

The United States Congress has passed several laws that support the upgrade of the electric grid, including deployment of smart meters for residential and other types of customers. These laws have provided a framework for smart grid, including smart meter deployment in the United States. Basically, these laws encourage states to proceed with modernizing the electric grid in order to be ready for the electric demands of the 21<sup>st</sup> Century.

The Energy Policy Act of 2005 (EPAc 2005) was the first piece of federal legislation that discussed smart grid. The statute strongly encourages demand response. It calls upon utilities to offer time-based rates with a time-of-use meter to all customer classes. It also requests that state public utility commissions investigate the installation in their state of time-of-use meters and communication devices to enable time-based pricing rate schedules and other demand response programs. The statute also mandates that, by October 2012, all federal buildings be individually metered for electricity consumption and, to the extent feasible, use advanced meters that measure energy use on an hourly basis.<sup>46</sup>

---

<sup>43</sup> Maine Public Utilities Commission, Docket No. 2010-345, Order (Part I), May 19, 2011, p. 2.

<sup>44</sup> *In the Matter of the Commission’s Promulgation of Rules for Electric Transition Plans and of a Consumer Education Plan, Pursuant to Chapter 4928, Revised Code*, Case No. 99-1141-EL-ORD, Entry, June 8, 2000. <http://www.puco.ohio.gov/emplibrary/files/docketing/ORDERS/2000/0604/99-1141.pdf>

<sup>45</sup> Electric Power Research Institute *Advanced Metering Infrastructure*, February, 2007, p. 1.

<http://www.ferc.gov/eventcalendar/Files/20070423091846-EPRI%20-%20Advanced%20Metering.pdf>

<sup>46</sup> Energy Policy Act of 2005, Pub. L. No. 109-58, 100 Stat. 567 (codified at 1 U.S.C. §§ 900-999).

The Energy Independence and Security Act of 2007 (EISA) is a major piece of federal legislation addressing smart grid and smart meters. Title XIII, Sections 1301 through 1309 supports modernizing the nation's electric grid and contains provisions giving the U.S. DOE a leadership role in all but two areas of smart grid advancement. Interoperability was assigned to the NIST and the Federal Energy Regulatory Commission (FERC), and recovery of smart grid investment was relegated to the state public service commissions. The statute contains a policy statement on United States' grid modernization that defines "smart grid;" establishes the Smart Grid Advisory Committee, the Smart Grid Task Force, and the Smart Grid Interoperability Framework; and institutes the Smart Grid Investment Matching Grant Program, which provides a 20% match for qualifying smart grid investments.<sup>47</sup>

The American Recovery and Reinvestment Act of 2009 (ARRA) amends EISA allowing U.S. DOE to provide financial support for smart grid demonstration projects and advanced grid technology investments, such as AMI. In total, the legislation provides \$3.4 billion in funding for numerous smart grid projects across the nation, including smart meters, in-home energy management displays, smart thermostats, advanced transformers and load management equipment. The act establishes a smart grid information clearinghouse and requires that demonstration projects use open protocols and standards.<sup>48</sup>

In addition to federal laws, numerous prestigious agencies and institutions have considered the national outlook for the smart grid and indicate that installing smart grid technologies, including smart meters, will have a positive benefit on the United States' electric grid. These reports urge the United States to follow the directives of the federal law and update the electric grid.

In 2012, the U.S. DOE issued the 2010 Smart Grid System Report. The report, required by the EISA, outlines the current status of smart grid development, projects its future, and identifies obstacles to its progress. It describes the scope of smart grid, recognizes its stakeholders, and makes recommendations for future reports. The report states that recent progress has been significant due to funding from ARRA of 2009, including the provision of \$812.6 million in federal grant awards for AMI deployments throughout the United States, the implementation or expansion of distributed resource interconnection policies in 14 states since 2008, and funding the deployment of 877 phasor measurement units. The report determines that correctly assessing the value proposition and obtaining capital for new technologies that communicate information between electricity sector participants are challenges that need to be overcome in order to continue development of the smart grid.<sup>49</sup>

Several NARUC initiatives support smart grid activities. NARUC and FERC have established the Smart Response Collaborative which provides a forum for federal and state regulators to share information about the smart grid to support the development of better and more effective policies. NARUC has also passed resolutions that address smart grid. A resolution passed on July 20, 2011, endorsed a foundational

---

<sup>47</sup> Energy Independence and Security Act of 2007 (EISA), Pub. L. No. 110-140, 121 Stat. 1492, 1783-84 (codified at 42 U.S.C. § 17381).

<sup>48</sup> American Recovery and Reinvestment Act of 2009 (ARRA), Pub. L. No. 111-5, 123 Stat. 115, 516.).

<sup>49</sup> U.S. DOE 2010 Smart Grid System Report, Report to Congress, Washington DC, February 2012.

<http://energy.gov/oe/downloads/2010-smart-grid-system-report-february-2012>

set of principles related to advance metering and smart grid deployments. The principles encourage the continued installation of smart grid technologies including AMI, while also advising utility commissions to continue to assess the best strategies for their states.<sup>50</sup>

*The Future of the Electric Grid* was published by the Massachusetts Institute of Technology (MIT), the sixth in a series of reports that examine the “future of” energy and environmental issues. The report provides a snapshot of the current status of the United States’ electric grid and a vision for the evolution of the grid over the next two decades. The study group, consisting of MIT professors and research assistants, with input from industry and government experts, reviewed and evaluated existing research and made recommendations that will help to ensure the future of the electric grid. One of the main findings is that regulatory policies and the technologies used to support the grid must change or it is likely to be difficult to maintain acceptable reliability and reasonable electric rates. An updated distribution system with the use of AMI is instrumental to a smarter grid. The study identifies the benefits of AMI including a reduced cost of meter reading, more accurate and timely billing, improved customer support, enhanced distribution monitoring and management, support for demand response and energy conservation, quicker response to outages and reduced outage times. With the decreasing availability of electromechanical meters, AMI will soon be the most viable metering option available to utilities. The study acknowledges that there have been health concerns raised by customers, but concludes that the scientific research does not suggest that radio waves from smart meters have adverse health effects. They acknowledge that utilities may have to consider these concerns when designing their programs by inclusion of opt-out or other provisions.

The study also reviewed the status of cyber security readiness on the United States’ grid. The report recommends a heightened focus on detection, response, and recovery strategies, especially for the distribution system. Since there is currently more than one agency working on this issue, a single agency should be given responsibility to develop and enforce standards across the entire electric power system.<sup>51</sup>

*A Policy Framework for the 21<sup>st</sup> Century* was issued by the federal government to build on the policy directives set forth in the EISA and the ARRA by creating a pathway to a modernized grid. A smarter, modernized and expanded grid is pivotal to the United States, playing a lead role in a clean energy future. The electric grid in the United States is at an advanced age. This makes it imperative to upgrade the grid in three categories: advanced information and communication technologies that improve transmission and distribution; advanced metering; and equipment that accesses and leverages energy usage information. The study concludes that AMI can empower consumers to better manage their energy usage and reduce their energy bills.

---

<sup>50</sup> National Association of Regulatory Utility Commissioners, Smart Grid Resources.  
[www.naruc.org/smartgrid/](http://www.naruc.org/smartgrid/)

<sup>51</sup> Massachusetts Institute of Technology, *The Future of the Electric Grid*, An Interdisciplinary MIT Study, 2011.  
[http://web.mit.edu/mitei/research/studies/documents/electric-grid-2011/Electric\\_Grid\\_Full\\_Report.pdf](http://web.mit.edu/mitei/research/studies/documents/electric-grid-2011/Electric_Grid_Full_Report.pdf)

Ensuring the privacy of energy use data is also of primary concern to the study participants. Existing agencies, such as state public service commissions, may be able to set privacy rules for regulated utilities. The FTC's FIP principles can provide a framework for developing codes of conduct to protect this data.<sup>52</sup>

### **Policies and Practices**

AMI has the potential to provide increased electric reliability while providing customers with the information and choices necessary to reduce or shift their electric consumption. Customers can only realize these benefits if utilities begin to collect more detailed usage data. While AMI does not transmit personal customer information, it does gather usage data more frequently than a traditional meter. Although utilities have been protecting customer data for many years, the collection, storage, use, access, and disclosure of customer consumption data have generated concerns about privacy, utility transparency, customer choice, and security. Attention to system reliability standards, electric technical standards and utility billing practices are warranted when addressing customer protection, data collection, customer privacy, cyber security, and system reliability benefits.

Several areas of current rules and tariffs will be affected by AMI deployment in Michigan. In some cases, the topic of concern is not a direct result of AMI. One example is privacy. Customers are more sensitive to privacy with the deployment of AMI, but the requirement for documented and clearly communicated utility privacy policies existed prior to AMI deployment. Consistently documenting privacy policies creates transparency and accountability as new technologies continue to evolve.

Electric utilities regulated by the Commission follow rules and standards for electric service set forth in administrative rules, tariffs, and Commission orders. All of these regulatory mechanisms should be considered and the most effective chosen to ensure customers have adequate protections.

The Staff conducted a preliminary investigation into national recommendations, rules from other states, and utility best practices. This investigation revealed Michigan's current policies are in need of review in order to address on-going customer issues.<sup>53</sup> Michigan should consider the following areas as the utility systems and utility/customer relationships change due to AMI.

- Customer Consent – Customers should have the option to authorize data collection and services not related to core billing and operational services.
- Individual Access and Participation – Customers should have easy, timely access to their detailed usage data in a standard downloadable format.
- Customer Choice – Utilities should clearly, fully, and accurately describe all choices available to customers.
- Notice and Purpose – Utilities should provide a detailed description of all purposes for which customer data will be used.

---

<sup>52</sup> *A Policy Framework for the 21<sup>st</sup> Century: Enabling Our Secure Energy Future, et al*  
<http://www.whitehouse.gov/sites/default/files/microsites/ostp/nstc-smart-grid-june2011.pdf>

<sup>53</sup> A complete list of research sources is available in Appendix A

- Collection and Scope – Only information that is required to fulfill the stated purpose specified under Notice and Purpose should be collected.
- Security – Personal information in all forms should be protected from loss, theft, unauthorized access, inappropriate disclosure, copying, use, or modification. Utilities should implement breach notification policies and independent third party privacy and security audits.
- Management and Accountability – Utilities should develop and appoint personnel to ensure that information security, privacy policies, and privacy practices exist and are followed, including ongoing training and audits.
- Utility Processes – Utilities should provide a process for individuals to see and easily correct inaccuracies in their information. Utilities should estimate customer bills only if they are able to demonstrate that there was an unavoidable circumstance. Prepayment is an option that may be preferred by some customers.
- Meter Accuracy – Standards that ensure the accuracy of AMI meters should be developed.
- Service Reliability – Performance measures should reflect system reliability and outage support provided through AMI implementation.

The Staff examined current Commission rules and technical standards and found that some AMI related areas are not covered. For example, there is no definition for AMI. There are, however, current rules that address AMI capabilities such as remote shutoff (2007 AACRS R 460.142). In a larger review of methodologies, rules and standards should be evaluated further.

It is recommended that all stakeholders work to analyze and identify the most appropriate implementation methods for addressing the policy considerations listed above. Stakeholders should routinely review all policies related to smart grid as smart grid technologies continue to develop.

### **Smart Grid Vision**

When considering the deployment of AMI in Michigan, it is important to recognize that smart meters and their supporting communications infrastructure represent a single component of a fully modernized grid. AMI introduces a communications platform that can support a multitude of smart grid applications resulting in improved efficiency and reliability, as well as increased longevity of Michigan's aging electric infrastructure. When properly designed and implemented, AMI presents a unique opportunity for Michigan ratepayers to take control of their energy consumption and their energy bills.

The smart grid will enhance electric service in Michigan. Real time outage identification, through AMI, will result in a quicker response to outage situations. Areas without service can be identified almost immediately and individual customers who are still out after their neighborhood has been restored will be easily located. The smart grid technologies will reduce operations and maintenance costs, primarily through reduced meter reading costs, more accurate billing, reduced outage time and monitoring tools that help the utility anticipate equipment failure. AMI meters, with the use of dynamic and time-of-use rates, can reduce peak demand and increase energy conservation. The result could curtail the need for future

capital investment in electrical system capacity and lead to other grid efficiencies. This would result in lower capital costs for all ratepayers.

A Michigan smart grid vision should provide direction to implement technology that will enhance the functionality of the electric grid. It is difficult to have all utilities, vendors, regulators and customers share a succinct vision of what the future electric grid will look like. Therefore, it is important to identify electric grid “objectives” that outline a more reliable grid, improve power quality and incorporate cleaner power sources for electricity generation. All components of electric grid improvements, including AMI installation, distribution infrastructure replacement, and electric generation should reflect the larger objectives of a smart grid vision.

The Staff proposes that future smart grid investments from utilities must correlate with the following objectives aimed at delivering transparent and identifiable benefits to ratepayers:

- Accommodate advanced generation and storage options
- Enable informed participation by all customers
- Support new products, services, and markets
- Optimize existing assets, increase efficiency and improve reliability
- Operate resiliently against physical and cyber attacks

Michigan’s current electric grid is characterized by centralized fossil fuel generation plants delivering electricity over long distances to meet customer needs. This model has been dominant for over a century and has provided an economical and reliable means of providing energy to Michigan citizens. However, increased investment and technological advances in decentralized generation and storage options such as gas turbines, diesel engines, solar photovoltaic, wind turbines, biomass generators and plug-in electric vehicles present potential generation options in the future. The Staff supports future grid investments that promote a more flexible grid that is capable of integrating any and all generation, two-way power flows and storage options. These investments will help ensure that Michigan ratepayers have access to the most cost effective generation in the future.

The traditional relationship that has existed between the utility and its ratepayers was limited to customers consuming energy and then receiving a monthly bill for the service. As the smart grid takes form in Michigan, the Staff envisions a much more interactive relationship developing between utility and customer. Utilities need to develop communications avenues and program incentives capable of informing, engaging, empowering, and motivating customers to change their behavior. The Staff believes that an extensive customer education campaign that coincides with technology deployment is pivotal to a successful implementation strategy. The Staff also believes that in the future, piloting a variety of customer programs (dynamic rates, prepay, demand response) to measure their effectiveness will be key to realizing the full spectrum of utility and customer benefits.

Consistent standards are necessary for new products, services and markets to be successful. Effective implementation of a smart grid in Michigan will bring an abundance of new products, services, and

markets that accommodate a variety of customer needs. Michigan customers should have access to the full potential of these innovations. For this reason, smart grid deployment in Michigan should be standards based. Nationally and globally recognized standards play a critical role in the ongoing development of these products, services and markets. The development and adoption of smart grid standards can help investments made today remain valuable into the future, remove barriers to innovation, maximize customer choice, create economies of scale, emphasize best practices, and open global markets. A standard based framework will promote interoperability and accommodate advances in technology.

The two-way flow of system information made possible by the implementation of AMI has multiple applications outside of metering. In the future, the Staff expects to see numerous efficiency applications made possible by the availability of real-time information. Using this system information to recognize and avoid issues such as power line congestion, transformer overheating, and other detrimental grid conditions, will lower the cost of transporting energy from the power plant to the customer meter and improve reliability. Optimizing the efficiency of existing assets already in rate base will help meet increasing electric demand while minimizing investment in new generation facilities and distribution assets.

The transition to a modern grid utilizing digital technology will require a large emphasis on security. The modernized grid must be capable of providing a greater level of reliability to prevent cyber-attacks and sabotage of utility equipment. Grid modernization plans should be developed concurrently with cyber security and outage mitigation strategies. Providing adequate focus on these threats prior to their occurrence will help mitigate the overall effect on Michigan customers. The longevity of a digitalized grid will rely on a utility's ability to plan for and react to both physical and cyber-attacks. Developing robust risk based management strategies can mitigate, if not eliminate, the potential of these threats coming to fruition.

The above objectives provide a glimpse of the potential benefits of moving to a modernized electric grid. Many of the benefits outlined above are being achieved in other jurisdictions throughout the country and the world. These benefits could be realized in Michigan with proper utility implementation strategies. The Staff sees prudent utility investments in AMI as a first step toward realizing a modern grid. The Staff will continuously evaluate requests from utilities for recovery of advanced digital technology for consistency with prudence principles.

### **Opt-Out Policies in Other Jurisdictions**

A few state commissions have adopted opt-out policies for their regulated utilities. California and Maine have the two most prominent examples of commission approved opt-out policies. Costs vary across jurisdictions and service providers. Generally, an initial fee is charged to cover the fixed costs of retaining or replacing an electromechanical meter along with a monthly fee associated with the ongoing meter reading costs. For example: there is a \$75 up-front charge and a \$10 monthly meter reading charge associated with the opt-out tariff of Pacific Gas and Electric in California. NV Energy of Nevada charges a monthly opt-out fee, which is higher for customers in the northern part of the state and lower to south Nevada customers.

States and municipalities feature a variety of opt-out meter choices. Some states allow customers to retain their electromechanical meter, while others provide a smart meter with the radio transmitter turned off. When more than one opt-out method is offered (such as in Maine), the charge for retaining an electromechanical meter is greater than the radio disabled smart meter to reflect the actual increased cost of maintenance incurred by the utility. Also, NV Energy offers AMR meters to those who choose to opt-out. Using AMR infrastructure, while not optimal, does reduce the cost of an opt-out policy for both the customer and utility.

Not all utilities or states with AMI have an opt-out policy. The Public Service Commission of Washington D.C. denied a request for an investigation into opt-out, and earlier in 2012, an order from the Idaho Public Utilities Commission dismissed a pair of complaints from customers who demanded that an opt-out policy be created. Opt-out plans are not offered in the Canadian provinces of British Columbia and Ontario, while Hydro-Québec proposed a radio-off option with an up-front and monthly charge.

Some state regulators are in the process of discussing whether or not to offer AMI opt-out, while others are working through the process of reviewing proposals for utility opt-out policies and evaluating costs. Commissions in Texas and Arizona are currently investigating smart meter opt-out options. Lawmakers in Georgia and Pennsylvania have introduced legislation that requires opt-out. A senate bill in New Hampshire aims to make smart meter deployment strictly opt-in. Vermont's opt-out legislation was signed into law in May, and requires opt-out and smart meter removal free of charge. Table 2 shows the status of opt-out policies across the United States and Canada as of June 2012. It is important to note that the opt-out debate is constantly changing in light of commission findings, legislative actions, and utility planning across the country. There is no universal opt-out program.

Table 2: Smart Meter Opt-Out Policies

Jurisdiction	Opt-Out Activity	Opt-Out Cost to consumers
<b>Arizona</b> E-00000C-11-0328	Opened a generic docket for the investigation of smart meters. (8/29/11)	
<b>Colorado</b> Docket 10R-799E	The commission intends to address opt-out in future proceeding. (10/17/11)	
<b>California</b> Decision #D1202014	California PUC approved opt-out. (2/9/12)	Analog meter: \$75 initial fee, \$10 monthly fee, low income customers pay reduced fees.
<b>District of Columbia</b> Order-16708	DC PSC denied Office of the People's Counsel's request for opt-out investigation. (4/13/12)	
<b>Georgia</b> Senate Bill 459	Opt-out bill passed Georgia senate. (3/13/12)	Proposes no fee.
<b>Idaho</b> Order-32500	Consumer request for opt-out is dismissed. (3/27/12)	
<b>Illinois, City of Naperville</b>	Municipal utility approved opt-out.	Radio-off smart meter: \$68.35 + \$24.75/mo.
<b>Maryland</b> Cases 9207, 9208	Interim order allows customers to defer smart meter installation pending the commission's final decision. (5/24/12)	
<b>Maine</b> Docket 7307	Maine PUC approved opt-out. (5/19/11)	Radio-off smart meter: \$20+\$10.50/mo. Electromechanical meter: \$40+ \$12/mo.
<b>Nevada</b> Docket 11-10007	NV Energy proposed opt-out tariff: AMR w/ monthly reporting. (5/1/12)	South Nevada: \$98.75 + \$7.61/mo. North Nevada: \$107.66+\$11.01/mo.
<b>New Hampshire</b> Senate Bill 266	Bill prohibiting electric utilities from installing smart meters without the property owner's consent. Passed by house and senate. (5/16/12)	
<b>Oregon</b> Advice # 11-15 Tariff Sheet # 300	Allows PGE customers to opt-out of a digital meter. Idaho Power has digital meters in Oregon with no opt-out option. (8/10/11)	Portland GE: \$254 + \$51/mo.
<b>Pennsylvania</b> House Bill 2188	A bill allowing opt-out is in committee. (2/8/12)	
<b>Quebec</b>	Régie de l'énergie considering Hydro-Québec's proposed opt-out rates. (3/14/12)	Hydro-Quebec: \$98 + \$17/mo.
<b>Texas</b> Filing 40190	Petition requesting an opt-out being considered by the PUC. (2/16/12)	
<b>Vermont</b> Act 170	Law does not allow opt-out fees or smart meter removal fees. (5/18/12)	No cost for opt-out.

### **Opt-out Options**

The Staff concludes that providing an opt-out option is the best solution for customers who have concerns about smart meters. The Staff recommends that utilities investigate a variety of opt-out options. Electromechanical meters may be a viable opt-out option for some customers; however, maintaining electromechanical test facilities, inventory, and manual meter reading could result in higher incremental costs.<sup>54</sup> The traditional electromechanical meter is obsolete and currently not in production. Offering customers an electromechanical meter as an alternative to a smart meter is not a long-term solution.

Other options are the installation of a smart meter that does not have a communicating radio, relocating a smart meter on the customer's premise, or hard-wiring a smart meter into the network. A smart meter without a communicating radio allows the utility to maintain one type of meter. However, manual meter reading would still be required. Customers with a non-communicating meter will not receive some benefits of AMI, and would not, for example, be able to fully participate in new rate structures.

Smart meter relocation would allow customers to still receive all the benefits of AMI. Meter relocation may result in a higher initial cost and may not be feasible at some locations. Currently, administrative rules governing meter relocation allow the customer to request meter relocation at the customer's expense.<sup>55</sup>

A wired smart meter also permits opt-out customers to receive all AMI benefits by allowing two-way communication with the utility without using radio frequency (i.e. power line carrier, fiber optic cable, etc.). This option may be costly and may not be feasible within the confines of the utility infrastructure or of the customer's premises.

As discussed above, there are costs associated with allowing a customer to opt-out. Most states have acknowledged these costs by assessing charges that reflect the actual cost of maintaining a non-AMI meter.

No opt-out tariffs have been submitted to the Commission by any Michigan utilities as of June 2012. The Staff believes that ratemaking for the opt-out provision should be based on cost-of-service principles. If AMI meters result in a reduced cost of service, this could be accounted for by either an additional charge for those customers choosing to opt-out or a discount for those customers with an AMI meter.

---

<sup>54</sup> Commission billing rules allow for customers to read their own meters. However, the utility must verify the meter reading once a year. (Consumer Standards and Billing Practices for Electric and Gas Residential Services, R 460.115)

<sup>55</sup> Consumer Standards and Billing Practices For Electric and Gas Residential Services, 1999 AC, R 460.116

## **RECOMMENDATIONS AND CONCLUSIONS**

### **Health and Safety**

- After careful review of the available literature and studies, the Staff has determined that the health risk from the installation and operation of metering systems using radio transmitters is insignificant.
- The appropriate federal health and safety regulations provide assurance that smart meters represent a safe technology.

### **Data Privacy**

- The Staff recommends that all stakeholders identify and implement privacy policy considerations through administrative rules, tariffs, orders and/or other means.
- Customer data privacy policies should include provisions addressing customer consent, individual access, customer choice, notice and purpose, collection and scope, data retention and management and accountability.

### **Cyber Security**

- Each utility should adopt an annual independent security audit of the mechanisms of customer access, third party access and internal cyber risk-management practices.
- As outlined in the NARUC resolution regarding cyber security, the Staff intends to maintain a dialogue with regulated utilities to ensure that they are in compliance with standards, and that preparedness measures are employed to deter, detect and respond to cyber-attacks and to mitigate and recover from them.<sup>56</sup>
- Utilities should adopt the same breach notification policies as other states have adopted, namely the notification of any breach affecting 1000 or more customers within two weeks of the breach.
- Each utility should be required to file a yearly breach notification summary with the Staff, detailing all breaches of customer information, including any third party breach information.

### **Customer Education**

- The Staff recommends utilities develop and implement a new education strategy similar to those used in other jurisdictions. Education program results should reflect high levels of customer engagement, acceptance and enthusiasm with their smart meter program.

---

<sup>56</sup> NARUC, *Resolution Regarding Cybersecurity, et al.*

- The strategy should include metrics to measure the overall effectiveness of the education program.

### **National Policy**

- The United States Congress has passed several laws that support the upgrade of the electric grid, including deployment of smart meters for residential and other types of customers. These laws have provided a framework for smart grid, including smart meter deployment in the United States.
- Numerous prestigious agencies and institutions have considered the national outlook for the smart grid and indicate that installing smart grid technologies, including smart meters, will have a positive benefit on the United States' electric grid. These reports urge the United States to follow the directives of the federal law and update the electric grid.

### **Policies and Practices**

- Several areas of current rules and tariffs will be affected by AMI deployment in Michigan. Administrative rules, tariffs, and Commission orders should be considered, and the most effective methodology should be employed to ensure customers have adequate protections.
- It is recommended that all stakeholders work to analyze and identify the most appropriate implementation methods for addressing the policy considerations. Stakeholders should routinely review all policies related to smart grid as smart grid technologies continue to develop.

### **Smart Grid Vision**

- A Michigan smart grid vision should provide direction to implement technology that will enhance the functionality of the electric grid. All components of electric grid improvements, including AMI installation, distribution infrastructure replacement, and electric generation should reflect the larger objectives of a smart grid vision.
- The Staff proposes that future smart grid investments from utilities must correlate with the following objectives aimed at delivering transparent and identifiable benefits to ratepayers: accommodate advanced generation and storage options; enable informed participation by all customers; support new products, services, and markets; optimize existing assets, increase efficiency and improve reliability; and operate resiliently against physical and cyber-attacks.

### **Opt-Out**

- The Staff concludes that an opt-out option or options is the best solution for customers who have concerns about smart meters.
- The Staff believes that ratemaking for the opt-out provision should be based on cost of service principles. If AMI meters result in a reduced cost of service, this could be accounted for by either an additional charge for those customers choosing to opt-out or a discount for those customers with an AMI meter.

## Appendix A

### Additional Resources:

- *National Institute of Standards and Technology Interagency Report 7628, Guidelines for Smart Grid Cyber Security: Vol. 1, Privacy and the Smart Grid*, August 2010.  
[http://csrc.nist.gov/publications/nistir/ir7628/nistir-7628\\_vol1.pdf](http://csrc.nist.gov/publications/nistir/ir7628/nistir-7628_vol1.pdf)
- *National Institute of Standards and Technology Interagency Report 7628, Guidelines for Smart Grid Cyber Security: Vol. 2, Privacy and the Smart Grid*, August 2010.  
[http://csrc.nist.gov/publications/nistir/ir7628/nistir-7628\\_vol2.pdf](http://csrc.nist.gov/publications/nistir/ir7628/nistir-7628_vol2.pdf)
- North American Energy Standards Board, *Third Party Access to Smart Meter-based Information*, April 20, 2012.
- Oklahoma Electric Usage Data Protection Act, H.B. 1079, May 20, 2011.
- C. Hagan & K. Thomas, *A Model Privacy Policy for Smart Grid Data Institute for Energy and the Environment*, Vermont Law School, November 4, 2011.
- Public Utility Commission of Texas, *Electric Substantive Rules, Chapter 25 Rules*.  
<http://www.puc.state.tx.us/agency/rulesnlaws/subrules/electric/Electric.aspx>
- Federal Trade Commission, *Fair Information Practice Principles*.  
<http://www.ftc.gov/reports/privacy3/fairinfo.shtm>
- Colorado Department of Regulatory Agencies Public Utilities Commission, *4 Code of Colorado Regulations 723-3 Part 3, Rules Regulating Electric Utilities*, February 14, 2012.
- United States Code 47 §222, *Privacy of Customer Information*, January 7, 2011.
- Naperville Smart Grid Initiative, *Naperville Smart Grid Customer Bill of Rights*, Ordinance No. 11-029, February 16, 2011.
- Washington Administrative Code, Chapter 480-100, *Electric Companies*, February 15, 2012.  
<http://apps.leg.wa.gov/wac/default.aspx?cite=480-100>
- California Public Utility Commission, *Public Utility Code Chapter 4-5*.  
<http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=puc>
- NAESB Data Privacy Task Force, *Team Five-State and Province Law*.  
[www.naesb.org/pdf4/data\\_privacy\\_042111w3.doc](http://www.naesb.org/pdf4/data_privacy_042111w3.doc)
- Arizona State Legislature, *Consumer Protections; rules; confidentiality; unlawful practice*  
<http://www.azleg.gov/FormatDocument.asp?inDoc=/ars/30/00806.htm&Title=30&DocType=ARS>
- California Public Utilities Commission, *Decision Adopting Rules To Protect The Privacy And Security Of The Electricity Usage Data Of The Customers Of Pacific Gas And Electric Company, Southern California Edison Company, And San Diego Gas & Electric Company*  
<http://www.azleg.gov/FormatDocument.asp?inDoc=/ars/30/00806.htm&Title=30&DocType=ARS>

- Colorado Department Of Regulatory Agencies, Public Utilities Commission, 4 Code of Colorado Regulations (CCR) 723-3, Part 3, Rules Regulating Electric Utilities.  
<http://www.dora.state.co.us/puc/rules/723-3.pdf>
- New York Department of Public Services, Smart Grid Privacy Statement.  
<http://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=10-E-0285>
- Oklahoma State Legislature, Electric Usage Data Protection Act.  
<http://www.oklegislature.gov/BillInfo.aspx?Bill=HB1079&Tab=0>
- United States Department of Energy, Smart Grid Privacy Workshop Summary Report.  
[http://www.smartgrid.gov/sites/default/files/doc/files/Privacy%20report%202012\\_03\\_19%20Final.pdf](http://www.smartgrid.gov/sites/default/files/doc/files/Privacy%20report%202012_03_19%20Final.pdf)
- United States Department of Homeland Security, Privacy Policy Guidance Memorandum, December 29, 2008.  
[http://www.dhs.gov/xlibrary/assets/privacy/privacy\\_policyguide\\_2008-01.pdf](http://www.dhs.gov/xlibrary/assets/privacy/privacy_policyguide_2008-01.pdf)
- United States Department of Energy, Electricity Subsector cyber security risk management process, March 2012: Public Comment Draft.  
<http://energy.gov/sites/prod/files/RMP%20Guideline%20Second%20Draft%20for%20Public%20Comment%20-%20March%202012.pdf>
- Executive Office of the President, A Policy Framework For the 21<sup>st</sup> Century Grid, June 2011.  
<http://www.whitehouse.gov/sites/default/files/microsites/ostp/nstc-smart-grid-june2011.pdf>
- National Institute of Science and Technology, NIST Framework and Roadmap for Smart Grid Interoperability Standards Release 2.0.  
[http://www.nist.gov/smartgrid/upload/NIST\\_Framework\\_Release\\_2-0\\_corr.pdf](http://www.nist.gov/smartgrid/upload/NIST_Framework_Release_2-0_corr.pdf)
- ASIS International, Utility and Smart Grid Security: The impact of NERC CIP Standards and NISTIR 7628 to the Utility Industry.  
<http://www.asisonline.org/councils/documents/UtilitySmartGridSecurity.pdf>

# HOUSE BILL No. 5411

February 16, 2012, Introduced by Reps. McMillin, Opsommer, Forlini, Franz, Moss, Lund, Heise, Hooker and Lyons and referred to the Committee on Energy and Technology.

A bill to amend 1939 PA 3, entitled

"An act to provide for the regulation and control of public and certain private utilities and other services affected with a public interest within this state; to provide for alternative energy suppliers; to provide for licensing; to include municipally owned utilities and other providers of energy under certain provisions of this act; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law on the public service commission; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit certain rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to create a fund; to provide for a restructuring of the manner in which energy is provided in this state; to encourage the utilization of resource recovery facilities; to prohibit certain acts and practices of providers of energy; to allow for the securitization of stranded costs; to reduce rates; to provide for appeals; to provide appropriations; to declare the effect and purpose of this act; to prescribe remedies and penalties; and to repeal acts and parts of acts,"

(MCL 460.1 to 460.11) by adding section 10ff.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 10FF. (1) THE COMMISSION SHALL DO ALL OF THE FOLLOWING:

2 (A) REQUIRE AN ELECTRIC UTILITY TO ALLOW A CUSTOMER TO DECLINE  
3 THE INSTALLATION OR USE OF AN ADVANCED METER.

4 (B) REQUIRE AN ELECTRIC UTILITY, AT A CUSTOMER'S REQUEST, TO  
5 UNINSTALL ANY ADVANCED METER.

6 (C) REQUIRE THAT AN ELECTRIC UTILITY DOES NOT GIVE ANY METER  
7 USE DATA FROM AN ADVANCED METER TO ANY PERSON OTHER THAN THE  
8 ELECTRIC UTILITY.

9 (D) PROHIBIT AN ELECTRIC UTILITY FROM SHUTTING OFF SERVICE TO  
10 A CUSTOMER BASED ON ANY OF THE FOLLOWING REASONS:

11 (i) THE AMOUNT OF ELECTRICITY THE CUSTOMER USES.

12 (ii) THE CUSTOMER DECLINING THE INSTALLATION OR USE OF AN  
13 ADVANCED METER.

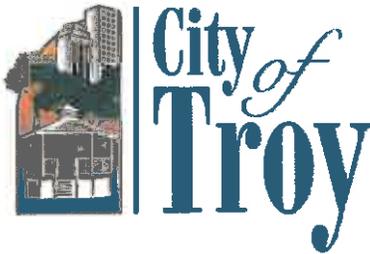
14 (E) PROHIBIT AN ELECTRIC UTILITY FROM IMPOSING ANY  
15 DISINCENTIVE ON A CUSTOMER FOR NOT ACCEPTING THE INSTALLATION OR  
16 USE OF AN ADVANCED METER.

17 (F) PROHIBIT AN ELECTRIC UTILITY FROM OBTAINING DATA FROM AN  
18 ADVANCED METER MORE THAN ONCE PER MONTH, UNLESS REQUESTED BY A  
19 CUSTOMER.

20 (G) REQUIRE AN ELECTRIC UTILITY, 30 DAYS BEFORE INSTALLING AN  
21 ADVANCED METER, TO SEND A NOTICE TO THAT CUSTOMER INFORMING THE  
22 CUSTOMER OF THE RIGHT TO DECLINE THE INSTALLATION OR USE OF AN  
23 ADVANCED METER.

24 (H) ISSUE A REPORT EACH YEAR TO THE HOUSE AND SENATE STANDING  
25 COMMITTEES WITH OVERSIGHT OF PUBLIC UTILITIES ISSUES OUTLINING  
26 ELECTRIC UTILITIES' COMPLIANCE WITH THIS SECTION.

1           (2) AS USED IN THIS SECTION, "ADVANCED METER" MEANS A METER  
2 THAT IS CAPABLE OF MEASURING, RECORDING, STORING, AND REPORTING  
3 USAGE ACCORDING TO PREDETERMINED TIME CRITERIA AND THAT ALLOWS 2-  
4 WAY COMMUNICATIONS SUITED FOR DEMAND-RESPONSE PROGRAMS.



## MEMORANDUM

TO: Members of the Troy City Council  
 FROM: Lori Grigg Bluhm, City Attorney *LGB*  
 DATE: July 20, 2012  
 SUBJECT: City Manager Search

---

Based on the Study Session discussion at the July 9, 2012 City Council Meeting, revisions were made to the draft City Manager Position Profile. These changes were immediately incorporated and the Position Profile, which is attached, has already been posted. A ratification resolution is proposed for your consideration.

City Council also discussed the placement of classified advertisements at the July 9, 2012 Study Session. Based on a referral from Councilman Henderson, our search consultant has obtained the quote of \$29.90 per line (maximum 20 figures per line) from the weekly publication and on line publication of *Military Times (Army Times, Air Force Times, Navy Times and Marine Corps Times)*. Based on the current advertisement, it would cost approximately \$500 for one week (approximately 17 lines of 20 characters each), but the ad could be pared down to reduce costs. Crains Detroit Business was also suggested for advertising. Crains charges a minimum of \$90 for four lines (maximum 42 characters per line), and an additional \$22.50 per line. Based on the deadlines for classified advertising and the closing date for applications, the ads could only be in a maximum of two weekly publications.

Our search consultant recommends the following schedule for the City Manager Search, which is designed to meet the 120 day time frame, as set forth in the City Charter:

- Friday, August 10, 2012- Deadline for receiving applications
- Wednesday, August 15 or Thursday, August 16- Closed session to determine finalists
- Tuesday, August 28- Finalist candidates appear at Town Hall or public reception
- Wednesday, August 29 and Thursday, August 30- Interviews
- Thursday, August 30- Deliberation after interviews and selection of City Manager
- Friday, September 14- Desired start date for new City Manager

Proposed resolutions calling meetings for these dates are proposed for your consideration.

Also enclosed please find a proposal from the Metiss Group. At the July 9, 2012 Study Session, City Council discussed the advantages of having some or all of these services provided to supplement the Mercer Group search process.



**City of Troy, Michigan**

**Profile for the Position of**

**CITY MANAGER**

---

Resumes will be accepted until August 10, 2012.

**Submit resumes to:**

Phillip G. Robertson

The Mercer Group, Inc.

3443 Highway 39 North

Louisburg, North Carolina 27549

Electronic Submission Strongly Preferred: [MercerNC@aol.com](mailto:MercerNC@aol.com)

**Confidentiality must be explicitly requested if desired.**

**THE CITY OF TROY IS AN EQUAL OPPORTUNITY EMPLOYER**

## FOREWORD

This is an outstanding opportunity for professional city management with one of the most culturally diverse and innovative cities in Michigan. The successful candidate will have the advantage of a highly professional team of department heads and a community culture of excellence. This is a position that reports to a Mayor and City Council with a sound Council-Manager form of government that has had five managers since 1970.

Troy is the largest city in Oakland County (pop. 80,980), 13th largest city in Michigan, and the third largest city in the State based on total property value. The City has an outstanding location in the heart of Oakland County, offering quick highway access to I-75, I-696 and M-59. Troy is only 20 minutes from Detroit, 45 minutes from either Detroit's Metropolitan Airport (DTW) or Flint's Bishop International Airport (FNT), and less than 30 minutes from the Oakland County International Airport (OCIA).

Troy is a highly educated community with 57% of its population obtaining a bachelor's degree or higher. The City prides itself on its diversity in its homes and businesses; 83 different languages are spoken in Troy homes and 6,000 businesses within the City employ more than 125,000 people.

Troy is the safest city in Michigan of all cities with populations of over 75,000, also ranking 19th safest in the U.S.

The Troy School District is one of the highest ranked districts in the State and the Country. It is one of only four school districts in Metro Detroit to receive an A+ rating from the Detroit News. The entire Troy School District has achieved North Central Accreditation. Thirteen universities and technical schools have campuses in Troy.

Troy residents and businesses have access to two highly regarded medical centers within the municipal boundaries. Troy Beaumont Hospital's 394-bed community hospital has full in-patient and out-patient services. Henry Ford Health Medical Center offers services such as dermatology, family practice, neurology, eye care, pediatrics, and internal medicine.

This recruitment profile outlines the experience, education, skills, abilities and personal characteristics identified as ideal for the successful candidate for City Manager in the City of Troy. The profile was prepared following interviews with City Council, community members and staff members.

Information regarding the City's demographics, economic profile, facilities and location has been

included to provide potential candidates with an understanding of the community. Also, information about the City government, the service it provides, the employees and the governmental structure is presented. Major issues facing this new position are also listed. Much more information is available on the City's web site at [www.troymi.gov](http://www.troymi.gov).

This Profile will be used as a guide in the recruitment process, providing specific criteria by which applications will be screened and individuals selected for final interview and consideration for appointment.

All inquiries relating to the recruitment and selection process for the City Manager position are to be directed to the attention of the consultant working with the City of Troy as listed on the cover of this Profile.

# TABLE OF CONTENTS

<u>Section</u>	<u>Page No.</u>
<b>FOREWORD</b> .....	2
<b>I ABOUT TROY</b> .....	5
<b>II ABOUT THE CITY GOVERNMENT</b> .....	10
<b>III ISSUES FACING THIS POSITION</b> .....	11
<b>IV THE POSITION</b> .....	13
<b>V THE IDEAL CANDIDATE</b> .....	15
<b>VII POSITION ADVERTISEMENT</b> .....	18

## **I. ABOUT TROY**

Troy is a leading city in Oakland County, located in Southeast Michigan, within 20 miles of Detroit and Windsor, Ontario, and less than a day's drive from Grand Rapids, Cleveland, Chicago, Pittsburgh and Toronto. It is a residential and business community located strategically astride I-75, north of Detroit with access to the key national routes of I-96 and I-94. Troy covers 34.3 square miles.

In 2005, Troy celebrated the 50<sup>th</sup> anniversary of its incorporation as a City. Formerly Troy Township, this community had grown from a rural residential area somewhat removed from industrial Detroit and Pontiac. Long before the automotive industry developed in surrounding communities, enterprising professionals and business people discovered the inherent potential in what was to become the City of Troy.

Since its incorporation, Troy has guided its growth with a Master Land Use Plan with components including parks and a thoroughfare plan. A key element of growth planning was a balanced land use to support balanced property taxes for City services and excellent schools, relying proportionately on residential and commercial properties. Troy emphasized quality long before it was fashionable, resulting in attractive developments that house many national and international headquarters. Fueled by necessity and inspired by a changing population, economy and region, the City of Troy determined that the development of a new Troy Master Plan was critical to help the community cope with the realities of the 21st century in Michigan. The Master Plan is the official policy guide for the resolution of community development issues, and is relied upon to illustrate the desires of the City with regard to future growth and development. Given that the previous Master Plan was originally adopted in 1965, with approximately 20 updates since that time, a large measure of effort became necessary to develop a new, original Master Plan designed around the modern City of Troy. The new Master Plan was adopted in 2008.

### **Quality of Life**

In 2008, Troy was named CNN Money Magazine's #1 Best City to Live in the State and #22 Best in the Nation. According to Morgan Quinto Press, it is the Safest City in Michigan of cities with over 75,000 persons. The City ranked as the 19th safest in the nation.

The Troy School District is one of the highest ranked districts in the State and the Country. It is one of only four school districts in Metro Detroit to receive an A+ rating from the Detroit News. The following schools were named among the top four percent of all U.S. high schools by Newsweek: Troy Athens, Troy High and the east campus of the International Academy. The entire Troy School District has achieved North Central Accreditation.

Troy has an outstanding park system with twenty parks and other recreational facilities comprised of more than 900 acres. Troy was named a Tree City for the 21<sup>st</sup> year by the Arbor Day Foundation to honor its commitment to community forestry.

Troy is serviced by the SMART regional public transportation system. For employees and residents that do not have access to a personal automobile or choose not to drive, SMART provides regional access to more than 75,000 businesses and 1.3 million jobs.

### **An Efficient Government**

With a 2012 millage rate of 10.48, Troy has one of the lowest tax rates in Oakland County. Troy's building and development processes are fast, fair and predictable. SAFEbuilt, Inc., Troy's building services provider, has been given a 98% satisfaction rating by customers seeking building permits, inspections and assistance. Troy adopted a new, state-of-the-art form based zoning ordinance in April of 2011. The new ordinance is user-friendly, flexible and helps to create an environment for investment in the City. It is available on Troy's website ([www.troymi.gov](http://www.troymi.gov).)

For the 14th consecutive year, the City of Troy received the Certificate of Achievement Award for Excellence in Financial Reporting from the Government Finance Officers Association for the Comprehensive Annual Financial Report. Troy has also been recognized by GFOA for 12 straight years for its Financial Summary.

### **A Strong Business Community**

Troy is Michigan's premiere address for business, retail and commerce, and is a prime location for new and expanding businesses. Troy is home to 7 million square feet of retail space, 21 million square feet of office and engineering space, and 16 million square feet of manufacturing space. Troy's 6,000 flourishing businesses, including some of the most advanced technology companies in the world, employ 125,000 people. Troy's business environment is progressive and diverse with a mix of major corporations and small local businesses. Located in the heart of Automation Alley, southeast Michigan's world-renowned technology cluster, Troy is at the center of global automotive technology and manufacturing and a major contributor to Michigan's ranking as one of the largest high-tech workforce employers in the Country.

Troy is home to several corporate and regional headquarters including Altair Engineering, AxelTech, Bank of America, Behr America, Delphi, Flagstar Bank, Huntington Bank, Kelly Services, Kostal North America, Magna International, Macy's, Meritor, PNC Bank, and Valeo. Troy is home to the Automation Alley headquarters, Michigan's largest technology business association driving growth in Southeast Michigan's economy.

Troy is Michigan's top location for Automotive Research and Development facilities. According to the Michigan Economic Development Corporation, Troy is home to 41 of the State's 330 automotive R&D facilities. For four straight years, Troy received top e-Cities rankings from the University of Michigan-Dearborn, based on its attraction and retention of entrepreneurial companies.

### **A Diverse Community**

Over 83 languages are spoken in homes in this diverse, multi-cultural community. Troy is a city of unique neighborhoods and businesses that reflect this multi-culturalism. The community has more than 70 houses of worship and a large number of active community and non-profit organizations.

### **Shopping & Entertainment**

Troy is known widely for its extraordinary shopping, dining and entertainment centers. Along the "Golden Corridor" of Big Beaver Road, the Somerset Collection includes 180 retail stores of the most sophisticated and modern merchandising in the Country. One of this Country's premier upscale shopping destinations, the 1.44 million square foot mall features over 180 stores and restaurants including anchors Saks Fifth Avenue, Nordstrom, Neiman Marcus and Macy's.

Families also enjoy the convenient shopping and dining available in many neighborhood centers, other major arterial commercial malls, and in the renovated Oakland Mall.

### **Family Recreation**

Residents and visitors take full advantage of Troy's extensive park system that encompasses more than 900 acres, and includes five major parks, nine neighborhood parks, two golf courses, a skate park, a historic village and a nature center. There is a mixture of open space, woodlands, rivers, lakes and recreational and athletic facilities. Activities, travel, fitness and life-long learning opportunities are available through the Recreation Department, including an active senior citizens program. The state-of-the-art Troy Community Center features areas for fitness, indoor aquatics, cardiovascular and weight equipment, gyms, banquet and meeting rooms, pre-school, teen room and senior center. The Lloyd A. Stage Nature Center offers educational programs and two miles of nature trails, with 100 acres of wildlife sanctuary, a farm and an interpretive center. The Troy Historic Village Green features ten historic buildings and a charming village green. In the Civic Center Complex, the Troy Family Aquatic Center includes a pool with zero-depth entrance and lap lanes, water slides, kids spray pools, sand volleyball court and other aquatic facilities. The Troy Racquet Club is an excellent public-private partnership offering indoor and outdoor tennis courts and lessons. The Troy Sports Center is a premier (privately owned) hockey facility, with four ice arenas.

There are many recreational offerings for Troy residents in Oakland County as well: 89,000 acres of park for year round outdoor recreation, three downhill ski sites, about 1,468 lakes and the headwaters of five major rivers: the Clinton, Huron, Rouge, Shiawassee and Flint rivers. There are also 26 private and 60 public golf courses (including Troy's publicly owned Sylvan Glen and Sanctuary Lake courses, which are managed by Billy Casper Golf).

### **Healthcare & Safety**

Troy residents and businesses have access to two highly regarded medical centers within the municipal boundaries.

Beaumont Health System is a three-hospital, 1,744-bed regional health care provider that includes Troy Beaumont's 394-bed hospital. With locations in Oakland, Macomb, and Wayne counties, the system employs more than 14,000 (full-time-equivalent) and 3,700 physicians. All three hospitals were recently listed in the top ten Detroit metro area hospitals by *U.S. News & World Report*.

Henry Ford Health System also provides world-class health care services throughout the Detroit metropolitan area. With more than 23,000 employees – including 9,400 nurses and 4,000 allied health professionals, Henry Ford Health System is considered one of the nation's leading health care providers. The health system's six member hospitals offer an array of acute, primary, tertiary and preventive care with 1,200 physicians and researchers in 40 specialties. The Henry Ford Medical Center in Troy provides clinical services in most major specialties, and offers services such as dermatology, family practice, neurology, eye care, pediatrics, and internal medicine.

The University of Michigan Hospital is nearby in Ann Arbor, providing world-renowned research, diagnosis and treatment. ..Wayne State University medical school hospitals are also highly ranked for patient care and specialty areas of treatment.

Emergency medical response is provided to citizens by a private contractor on a fee basis, with paramedic first responders and advanced life support ambulance service. For fire and life safety, the Troy Fire Department is a highly rated, cost-effective service of excellent national repute. The Troy Fire Department is unique in that it relies on volunteer firefighters. While volunteer fire service is a long-standing tradition in many areas, it is not typical for large communities like Troy. Troy's Fire Department is nationally recognized as a model for large-scale volunteer fire departments and provides top-rated, cost-effective fire protection service to Troy citizens, businesses and property.

The Troy Police Department has a proud history of providing effective and efficient law-enforcement service through a culture of partnership between the police department and the Troy

community. Ranked as the Safest City in Michigan with a population over 75,000, the men and women of the Troy Police Department are dedicated to carrying out this tradition long into the future and ensuring the community remains one that is sought out for its high quality of life.

### **Education**

Troy hosts seven public school districts, with the largest enrollment in the Troy School District: <http://www.troy.k12.mi.us/> [www.troy.k12.mi.us](http://www.troy.k12.mi.us) . The Troy School District is continually honored at the state and national level for its excellence in education, and is one of the highest ranked districts in the state and the country. It is one of only four school districts in Metro Detroit to receive an A+ rating from the Detroit News. The following Troy schools were named among the top four percent of all U.S. high schools by Newsweek: Athens High, Troy High and the east campus of the International Academy. The entire Troy School District has achieved North Central Accreditation.

Thirteen universities and technical schools have campuses in Troy. Residents have local access to satellite locations of Oakland University, Northwood University, the University of Phoenix, Central Michigan University, Michigan State University, Spring Arbor University, Baker College, Walsh College (main campus) and Oakland Community College. These institutions provide undergraduate, graduate, research and continuing professional education to residents of Troy and throughout Southeast Michigan.

### **Michigan! Great Lakes, Great Times!**

Troy residents can also take full advantage of the high quality of life throughout Michigan. The full cultural and urban sophistication of Southeast Michigan, Ontario, Canada and the historic and recreational delights of northern and mid-Michigan are conveniently accessible from I-75. The Detroit Institute of Arts and the Detroit Symphony are world-class institutions. The State Capital in Lansing provides important public facilities and agencies, including the State of Michigan Library and Historical Museum and Michigan State University. Ann Arbor offers many cultural attractions as well as the University of Michigan and its important medical research and hospital complex. Professional athletic teams (Red Wings, Lions, Tigers and Pistons) and NCAA champions are within a short drive from Troy. Michigan residents enjoy an active quality of life all year round.

Much more information about Troy may be obtained by visiting the Troy Chamber of Commerce and the Oakland County websites at: [www.troychamber.com](http://www.troychamber.com) and [www.oakgov.com](http://www.oakgov.com) .

## **II. ABOUT THE CITY GOVERNMENT**

The Mission, Vision and Goals of the City of Troy are expressed as follows:

### **Mission**

Provide public service to people in a friendly, professional manner so they appreciate the experience and can expect to be served that way again.

### **Vision**

To honor the legacy of the past and build a strong, vibrant future and be an attractive place to live, work, and grow a business.

### **Goals**

#### **Provide a safe, clean, and livable city**

Practice good stewardship of infrastructure

Maintain high quality professional community oriented police and fire protection

Conserve resources in an environmentally responsible manner

Encourage development toward a walkable, livable community

#### **Provide effective and efficient local government**

Demonstrate excellence in community services

Maintain fiscally sustainable government

Attract and support a committed and innovative workforce

Develop and maintain efficiencies with internal and external partners

Conduct city business and engage in public policy formation in a clear and transparent manner

#### **Build a sense of community**

Communicate internally and externally in a timely and accurate manner

Develop platforms for transparent, deliberative and meaningful community conversations

Involve all stakeholders in communication and engagement activities

Encourage volunteerism and new methods for community involvement

Implement the connectedness of community outlines in the Master Plan 2008

#### **Attract and retain business investment**

Clearly articulate an economic development plan

Create an inclusive, entrepreneurial culture internally and externally

Clarify, reduce and streamline investment hurdles

Consistently enhance the synergy between existing businesses and growing economic sectors

Market the advantages of living and working in Troy through partnerships



### **Government and Organizational Structure**

The City of Troy Home Rule Charter provides for the Council/Manager form of government. The Home Rule Charter was first adopted in 1955. The elective officers of the City are the six members of Council and the Mayor, all nominated and elected from the City at large on a non-partisan basis for overlapping 4-year staggered terms. Councilmembers are limited to three terms. The Mayor is limited to two terms. The next election for City Council will be in November 2013.

The Mayor is the executive head of the City and performs such other duties consistent with the office as may be imposed by the Charter and by ordinances or resolutions. The Mayor may vote in all matters coming before the Council and has no veto power. The City Council chooses from its members a Mayor Pro Tem, who performs all the duties of the Mayor in the absence of the Mayor.

The City Council appoints the City Manager and City Attorney. With the consent of City Council, the City Manager, as chief administrator, makes the appointment of other professional department heads who serve at the will of the City Manager.

### **III. ISSUES FACING THIS POSITION**

The issues identified below are not listed in order of priority or importance but are intended to provide an overview of issues and challenges which will need to be addressed by the new City Manager.

#### **Decreasing Revenues**

Traditionally, the City has tried to maintain a 50/50 split between residential and commercial tax revenues. In recent years, a high commercial vacancy rate has placed a greater percentage of tax revenues on the residential sector. Recent declines in the value of this residential property have further exacerbated revenue short falls. Further exacerbating the issue, there are state caps on the City's ability to increase the taxable value of residential property, even if the appraised value increases quickly as the local economy turns around. This means that the return of residential tax revenues to previous levels will require numerous years. The new City Manager will be expected to develop a plan for long term maintainability of infrastructure and the establishment of a revenue stream which effectively deals with this complex and crucial issue.

#### **Downtown Development Authority Financial Obligations**

The City Manager's staff and City Attorney's staff provide professional and clerical support for the Downtown Development Authority. The Downtown Development Authority by-laws state: *That the Executive Director of the DDA may be the City Manager of the City of Troy or the Board may designate a qualified person as Executive Director to perform the duties of the office.* The previous City Manager was the Executive Director.

The Troy Downtown Development Authority is experiencing ongoing tax base erosion. Taxable values continue to fall, declining by about 8% in fiscal year 2012/13. Over the past four years the tax base has lost approximately one third of its value, while the tax increment dropped 87%. In recent years tax increments have fallen increasingly short of annual debt service costs, requiring use of operating reserves. The Downtown Development Authority projects that the debt service reserve fund will be extinguished by November 2013, absent voluntary intervention by the City of Troy. The City did not pledge its full faith and credit for the bonds, some of which are insured by bond insurance provided by National Public Finance Guarantee Corporation. The new City Manager will have to immediately address this pressing situation.

### **Divided Political Environment**

There is currently a divided political environment among politically active groups within the community, as well as among the members of the City Council itself. The Mayor is facing a recall election in the fall. The new City Manager will be expected to effectively and apolitically bridge the gaps between ideologies and identify common ground while developing a trust in the City's government.

### **Employee Morale and Continued Productivity**

During the past several years, the City's work force decreased by approximately one third. This has resulted in increased workloads, curtailment of some services, and a concern among the remaining employees regarding job security. The City Manager will be challenged to present clear and persuasive explanations to City Council and the public about the value of services received for taxes and fees paid, identifying, pricing, and attaching staff levels to core services.

### **Innovation and the Development of New Partnerships**

The new City Manager will be expected to be innovative in the function of Troy's government while looking at ways to possibly use Michigan's structure of multiple local governmental units to emphasize and facilitate regional collaboration tailored to address key operational issues.

### **Successful Labor and Employee Relations**

Michigan is historically a strong labor state and has some of the most sophisticated educators and practitioners in collective bargaining. The City has five (5) bargaining units, some of which are subject to binding arbitration provided in Michigan's Public Employment Relations Act.

City staff has become adept at interest-based bargaining, which has contributed to mature relationships with these bargaining units. Contract negotiations have reached successful, mutually beneficial agreements and have avoided the remote settlements of binding arbitration. At this time of changing outlook and resources, the City Manager must be attuned to interest-based bargaining and successful, mature relationships with the bargaining units and other non-represented employees.

The five bargaining units are the: American Federation of State, County and Municipal Employees (AFSCME); Michigan Association of Police (MAP); Troy Fire Staff Officers Association (TFSOA); Troy Command Officers Association (TCOA); and, Troy Police Officers Association (TPOA).

#### **IV. THE POSITION**

The Troy Charter provides for a City Manager who “shall be the chief administrative officer of the City. He or she shall be selected on the basis of fitness and ability alone. ...[and] during the tenure of his office, he or she shall reside within the City.”

The Mayor “shall be the executive head of the City...shall have a voice and vote in all proceedings of the Council equal with that of members...but shall have no veto power. He or she shall be the presiding officer of the Council.” In addition, the Mayor’s duties are as conservator of the peace with authority during emergencies, and signatory to official instruments of the City.

The Charter provides for the separation of the policy board and the administrative service in this way: “Neither the Council nor any of its members or committees shall dictate the appointment of any person to office by the City Manager or in any way interfere with the City Manager or other city officer to prevent them from exercising their judgment in the appointment or employment of officers and employees in the administrative service. Except for the purpose of inquiry, the Council and its members shall deal with the administrative service solely through the City Manager, and neither the Council nor any member thereof shall give orders to any of the subordinates of the City Manager...”

**Duties of the City Manager:** The City Charter prescribes the following functions and duties:

1. To be responsible to the Council for the efficient administration of all administrative departments of the City government except the department under the direction of the city attorney.
2. To see that all laws and ordinances are enforced.
3. To appoint, with the consent of the Council, the heads of the several city departments whose appointment is not otherwise specified in the charter, and to discharge such department heads without the consent of the Council, and to direct and supervise such department heads.
4. To give to the property department or officials ample notice of the expiration or termination of any franchises, contracts or agreements.
5. To see that all terms and conditions imposed in favor of the City or its inhabitants in any public utility franchise, or in any contract, are faithfully kept and performed.
6. To recommend an annual budget to the Council and to administer the budget as finally adopted under policies formulated by the Council, and to keep the Council fully advised at all times as to the financial condition and needs of the City.
7. To recommend to the Council for adoption such measures as he or she may deem necessary or expedient; and to attend Council meetings with the right to take part in discussions but not

to vote.

8. To exercise and perform all administrative functions of the City that are not imposed by Charter or ordinance upon some other official.
9. To be responsible for the maintenance of a system of accounts of the City, which shall conform to any uniform system, required by law and by the Council and to generally accepted principles and procedures of governmental accounting.
10. To perform such other duties as may be prescribed by Charter or as may be required of him by ordinance or by direction of the Council.

**Performance Planning:** The new City Manager can anticipate the establishment of mutually agreed performance standards, describing expectations and measures, at the time of hiring. The Manager will be expected to establish a credible, supportive working relationship with City employees, City Council and members of the public. The City Manager can also expect to receive a thorough performance appraisal annually with constructive feedback and performance objectives.

**Compensation:** Salary is negotiable within a range that starts at \$104,869; the salary offer may be higher, depending upon qualifications. The City provides competitive fringe benefits, including family health coverage including prescriptions and dental. All new full-time Troy city employees are members of a defined contribution 401 (a) plan with graduated vesting up to 100% after 5 years, administered by ICMA/RC.

**Residency Preferred:** Although state law purports to prohibit the City from requiring staff members to live within the City, the Troy Charter includes the expectation that the City Manager to become a City resident throughout his or her tenure.

**Employment at Will:** The City Manager serves at the pleasure of the City Council according to the terms of an employment agreement.

**Interview Process:** After screening and qualification by The Mercer Group, Inc., and approval by the City Council, the final candidates will be invited to Troy for introductions and an interview with Councilmembers. Intensive background investigations will be conducted, which may include visits to the home city of the final candidate(s) as part of the selection process. Candidates may be required to respond to other tests of fitness and merit or assessment of professional qualifications. Within the constraints of Michigan law, and if each candidate requests confidentiality, the resumes and all application materials of the final candidates will be kept confidential throughout the selection process until names of finalists are released by the City prior to scheduling interviews.

## **V. THE IDEAL CANDIDATE**

The ideal candidate will have a graduate degree in public or business administration or a related field, plus seven years as a leader and executive in a similar municipality, private sector job, military position or an equivalent combination of education and experience, as set forth below.

### **Education and Professional Development**

- Requires bachelor's degree in public or business administration, or closely related field. A master's degree in one of these fields is preferred.
- An equivalent combination of education and experience that prepares the candidate for the full responsibilities of managing a local government of this level of complexity.
- Demonstrated continuing professional development as evidenced by a professional development plan, active membership and training with professional government organizations and/or business professional organizations, or similar affiliations or continuing professional education.

### **Experience**

- Seven years increasing responsibility as a high level administrator capable of managing the full services and programs of a municipality of similar size or scope to that of Troy.
- Working knowledge of: fund accounting and financial management; human resources management; business recruitment and retention practices; or governmental relations.
- Experience with the practice of long term, strategic planning of community opportunities, facilities, programs and financial condition. Familiar with managing change and diversity.
- A record of success in redevelopment, business recruitment and retention, and code enforcement in strengthening the employment and housing stock of communities.
- Experience working with state legislators and administrative agencies to maximize funding opportunities and protect the City's interests.
- Experience with budget planning and administration and with developing the schedules and financing methods for capital improvements.
- Familiarity with the most modern practices of management, providing direction, delegating authority, holding staff accountable to performance standards and encouraging teamwork.

- Experience with deliberate joint, cooperative planning with neighborhoods and community leaders.
- Experience with a mature collective bargaining relationship, preferably with knowledge of interest-based bargaining.

### **Working Style, Skills, Knowledge and Abilities**

- Accustomed to a community role as leader and participant in community affairs. A person who establishes positive, welcome communications with the community.
- Accustomed to a management role as a leader and supporter of department heads and employees, with respect for individuals and the work they perform, and setting a style of open communications.
- A collaborative approach to working with a board of governance and citizen groups, while attending to the separate roles of policy and administration.
- A thorough approach to examining alternatives, and presenting well-documented recommendations to a board of governance, including explanation of alternatives, pros and cons. A person who is nevertheless decisive when necessary and appropriate.
- A relationship builder with staff members, board members community groups and other government agencies.
- Business acumen for establishing positive business and industry relations.
- An understanding of the motivation of employees and a recognition of talent and ability to give credit for accomplishments and contributions.
- An understanding of the importance of positive public relations, including developing constructive communications with the news media and the public.
- Familiarity with the modern management techniques of information technology, service improvement (including process improvement methods), and customer-orientation for the 21st Century.

### **Personal Characteristics**

- A person of unquestionable integrity, ethics and judgment; one who can be trusted.
- An idea person who is comfortable with risk. A person who sets an example and an expectation of professionalism among the City department heads and staff.

- A person who is accustomed to working in an environment of ethnic and cultural diversity and who embraces such diversity.
- A leader with foresight to imagine and anticipate trends and opportunities. A person who can help to articulate to residents and City staff the values and the vision for Troy, and who can assume a civic leadership role in Oakland County and Southeast Michigan.
- Desire to be seen and active in community affairs, to join groups of his or her interest and to establish rapport with residents in all the city's neighborhoods. Talent for meeting the public and making public presentations.
- Desire to get to know this community, its history and diversity of culture.
- A person who understands the need to listen and learn before introducing changes into the organization or in the community. A person who is nevertheless comfortable with strong leadership, organizational change and development.
- Fair and consistent in managing City employees; decisive and prompt in resolving community issues.
- Skilled at written and oral presentation.
- An enthusiastic and authentic contributor to the community.
- Strong-willed and thick-skinned.

## **VII. POSITION ADVERTISEMENT**

### **TROY, MICHIGAN CITY MANAGER**

This is an exceptional opportunity to manage one of the most successful, responsive, and culturally diverse cities in the United States. This prosperous, vibrant community, with a population over 81,000, a leading city in thriving Oakland County since 1955, seeks a City Manager to sustain the culture of professionalism and excellence. Troy values education (with nationally acclaimed schools and 13 colleges available), award-winning library, historic village and a well educated, civic-minded public. Troy has a balanced community of desirable neighborhoods, Fortune 500 and high tech quality businesses, regional banking, industrial property and world-class retail shopping. Recognized for its low crime rate and high quality of family life, with fine public facilities and recreation opportunities. Takes pride in its effective volunteer fire department with excellent fire loss and life safety record. City Manager appointed by seven-member City Council, including Mayor, under strong home rule Charter, Council/Manager government. Compensation very competitive, DOQ, with excellent benefits, 401 and 457 retirement. Total budget of \$131.5M, and 319 FT employees. Prefer graduate degree in public or business administration or related field plus 7 years as leader and executive in similar municipality, private sector, military, or equivalent combination of education and experience. The ideal candidate will have an agile financial mind with a record of excellent skills in management, budgeting and revenue enhancement as well as cost-effective service delivery. A style of professionalism and team-building with expert, innovative staff. Excellent communications with Council, staff and public, both written and oral presentation. Ability to facilitate Council vision, priorities and align City work program for measurable performance. Experience with maturing and diverse communities, redevelopment and collaboration. Experienced with successful interest-based collective bargaining. See [www.troymi.gov](http://www.troymi.gov) **Resume, cover letter and salary history to Phillip Robertson, The Mercer Group, Inc., 3443 Highway 39 North, Louisburg, N.C. 27549. *Electronic submission of application materials strongly preferred.* [MercerNC@aol.com](mailto:MercerNC@aol.com) Confidentiality must be explicitly requested if desired. A detailed Position Profile is available at [www.mercergruoinc.com](http://www.mercergruoinc.com). EOE**

**Links that will provide additional detailed information about  
the City of Troy:**

Economic Resource Guide:

<http://www.troymi.gov/EconomicDevelopment/TroyEconResourceGuide2012.pdf>

City of Troy quarterly newsletter

<http://www.troymi.gov/TroyToday/>

City Council Meetings Archive

<http://www.troymi.gov/Council/Meetings/Archive.aspx>

Troy's Economic Sustainability

<http://www.troymi.gov/EconomicSustainability/>



Lori Grigg Bluhm

July 20, 2012

**RE: The Metiss Group SelectAdvantage™ Services Proposal**

Lori,

As we discussed, below is the proposed investment for our SelectAdvantage™ services.

1) Candidate review includes:

- Candidate TriMetrix assessment;
- Candidate Watson-Glaser Critical Thinking assessment;
- Candidate assessment summary;
- Investment - \$490 per candidate

2) Selection Team Coaching, including:

- Candidate reference checks;
- Hiring Manager report;
- Hiring Manager(s) candidate findings meeting;
- Follow-up interviews;
- Investment - \$125 per hour

Terms:

- Payable in full upon receipt of invoice

We look forward to helping you and the City of Troy in selecting the next city Manager.

Sincerely,

Nancy Odil  
Vice President, Client Services

---

behavior experts at work

[info@metissgroup.com](mailto:info@metissgroup.com) | [www.metissgroup.com](http://www.metissgroup.com)

155 Romeo Road / Suite 300 / Rochester / Michigan 48307 / P 248 322 7200  
11701 Nautical Drive / Suite 306 / Charlotte / North Carolina 28203 / P 704 337 0550

Mayor Janice Daniels performed the Invocation. The Pledge of Allegiance to the Flag was given.

### A. CALL TO ORDER:

A Regular Meeting of the Troy City Council was held Monday, July 9, 2012, at City Hall, 500 W. Big Beaver Road. Mayor Daniels called the meeting to order at 7:33 PM.

### B. ROLL CALL:

Mayor Janice Daniels  
 Jim Campbell  
 Wade Fleming  
 Dave Henderson  
 Maureen McGinnis  
 Dane Slater  
 Doug Tietz

### C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:

**C-1** Presentation of Youth Achievement Scholarship Awards on Behalf of SAFEbuilt, Inc. to Troy Residents Dane Nowosatko and Jannet Jones

**C-2** Presentation from the Detroit Institute of Arts (DIA) on Inside/Out Project – Troy (July – September, 2012)

### D. CARRYOVER ITEMS:

**D-1** No Carryover Items

### E. PUBLIC HEARINGS:

**E-1** No Public Hearings

### F. PUBLIC COMMENT:

Broser, Philip	Spoke about Item N-6 Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters
Fleming, Donald	Spoke about Item N-6 Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters
Sheldon, David	Spoke about Item N-6 Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters
Lonier, David	Spoke about Item N-6 Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters
Trikes, Tim	Spoke about Item N-6 Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters
Keller, Ron	Spoke about Item N-6 Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters

Lindsey, Stephen	Spoke about Item N-6 Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters
Holton, Pauline	Spoke about Item N-6 Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters
Peters, Richard	Spoke about fireworks, global warming and other various topics.
Kajma, Linda	Spoke about Mayor Daniels.
Gosselin, Toby	Spoke about an event that occurred during public comment at the June 18, 2012 City Council meeting.
Holeton, John	Spoke about Item N-6 Summary of MPSC's Case No. U-17000, Regarding AMI ("Smart") Meters
Hodorek, Ellen	Commended City Staff for the 2012/13 Budget and spoke of the future of Troy.
Williams, Jeff	Spoke about Mayor Daniels.

## G. RESPONSE / REPLY TO PUBLIC COMMENT

## H. POSTPONED ITEMS:

**H-1** No Postponed Items

## I. REGULAR BUSINESS:

**I-1** Board and Committee Appointments: a) Mayoral Appointments – Local Development Finance Authority (LDFA); Planning Commission; b) City Council Appointments – Liquor Advisory Committee (Student)

### a) Mayoral Appointments

Resolution #2012-07-139

Moved by Daniels

Seconded by Fleming

RESOLVED, That the Mayor of the City of Troy hereby **APPOINTS** the following nominated person(s) to serve on the Boards and Committees as indicated:

#### Local Development Finance Authority (LDFA)

Appointed by Mayor

5 Regular Members; 2 City Council Member Alternates

Staggered 4 Year Term

**Term Expires: 06/30/2015**

**Paul Hoef**

**(Resident Member)**

**Term Expires: 06/30/2016**

**John Sharp**

**(Resident Member)**

**Term Expires: 06/30/2016**

**David Shields**

**(Member)**

Planning Commission

Appointed by Mayor  
9 Regular Members  
3 Year Term

**Term Expires: 12/31/2013**

**Ed Kempen**

Yes: Daniels, Fleming, Henderson, Tietz  
No: Campbell, McGinnis, Slater

**MOTION CARRIED**

**b) City Council Appointments**

Resolution #2012-07-140  
Moved by McGinnis  
Seconded by Campbell

RESOLVED, That Troy City Council hereby **APPOINTS** the following nominated person(s) to serve on the Boards and Committees as indicated:

Liquor Advisory Committee

Appointed by Council  
7 Regular Members  
3 Year Term

**Term Expires: 07/31/2013**

**Jesse Pappas**

**(Student Rep.)**

**Term Expires: 07/31/2013**

**Eun Joo Scherlinck**

**(Student Rep.)**

Yes: All-7  
No: None

**MOTION CARRIED**

**I-2 Board and Committee Nominations: a) Mayoral Nominations – None; b) City Council Nominations – Historic District Commission; Parks and Recreation Board**

**a) Mayoral Nominations - None**

**b) City Council Nominations**

**City Council took no action on this Item.**

**I-3 No Closed Session Requested**

**I-4 Application Regarding Class C and SDM Liquor Licenses for Rochester Road Ventures**

Resolution #2012-07-141

Moved by Slater

Seconded by McGinnis

**(a) Transfer Class C License, Outdoor Service Permit (1 Area), Dance-Entertainment Permit; and Request New SDM License, and Add Space**

RESOLVED, That Troy City Council hereby **CONSIDERS** for **APPROVAL**, a liquor license request as indicated below, and hereby **AUTHORIZES** the Mayor and City Clerk to **EXECUTE** the document, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

<b>Liquor License Applicant :</b>	<b>Rochester Road Ventures, LLC</b>
<b>Type of License Requested :</b>	<b>Transfer ownership of 2011 Class C licensed business with Outdoor Service (1 Area) and Dance-Entertainment Permit from Mercmiles, Inc., and request new SDM license, and add space.</b>
<b>Located at :</b>	<b>3946 Rochester Road, Troy, MI 48083</b>
<b>MLCC Request # :</b>	<b>628433</b>

and

**(b) Agreement**

WHEREAS, The Troy City Council deems it necessary to enter into agreements with applicants for liquor licenses for the purpose of providing civil remedies to the City of Troy in the event licensees fail to adhere to Troy Codes and Ordinances;

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **APPROVES** an agreement with the liquor license applicant named in the approved resolution above, and hereby **AUTHORIZES** the Mayor and City Clerk to **EXECUTE** the document, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

Yes: All-7

No: None

**MOTION CARRIED****I-5 Waiver of Bid for Purchase of Fire Apparatus**

Resolution #2012-07-142

Moved by Fleming

Seconded by Slater

WHEREAS, Fire staff and station officers evaluated a number of specifications and determined the PUC (Pumper Under Cab) manufactured by Pierce provided significant advantages over conventional fire apparatus design; and

WHEREAS, Halt Fire Inc. of Wixom, MI, is the sole local area distributor of the Pierce pumper; and

WHEREAS, The Fire Department purchased two pumpers last year from Pierce as part of a cooperative bid with six other municipalities or fire protection authorities and can purchase another unit this year with a 2.9% increase over last year’s bid prices;

THEREFORE, BE IT RESOLVED, That formal bidding procedures are hereby **WAIVED** and Troy City Council hereby **APPROVES** a contract to purchase one (1) Pierce PUC pumper directly from the manufacturer, Pierce Manufacturing Inc of Wisconsin c/o Halt Fire Inc of Wixom, MI, for an estimated total cost of \$527,596.00, utilizing the upfront payment discount option, with Halt Fire Apparatus to supply a 100% performance bond to guarantee satisfactory delivery.

Yes: All-7  
 No: None

**MOTION CARRIED**

**I-6 Application Regarding SDD and SDM Liquor Licenses for Kelly’s Market**

Resolution #2012-07-143  
 Moved by McGinnis  
 Seconded by Campbell

**(a) Transfer SDD and SDM Licenses**

RESOLVED, That Troy City Council hereby **CONSIDERS** for **APPROVAL**, a liquor license request as indicated below, and hereby **AUTHORIZES** the Mayor and City Clerk to **EXECUTE** the document, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

<b>Liquor License Applicant :</b>	<b>Kelly’s Market #2, Inc.</b>
<b>Type of License Requested :</b>	<b>Transfer SDD and SDM Licenses from Kelly’s Market, Inc.</b>
<b>Located at :</b>	<b>6037 Rochester Road, Troy, MI 48084</b>
<b>MLCC Request # :</b>	<b>658162</b>

and

**(b) Agreement**

WHEREAS, The Troy City Council deems it necessary to enter into agreements with applicants for liquor licenses for the purpose of providing civil remedies to the City of Troy in the event licensees fail to adhere to Troy Codes and Ordinances;

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **APPROVES** an agreement with the liquor license applicant named in the approved resolution above, and hereby **AUTHORIZES** the Mayor and City Clerk to **EXECUTE** the document, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

Yes: All-7  
No: None

### **MOTION CARRIED**

---

#### **I-7 Private Agreement – Old Dominion Freight Lines – Project No. 12.904.3**

Resolution #2012-07-144  
Moved by Fleming  
Seconded by McGinnis

RESOLVED, That the Contract for the Installation of Municipal Improvements (Private Agreement) between the City of Troy and D.F Chase, Inc., is hereby **APPROVED** for the installation of water main, paving, sanitary sewer, storm sewer, detention, landscaping and soil erosion on the site and in the adjacent right of way, and the Mayor and City Clerk are **AUTHORIZED** to execute the documents, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

Yes: All-7  
No: None

### **MOTION CARRIED**

#### **J. CONSENT AGENDA:**

---

##### **J-1a Approval of “J” Items NOT Removed for Discussion**

Resolution #2012-07-145  
Moved by Fleming  
Seconded by McGinnis

RESOLVED, That Troy City Council hereby **APPROVES** all items on the Consent Agenda as printed.

Yes: All-7  
No: None

### **MOTION CARRIED**

---

##### **J-1b Address of “J” Items Removed for Discussion by City Council**

---

---

**J-2 Approval of City Council Minutes**

Resolution #2012-07-145-J-2

RESOLVED, That Troy City Council hereby **APPROVES** the Minutes of the Regular City Council Meeting of June 18, 2012, as submitted.

---

**J-3 Proposed City of Troy Proclamations:**

---

**J-4 Standard Purchasing Resolutions:****a) Standard Purchasing Resolution 1: Award to Low Bidder – Contract 12-6 – Section 13 & 23 Resurfacing**

Resolution #2012-07-145-J-4a

RESOLVED, That contract No. 12-6, Section 13 & 23 Resurfacing, be **AWARDED** to T&M Asphalt Paving, 4755 Old Plank Road, Milford, MI 48381, for their low total bid amount of \$260,746.50

BE IT FURTHER RESOLVED, That the award is **CONTINGENT UPON** submission of proper contract and bid documents, including bonds, insurance certificates and all specified requirements, and if additional work is required such additional work is **AUTHORIZED** in an amount not to exceed 25% of the total project cost.

**b) Standard Purchasing Resolution 1: Award to Low Bidder – Topsoil (Delivered)**

Resolution #2012-07-145-J-4b

RESOLVED, That Troy City Council hereby **AWARDS** a two-year contract to provide topsoil to the low bidder, Anderson Excavating Inc of Waterford, MI, for an estimated total two-year cost of \$73,500.00, at unit prices contained on the bid tabulation, which opened June 13, 2012, a copy of which shall be **ATTACHED** to the original minutes of this meeting, with the contract expiring June 30, 2014.

BE IT FURTHER RESOLVED, That the award is **CONTINGENT UPON** contractor's submission of properly executed bid and contract documents, including insurance certificates and all other specified requirements.

**c) Standard Purchasing Resolution 1: Award to Low Total Bidder – Custodial Supplies**

Resolution #2012-07-145-J-4c

RESOLVED, That Troy City Council hereby **AWARDS** a one-year contract to provide Custodial Supplies as needed to the low total bidder, Empire Equipment and Supply Co of Detroit, MI, at an estimated total cost of \$28,223.15, at unit prices contained in the bid

tabulation dated June 14, 2012, a copy of which shall be **ATTACHED** to the original Minutes of this meeting to expire June 30, 2013.

BE IT FURTHER RESOLVED, That the award is **CONTINGENT UPON** the contractor's submission of properly executed bid and contract documents, including insurance certificates and all other specified requirements.

**d) Standard Purchasing Resolution 1: Award to Low Bidder – Contract 12-5 – Charnwood Hills Phase I Chip Seal**

Resolution #2012-07-145-J-4d

RESOLVED, That contract No. 12-5, Charnwood Hills Phase I Chip Seal, be **AWARDED** to Highway Maintenance & Construction Co., P.O. Box 74411, Romulus, MI 48174-04111, at an estimated total cost of \$160,100.00

BE IT FURTHER RESOLVED, That the award is **CONTINGENT UPON** submission of proper contract and bid documents, including bonds, insurance certificates and all specified requirements, and if additional work is required such additional work is **AUTHORIZED** in an amount not to exceed 20% of the total project cost.

**e) Standard Purchasing Resolution 3: Exercise Renewal Option – MITN Cooperative Premium Laser Compatible Ink and Toner Cartridges**

Resolution #2012-07-145-J-4e

WHEREAS, On November 8, 2010, Troy City Council approved a contract to purchase premium laser compatible ink and toner cartridges with an option to renew for two (2) additional one (1) year periods to the lowest bidder meeting specifications, Preferred Toner Solutions of Canton, MI (Resolution #2010-11-247-J-4a); and

WHEREAS, On July 11, 2011, Troy City Council exercised the first one-year option to renew the contract with Preferred Toner Solutions under the same pricing structure, terms, and conditions (Resolution #2011-07-164-J4c); and

WHEREAS, Preferred Toner Solutions has offered to exercise the second one-year option to renew the contract under the same pricing structure, terms, and conditions as the current contract;

NOW, THEREFORE, BE IT RESOLVED, That Troy City Council hereby **EXERCISES** the second one-year option to renew the contract to provide premium laser compatible ink and toner cartridges with the lowest bidder meeting specifications, Preferred Toner Solutions of Canton, MI, as a result of a bid process hosted by the City of Ann Arbor for the Michigan Intergovernmental Trade Network (MITN) Cooperative under the same pricing, terms, and conditions as originally bid expiring July 6, 2013.

---

**J-5 Municipal Credit and Community Credit Agreement**

Resolution #2012-07-145-J-5

RESOLVED, That the request that the City transfer Municipal Credit funds in the amount of \$79,648 and Community Credit funds in the amount of \$88,586 covering July 1, 2012 through June 30, 2013 to Troy Medi-Go Plus for the operation of transportation service for senior citizens and persons with disabilities is hereby **APPROVED** and the Mayor and City Clerk are **AUTHORIZED** to execute the documents and copies shall be **ATTACHED** to the original Minutes of this meeting.

---

**J-6 Margaret Black v. City of Troy**

Resolution #2012-07-145-J-6

RESOLVED, That the Troy City Council hereby **ACCEPTS** the Plaintiff's confidential settlement offer, which was presented on June 18, 2012 in a closed session, and **DIRECTS** the City Attorney to take the actions necessary to facilitate the settlement with our insurance carrier.

---

**J-7 Medi-Go Plus Service Agreement**

Resolution #2012-07-145-J-7

RESOLVED, That the request for funding in the amount of entire municipal and community credits transferred from SMART for Troy Medi-Go Plus for fiscal year 2012/2013, and the funding agreement between the City of Troy and Troy Medi-Go Plus covering July 1, 2012 through June 30, 2013 are hereby **APPROVED** and the Mayor and City Clerk are **AUTHORIZED** to execute the documents and copies shall be **ATTACHED** to the original Minutes of this meeting.

---

**J-8 Contract Ratification: Pavement Seam, Fracture Sealing and Spray Injection Patching Program**

Resolution #2012-07-145-J-8

WHEREAS, On March 5, 2012, Troy City Council awarded a contract to complete the Pavement Seam, Fracture Sealing and Spray Injection Patching Program for the City to the low bidder, Michigan Joint Sealing Inc, of Farmington Hills, MI, with all work not to exceed budgetary limitations in the capital accounts for Public Works Construction in the amount of \$150,000.00 (Resolution #2012-03-060-J4a); and

WHEREAS, The work commenced and all of the \$150,000.00 budgeted in major and local roads and approved by Troy City Council was spent, not leaving any monies per the resolution to pay for the sidewalk work completed on Square Lake Road from Blackwell to Coolidge in the amount of \$5,936.00; and

WHEREAS, Funds are available in the Public Works Construction Capital Account for Sidewalks in the 2011/2012 fiscal year budget;

THEREFORE BE IT RESOLVED, That Troy City Council hereby **RATIFIES** the amount of \$5,936.00 to pay for the task to clean, sandblast and seal the longitudinal joint on the (8) foot

---

sidewalk along Square Lake Road to Michigan Joint Sealing, Inc, the awarded vendor for this project.

## **K. MEMORANDUMS AND FUTURE COUNCIL AGENDA ITEMS:**

### **K-1 Announcement of Public Hearings:**

- a) July 23, 2012 – Zoning Ordinance Text Amendment (File Number ZOTA 243) – Proposed Amendment to Article 5, Permit Financial Institution Drive-Through Uses Within the Big Beaver District by Special Use Approval

### **K-2 Memorandums (Items submitted to City Council that may require consideration at some future point in time): None Submitted**

## **L. COUNCIL REFERRALS:**

Items Advanced to the City Manager by Individual City Council Members for Placement on the Agenda

### **L-1 No Council Referrals Advanced**

### **Vote on Resolution to Suspend Rules of Procedure for the City Council, Rule #7L – Order of Business – Council Referrals**

Resolution #2012-07-146

Moved by Fleming

Seconded by Tietz

RESOLVED, That Troy City Council hereby **SUSPENDS** Rules of Procedure for the City Council, Rule #7L *Order of Business - Council Referrals* to take action on an item that does not appear on the Agenda.

Yes: All-7

No: None

## **MOTION CARRIED**

### **Mayor Daniels' Resolution to Opt Out of Smart Meters**

Moved by Daniels

Seconded by Henderson

WHEREAS Detroit Edison Company, Consumers Energy Company and other energy providers have been deploying “smart meters” in Troy; and

WHEREAS the Michigan Public Service Commission, in an order dated January 12, 2012 directed electric utilities to provide information on several topics including “whether the electric utility intends to allow customers to opt out of having a smart meter” and “how the utility intends to recover the cost of an opt out program if one will exist.”; and

WHEREAS Michigan Attorney General Schuette, in his comments to the January 12, 2012 order dated April 16, 2012, identifies two issues that must be addressed before the MPSC approves further deployment of smart meters and recovery by the utilities of costs from ratepayers. "First there must be a sufficient demonstration that implementation of the smart meter programs will actually produce a net economic benefit to customers. Second, customers just be afforded a meaningful and fair opportunity to opt out of smart meter installation without being penalized by unwarranted and excessive costs"; and

WHEREAS there has been concern expressed by some electric customers that the smart meters are overly intrusive into their energy usage; and

WHEREAS some electric customers have alleged that emissions from the smart meters are actually dangerous to their health.

NOW THEREFORE BE IT RESOLVED that the Troy City Council supports the ability of customers to opt out of the smart meter program on their homes.

BE IT FURTHER RESOLVED that the Troy City Council agrees with Attorney General Schuette that utility customers who opt out of the smart meter program should be able to opt out with no economic or any other penalty.

BE IT FURTHER RESOLVED that copies of this resolution be sent to Governor Snyder, the Oakland County delegation of the Michigan Legislature, the Michigan Attorney General, the Michigan Public Services Commission, the Michigan Association of Counties and the Oakland County Board of Commissioners and all elected officials in the City of Troy.

**Motion to Amend Mayor Daniels' Resolution to Opt Out of Smart Meters**

Moved by Tietz  
Seconded by Daniels

RESOLVED, That Troy City Council hereby **AMENDS** *Mayor Daniels' Resolution to Opt Out of Smart Meters* by **STRIKING** "WHEREAS Michigan Attorney General Schuette, in his comments to the January 12, 2012 order dated April 16, 2012, identifies two issues that must be addressed before the MPSC approves further deployment of smart meters and recovery by the utilities of costs from ratepayers. "First there must be a sufficient demonstration that implementation of the smart meter programs will actually produce a net economic benefit to customers. Second, customers just be afforded a meaningful and fair opportunity to opt out of smart meter installation without being penalized by unwarranted and excessive costs"; and" in its entirety and **STRIKE** "agrees with Attorney General Schuette" and **INSERT** "believes" after "Troy City Council" in the first "BE IT FURTHER RESOLVED".

**Vote on Motion to Postpone Mayor Daniels' Resolution to Opt Out of Smart Meters**

Resolution #2012-07-147  
Moved by Slater  
Seconded by McGinnis



---

**N-3 Letters of Appreciation:**

- a) Letter of Appreciation to Mike Culpepper from Tim Atkins – OakTac Co-Chairman, Thanking Chief Mayer for Contributions to the OakTac Committee
- b) Letter of Appreciation to Mike Culpepper from Chief Mayer – OakTac Co-Chairman, Thanking Sergeant Ostrowski for Contributions to the OakTac Committee
- c) Letter of Appreciation to Mike Culpepper from Chief Mayer – OakTac Co-Chairman, Thanking Lieutenant Gordon for Contributions to the OakTac Committee
- d) Letter of Appreciation to Tim Richnak from Thomas Russell, Thanking Dean Bise for Assistance

Noted and Filed

---

**N-4 Proposed Proclamations/Resolutions from Other Organizations: None Proposed**

Noted and Filed

---

**N-5 Notice of Hearing for the Customers of The Detroit Edison Company – Case No. U-16737**

Noted and Filed

---

**N-6 Summary of MPSC’s Case No. U-17000, Regarding AML (“Smart”) Meters**

Noted and Filed

**O. STUDY ITEMS**

---

**O-1 Discussion of the City Manager Brochure**

**P. CLOSED SESSION:**

---

**P-1 No Closed Session**

**Q. ADJOURNMENT**

The Meeting **RECESSED** at 9:47 PM.

The Meeting **RECONVENED** at 9:52 PM.

The Meeting **ADJOURNED** at 10:59 PM.

---

Mayor Janice Daniels

---

M. Aileen Bittner, CMC  
City Clerk



## CITY COUNCIL AGENDA ITEM

---

July 6, 2016

TO: Michael Culpepper, Acting City Manager

FROM: Thomas Darling, Financial Services Director  
Susan Leirstein, Purchasing Director  
Beth Tashnick, City Manager's Office Coordinator

SUBJECT: Standard Purchasing Resolution 9: Approval to Expend Funds for Membership Dues and Membership Renewals: Southeast Michigan Council of Governments (SEMCOG)

---

As southeast Michigan's regional planner, SEMCOG's essential functions include:

- Assisting local governments in planning for common needs and in recognizing regional opportunities.
- Facilitating cooperation among local governments, educational institutions, and state and federal agencies for mutual benefit.
- Advocating for changes in public policy when state or federal legislative action is necessary.

The City of Troy has been a member of SEMCOG since 1968.

Staff recommends authorization of the expenditure of funds for membership dues to SEMCOG in the amount of \$9,861.00 for the period of July 15, 2012 - July 15, 2013.

**SEMCOG**  
**Southeast Michigan Council of Governments**  
**535 Griswold Street • Suite 300 • Detroit, Michigan 48226**  
**(313) 961-4266 • FAX (313) 961-4869**

Sales Order # :

2012

City Of Troy

**MEMBERSHIP NOTICE**

Invoice Date

LOCAL-A

07/01/2012

07/01/2012

2012 Membership Dues

Invoice Amount

\$9,861.00

-----  
SEMCOG, serving local units of government and education in the seven-county region of Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw and Wayne

**INVOICE**  
**Annual Membership in**  
**Southeast Michigan Council of Governments**

For the Period From July 15, 2012

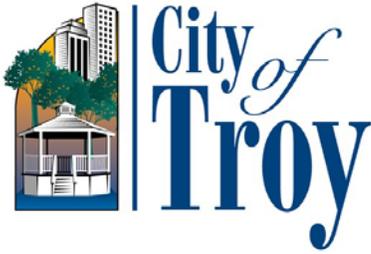
To July 15, 2013

[The annual contribution is established by the by-laws and action of the General Assembly]

Membership Fee \$9,861.00

Balance Due \$9,861.00

**Please enclose yellow copy with remittance to ensure proper credit**



## CITY COUNCIL ACTION REPORT

July 9, 2012

TO: Michael W. Culpepper, Acting City Manager

FROM: Susan A. Leirstein, Purchasing Director  
Timothy L. Richnak, Public Works Director

SUBJECT: Standard Purchasing Resolution 1: Award To Low Bidder– Beaver Trail Park Fencing

### **Background**

On June 21, 2012, formal bids were received for the removal and replacement of the fence surrounding the detention pond at Beaver Trail Park. 81 vendors were notified of the solicitation through the MITN website – [www.mitn.info](http://www.mitn.info) - and three (3) companies responded along with one statement of no bid. The fence encloses a detention pond that borders Beaver Trail Park and is maintained to prevent park patrons from entering the pond.

This task was competitively bid in accordance with the City Chapter and Code.

### **Financial Considerations**

Funds are budgeted and available in the Streets and Drains Division Capital Account for Public Works Construction Drains and Retention Ponds for Fiscal Year 2012/13.

### **Recommendation**

City management recommends awarding the task to furnish all labor, materials, and equipment to remove and install new fencing at the Beaver Trail Park Detention Basin to the low bidder, Motor City Fence Company of Troy, MI for an estimated total cost of \$15,029.00, as reflected in the bid tabulation, opened June 21, 2012.

VENDOR NAME:	<b>Motor City Fence</b>	Industrial Fence & Landscaping Inc	RMD Holdings dba Nationwide Construction
5% CHECK #:	<b>1710753</b>	136529	9012306266
CHECK AMOUNT:	<b>\$751.45</b>	\$800.00	\$1,100.00

PROPOSAL: To furnish all labor, materials, and equipment to remove and install new fencing for Beaver Trail Park Detention Basin in accordance with the specifications and addendum

<b>COMPLETE FOR THE SUM OF:</b>			<b>\$ 15,029.00</b>	\$ 15,795.20	\$ 20,246.25
SCHEDULE OF VALUES:	Attached	Y or N	<b>Yes</b>	Yes	Yes
SITE INSPECTION:	Y/N		<b>Y</b>	Y	Y
	Date		<b>6/18/2012</b>	6/21/2012	6/4/2012
CONTACT INFORMATION:	Hours of Operation		<b>8-5 pm</b>	7:30-4:30 pm	7-5 pm
	24 HR Phone #		<b>(586) 258-6289</b>	(734) 777-0986	(586) 749-6900
COMPLETION DATE:	<b>August 31, 2012</b>				
	Can Meet		<b>xx</b>	xx	xx
	Cannot Meet				
	Offers				
	Work Shall Commence Within		<b>14 days</b>	10 days	20 days
INSURANCE:	Can Meet		<b>xx</b>	xx	xx
	Cannot Meet				
PAYMENT TERMS:			<b>Net 30</b>	Net 30 days	Net 30 days
WARRANTY:			<b>1 year</b>	1 year	1 year P/L
EXCEPTIONS:			<b>Blank</b>	Blank	None
ACKNOWLEDGEMENT:	Signed	Y or N	<b>Yes</b>	Yes	Yes
QUESTIONNAIRE:	Attached	Y or N	<b>Yes</b>	Yes	Yes
ADDENDUM:	Attached	Y or N	<b>Yes</b>	Yes	Yes

NO BID:  
Olsen Fence Company

**BOLDFACE TYPE DENOTES LOW BIDDER**

ATTEST:  
Kurt Bovensiep  
Susan K. Riesterer  
Susan Leirstein

\_\_\_\_\_  
 Susan Leirstein CPPO, CPPB  
 Purchasing Director



## CITY COUNCIL AGENDA ITEM

---

July 10, 2012

To: Michael W. Culpepper, Acting City Manager

From: Susan A. Leirstein, Purchasing Director  
Gary G. Mayer, Chief of Police

Subject: Standard Purchasing Resolution 6: Grant Approval and Authorization to Expend Funds  
2010 Edward Byrne Memorial Justice Assistance Grant (JAG) Program

---

### **Background**

The City of Troy Police Department applied for and received a 2010 Edward Byrne Memorial Justice Assistance Grant (JAG) Program. The grant was written with the explicit goal of updating our current security system in our prisoner detention center. This grant will cover all the expenses associated with updating the security and camera system in the lock-up area. The grant is for \$10,604.00.

The grant was originally applied for in 2010 and awarded in 2011. This was originally part of a larger project that included the consolidation of communication and lock-up services with other local police departments per the Plante Moran Dispatch and Lockup consolidation study. Because that consolidation plan is no longer being considered by those municipalities, we had to scale back the project to only include the essential upgrades and replacement of aging equipment to our current system.

These upgrades and replacement of aging equipment will better protect our employees and prisoners that are housed at Troy PD.

### **Recommendation**

It is the recommendation of City staff to accept the 2010 Edward Byrne Memorial Justice Grant and to purchase the necessary equipment and installation from Tyco, Simplex Grinnell, the sole source provider for all of the City's security equipment for an estimated total cost of \$10,597.00, as detailed in the attached Quote 520415-0327-12-01, dated 3/27/2012 from Simplex Grinnell.

### **Fund Availability**

All costs will be covered under the grant program. Once the project is completed, we will submit the final invoice to the Department of Justice for payment.

Prepared by: Sgt. Donald Ostrowski

*SimplexGrinnell*

A Division of TYCO International

Date	Quotation No.
27-Mar-12	520415-0327-12-01
Vendor Code No.	

Issuing Office: 24747 HALSTED ROAD, FARMINGTON HILLS, MI. 48335

**TO: City Of Troy Police Dept.**  
500 West Big Beaver Road  
Troy, MI. 48084  
  
Attn: Ryan Wolf

Job Name and Address City Of Troy Police
Police Department
Lock-up Camera Addition
Request For Proposal

Shipping Terms F.O.B. Shipping Point

Project/Reference No.	Page of
	1   2

ITEM	QUANTITY	MODEL NO.	DESCRIPTION	UNIT PRICE	EXTENSION
	1	Lot	<p><b>*** City Of Troy / Police Dept. / Lock-up Area / Camera Addition ***</b></p> <p>Provide materials and labor to install (9) additional fixed cameras to view the Troy Police Lock-up area. In addition we will connect the analog cameras to the encoders in the telecom closet to support the new proposed camera additions.</p> <p><b>Scope of Work:</b></p> <ul style="list-style-type: none"> <li>* Provide and install (1) camera power supply.</li> <li>* Provide and install (9) fixed cameras (mounting only)</li> <li>* Provide labor services to terminate all devices supplied under this quotation.</li> <li>* Provide labor to install 120VAC power.</li> </ul> <p>In addition to the above our proposal includes engineering, programming, project coordination, start-up and debug for the camera additions required for the above referenced scope of work.</p> <p><b>Materials &amp; Services</b></p>		
1	6	ISC110-CDV39A	Pelco Interior WII Fixed Camera w/ Lens	\$387.00	\$2,322.00
2	1	ISC100-PG	Pelco Interior Pendant Mount Adapter	\$24.00	\$24.00
3	1	MRCA	Pelco Ceiling Mount Adapter	\$23.00	\$23.00
4	1	MCS16-20S	Pelco Camera Power Supply 20AMP, 16 Switched Fused	\$219.00	\$219.00
5	1	QD4CON2	Silent Witness Quad Dome w/ Mini-Cam (4 qty. cameras)	\$754.00	\$754.00
6	2	QD2CON2	Silent Witness Dual Dome w/ Mini-Cam (2 qty. cameras)	\$390.00	\$780.00
7	8	Hours	System Engineering & Design	\$166.00	\$1,328.00
8	20	Hours	Technical Services	\$109.00	\$2,180.00
9	4	Hours	Project Management & Coordination	\$88.00	\$352.00
10	1	Lot	Electrical Installation	\$2,615.00	\$2,615.00
<b>TOTAL:</b>					<b>\$10,597.00</b>

SIMPLEXGRINNELL offers to furnish the above, subject to the terms and conditions appearing on the face and on the reverse side hereof, for the sum of

**THIS QUOTATION DOES NOT INCLUDE ANY TAXES, INSTALLATION, INSTALLATION MATERIALS OR ANY LABOR OR SERVICES UNLESS SPECIFIED ABOVE.**

Any alteration or change from the above will be performed following the acceptance by SIMPLEXGRINNELL of Purchaser's Written Order and will become an additional cost at GINNELL then current charges. This Quotation automatically expires 30 days from the date shown above. All orders are subject to acceptance by SIMPLEXGRINNELL.

SIMPLEXGRINNELL	TITLE	J.KEITH
By:		SALES
<b>ACCEPTANCE OF QUOTATION</b>	The prices, specifications, terms and conditions contained herein, including the reverse side hereof, are hereby accepted.	
Purchaser	Date	U:\City of Troy\Security door Addition.XLS
		P.O. No.
By:	Title	

Date	Quotation No.
	27-Mar-12 520415-0327-12-01
Vendor Code No.	

Issuing Office: 24747 HALSTED ROAD, FARMINGTON HILLS, MI. 48335

**TO: City Of Troy Police Dept.**  
 500 West Big Beaver Road  
 Troy, MI. 48084  
  
 Attn: Ryan Wolf

Job Name and Address City Of Troy Police
Police Department
Lock-up Camera Addition
Request For Proposal

Shipping Terms F.O.B. Shipping Point

Project/Reference No.	Page of
	2   2

ITEM	QUANTITY	MODEL NO.	DESCRIPTION	UNIT PRICE	EXTENSION
			<b>Notes &amp; Clarifications:</b> 1) Sales tax excluded. 2) SimplexGrinnell Standard terms and conditions apply. 3) All new materials have a one-year warranty. 4) All installation to be performed during normal working hours Monday - Friday 7:30am - 4:30pm. 5) Installation and supply of cabling by owner. 6) Owner to provide network connection. 7) Owner to make available 120VAC power. 8) video encoders provided by under separate contract.		

SIMPLEXGRINNELL offers to furnish the above, subject to the terms and conditions appearing on the face and on the reverse side hereof, for the sum of \_\_\_\_\_

**THIS QUOTATION DOES NOT INCLUDE ANY TAXES, INSTALLATION, INSTALLATION MATERIALS OR ANY LABOR OR SERVICES UNLESS SPECIFIED ABOVE.**

Any alteration or change from the above will be performed following the acceptance by SIMPLEXGRINNELL of Purchaser's Written Order and will become an additional cost at GINNELL then current charges. This Quotation automatically expires 30 days from the date shown above. All orders are subject to acceptance by SIMPLEXGRINNELL.

SIMPLEXGRINNELL	TITLE
By:	

**ACCEPTANCE OF QUOTATION** The prices, specifications, terms and conditions contained herein, including the reverse side hereof, are hereby accepted.

Purchaser \_\_\_\_\_ Date \_\_\_\_\_ P.O. No. \_\_\_\_\_



## CITY COUNCIL AGENDA ITEM

---

Date: July 23, 2012

To: Michael Culpepper, Acting City Manager

From: Tom Darling, Director of Finance/Administration  
Nino Licari, City Assessor

Subject: Announcement of Public Hearings for Industrial Facilities Exemption Certificate (IFEC) for US Farathane Corporation, at 750 W. Maple

---

### Background

US Farathane Corporation has submitted an application for tax abatement for their expansion at 750 W. Maple. They intend to spend \$2,500,000 and add 23 new jobs to the 96 they currently have in Troy.

### Recommendation

There is an existing Industrial Development District (IDD) at the site. State law dictates that City Council hold a public hearing for the IFEC. This memo is the formal notification of the setting of the Public Hearing for August 13, 2012.

**CITY OF TROY**  
**PUBLIC HEARING**

A Public Hearing will be held by and before the City Council of the City of Troy at City Hall, 500 W. Big Beaver, Troy, Michigan on Monday, July 23, 2012 at 7:30 P.M. to consider the granting of an Industrial Facilities Exemption Certificate (IFEC) for US Farathane Corporation, at the following location:

88-20-28-304-023 750 W Maple, Troy, MI. 48084-5315  
T2N, R11E, Section 28 part of SW 1/4

You may express your comments regarding this matter by writing to this office, or by attending the Public Hearing.

---

M. Aileen Bittner, City Clerk

***NOTICE:*** People with disabilities needing accommodations for effective participation in this meeting should contact the City Clerk by e-mail at [clerk@ci.troy.mi.us](mailto:clerk@ci.troy.mi.us) or by calling (248) 524-3317 at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.

TROY SCHOOL DISTRICT  
MARK RAJTER  
4400 LIVERNOIS  
TROY MI 48098-4799

OAKLAND COMMUNITY COLLEGE  
CLARENCE E BRANTLEY  
2480 OPDYKE  
BLOOMFIELD HILLS MI 48304-2266

OAKLAND INTERMEDIATE  
SCHOOLS  
2111 PONTIAC LAKE  
WATERFORD MI 48328

OAKLAND COUNTY PTA  
1200 N TELEGRAPH Dept 479  
PONTIAC MI 48341-0479

OAKLAND COUNTY EQUALIZATION  
Attn: DAVID HIEBER  
250 ELIZABETH LAKE RD 1000 W  
PONTIAC MI 48341

US FARATHANE CORPORATION  
Attn: RICHARD L KNAPPE  
2700 HIGH MEADOW  
AUBURN HILLS MI 48326

**From:** [Mike Culpepper](#)  
**To:** [Aileen Bittner](#)  
**Subject:** FW: Council Referral - Distracted Driving  
**Date:** Thursday, July 19, 2012 8:49:55 AM

---

**From:** Dave Henderson [<mailto:davehenderson@wideopenwest.com>]  
**Sent:** Wednesday, July 18, 2012 6:35 PM  
**To:** Mike Culpepper  
**Cc:** Lori G Bluhm  
**Subject:** Council Referral - Distracted Driving

Mike

I would like to add this to the agenda for Monday July 23<sup>rd</sup>

RESOLVED, That Troy City Council hereby DIRECTS City Administration to prepare an amendment to Chapter 106 – Traffic by deleting part 3. of Section 1.20.05.

Thanks

Dave

1.0 **WORDS AND PHRASES DEFINED**

1.01.00 Words and phrases.

The following words and phrases when used in this code shall, for the purpose of this code, have the meanings respectively ascribed to them in this chapter. Whenever any word or phrase used in this code is not defined herein but is defined in Act No. 300 of the Public Acts of 1949, as amended, being §257.1 et seq. of the Michigan Compiled Laws, the definition therein shall be deemed to apply to the words and phrases used in this code.

1.20.05 **“Distracted Driving”** means the following:

1. The physical manipulation of any 2-way wireless electronic communication device used for dialing numbers; or scrolling; or typing or entering multiple letters, numbers, symbols, or other text; or the sending, receiving, and reading of any non-voice data in the device while the motor vehicle is in motion on any highway or street or place open to the general public within the City of Troy. As used in this subsection, a wireless 2-way communication device does not include a global positioning or navigation system that is affixed to the motor vehicle.
2. The physical manipulation or handling of any wireless entertainment or electronic communication device for the purpose of speaking into, or listening to voice data, while the motor vehicle is in motion on any highway or street or place open to the general public within the City of Troy; or
3. Any action by the driver of a motor vehicle that diverts his or her attention resulting in the failure to use due care and caution in the safe operation of a motor vehicle while the vehicle is in motion on any highway or street or place open to the general public within the City of Troy. Such action can include but is not limited to: eating, reading, writing, performing personal hygiene/grooming, physical interaction with pets, passengers, or unsecured cargo, any of which is done in a manner that prohibits the driver from maintaining direct physical control of the motor vehicle steering mechanism with at least one hand that is free of all other objects and used entirely to form a controlled grip on the steering mechanism.

(07-12-2010)

1.02.00 **“Act”** means Act No. 300 of the Public Acts of 1949, as amended, being §257.1 et seq. of the Michigan Compiled Laws.

1.03.00 **“Alcoholic liquor”** means any spirituous, vinous, malt, or fermented liquor, liquids and compounds, whether or not medicated, proprietary, patented, and by whatever name called, containing 1/2 of 1% or more of alcohol by volume which are fit for use for beverage purposes.

On June 19, 2012, at 7:30 p.m., in the Council Chambers of Troy City Hall, Chair Kneale called the Zoning Board of Appeals meeting to order.

1. ROLL CALL

Present:

Michael Bartnik  
Kenneth Courtney  
William Fisher  
Allen Kneale  
David Lambert  
Orestis Kaltsounis  
Thomas Strat

Also Present:

Paul Evans, Zoning and Compliance Specialist  
Allan Motzny, Assistant City Attorney  
Bruce Bloomingdale, Alternate (in audience)

Absent:

Glenn Clark

2. APPROVAL OF MINUTES – May 15, 2012

Moved by Lambert  
Seconded by Courtney

RESOLVED, to amend the May 15, 2012 meeting minutes.

Yes: All

MOTION PASSED

Moved by Courtney  
Seconded by Fisher

RESOLVED, to approve the May 15, 2012 meeting minutes.

Yes: All

MOTION PASSED

3. APPROVAL OF AGENDA – No changes

4. HEARING OF CASES

- A. VARIANCE REQUEST, TOM KASZUBSKI, NORTH WOODWARD COMMUNITY FOUNDATION, 3668 LIVERNOIS, TROY FAMILY DAZE FESTIVAL – In order to conduct an outdoor special event (Troy Family Daze Festival): 1) A variance from the requirement that hours of operation end no later than 8:00 pm on Thursday and Sunday, and no later than 10:00 pm on Friday and Saturday, and 2) a variance from the 4 consecutive day maximum duration for any one event. Applicant proposes to end daily events 1 hour beyond the required times. The proposed event is to last for 8 days (4 day festival plus 4 days devoted to setup and tear down). The event is scheduled for September 10-17, 2012. Applicant is requesting approval for the same event for a 3 year period.

Moved by Bartnik  
Second by Courtney

RESOLVED, to grant the variance.

Yes: All

MOTION PASSED

- B. VARIANCE REQUEST, AARON PLOSS, 5532 PATTERSON – In order to construct an addition to the home, a 3.5 foot variance from the requirement that the addition be set back 40 feet from the rear property line.

Moved by Lambert  
Second by Strat

RESOLVED, to grant the variance.

Yes: All

MOTION PASSED

5. COMMUNICATIONS – None

6. MISCELLANEOUS BUSINESS – Amend Rules of Procedure to change regular meeting start time to 7:00 p.m.

Moved by Kneale  
Second by Bartnik

RESOLVED, to keep the regular meeting time at 7:30 p.m.

There was informal consensus by the Board that the motion was not needed. No vote was taken.

7. PUBLIC COMMENT - None
8. ADJOURNMENT – The Zoning Board of Appeals meeting ADJOURNED at 8:08 p.m.

Respectfully submitted,

---

Allen Kneale, Chair

---

Paul Evans, Zoning and Compliance Specialist

G:\BZAMinutes\2012\Draft\2012 06 19 ZBA Minutes Draft.doc

On June 19, 2012, at 7:30 p.m., in the Council Chambers of Troy City Hall, Chair Kneale called the Zoning Board of Appeals meeting to order.

1. ROLL CALL

Present:

Michael Bartnik  
Kenneth Courtney  
William Fisher  
Allen Kneale  
David Lambert  
Orestis Kaltsounis  
Thomas Strat

Also Present:

Paul Evans, Zoning and Compliance Specialist  
Allan Motzny, Assistant City Attorney  
Bruce Bloomingdale, Alternate (in audience)

Absent:

Glenn Clark

2. APPROVAL OF MINUTES – May 15, 2012

Moved by Lambert  
Seconded by Courtney

RESOLVED, to amend the May 15, 2012 meeting minutes.

Yes: All

MOTION PASSED

Moved by Courtney  
Seconded by Fisher

RESOLVED, to approve the May 15, 2012 meeting minutes.

Yes: All

MOTION PASSED

3. APPROVAL OF AGENDA – No changes

4. HEARING OF CASES

- A. VARIANCE REQUEST, TOM KASZUBSKI, NORTH WOODWARD COMMUNITY FOUNDATION, 3668 LIVERNOIS, TROY FAMILY DAZE FESTIVAL – In order to conduct an outdoor special event (Troy Family Daze Festival): 1) A variance from the requirement that hours of operation end no later than 8:00 pm on Thursday and Sunday, and no later than 10:00 pm on Friday and Saturday, and 2) a variance from the 4 consecutive day maximum duration for any one event. Applicant proposes to end daily events 1 hour beyond the required times. The proposed event is to last for 8 days (4 day festival plus 4 days devoted to setup and tear down). The event is scheduled for September 10-17, 2012. Applicant is requesting approval for the same event for a 3 year period.

Moved by Bartnik  
Second by Courtney

RESOLVED, to grant the variance.

Yes: All

MOTION PASSED

- B. VARIANCE REQUEST, AARON PLOSS, 5532 PATTERSON – In order to construct an addition to the home, a 3.5 foot variance from the requirement that the addition be set back 40 feet from the rear property line.

Moved by Lambert  
Second by Strat

RESOLVED, to grant the variance.

Yes: All

MOTION PASSED

5. COMMUNICATIONS – None

6. MISCELLANEOUS BUSINESS – Amend Rules of Procedure to change regular meeting start time to 7:00 p.m.

Moved by Kneale  
Second by Bartnik

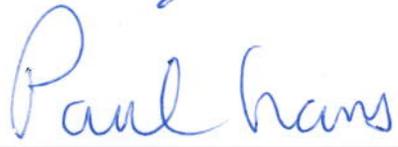
RESOLVED, to keep the regular meeting time at 7:30 p.m.

There was informal consensus by the Board that the motion was not needed. No vote was taken.

7. PUBLIC COMMENT - None
8. ADJOURNMENT – The Zoning Board of Appeals meeting ADJOURNED at 8:08 p.m.

Respectfully submitted,

 7/17/12  
\_\_\_\_\_  
Allen Kneale, Chair

 7/17/2012  
\_\_\_\_\_  
Paul Evans, Zoning and Compliance Specialist

Chair Tagle called the Special/Study meeting of the Troy City Planning Commission to order at 7:00 p.m. on June 26, 2012 in the Council Chamber of the Troy City Hall.

1. ROLL CALL

Present:

Donald Edmunds  
Michael W. Hutson  
Tom Krent  
Gordon Schepke  
Robert Schultz  
Thomas Strat  
John J. Tagle

Absent:

Philip Sanzica

Also Present:

R. Brent Savidant, Planning Director  
Susan Lancaster, Assistant City Attorney  
Ben Carlisle, Carlisle/Wortman Associates, Inc.  
Kathy L. Czarnecki, Recording Secretary

2. APPROVAL OF AGENDA

**Resolution # PC-2012-06-038**

Moved by: Edmunds  
Seconded by: Schultz

**RESOLVED**, To approve the agenda as published.

Yes: All present (7)  
Absent: Sanzica

**MOTION CARRIED**

3. APPROVAL OF MINUTES

**Resolution # PC-2012-06-039**

Moved by: Krent  
Seconded by: Strat

**RESOLVED**, To approve the minutes of the June 12, 2012 Regular meeting as submitted.

Yes: All present (7)  
Absent: Sanzica

**MOTION CARRIED**

4. PUBLIC COMMENT – Items not on the Agenda

There was no one present who wished to speak.

5. ZONING BOARD OF APPEALS (ZBA) REPORT

Mr. Strat reported on the June 19, 2012 Zoning Board of Appeals meeting.

6. DOWNTOWN DEVELOPMENT AUTHORITY (DDA) REPORT

Mr. Savidant reported there was no Downtown Development Authority meeting in June.

7. PLANNING AND ZONING REPORT

Mr. Savidant gave a brief report on potential development projects.

**SITE CONDOMINIUM DEVELOPMENT**

8. PRELIMINARY SITE PLAN REVIEW – Proposed Beachview Estates Site Condominium, 8 units/lots, West side of Beach Road, 1000' South of Long Lake, Section 18, Currently Zoned R-1A (One Family Residential) District

Mr. Carlisle gave a report on the proposed site condominium development and stated the proposed development meets all Zoning Ordinance requirements. Mr. Carlisle recommended approval contingent on the applicant satisfying the requirements as noted in his report, dated June 21, 2012.

Mr. Savidant announced correspondence was received by Ali Bazoun of 4855 Beach, of which the Board members received a copy in their agenda packet.

Chair Tagle opened the floor for public comment.

Kathy Kolbe, 4699 White Oaks Court, Troy; addressed public notification of meeting, natural beauty of site, proposed sidewalk, elevations and construction traffic.

Ali Bazoun, 4855 Beach Road, Troy; addressed house representation on site plan and asked petitioner to consider landscape buffer for his property.

Paul Bringer of Dawda, Mann, Mulcahy & Sadler, PLC, 39533 Woodward Avenue, Bloomfield Hills; represents John Abbott of 4751 Beach Road and submitted correspondence dated June 26, 2012.

Chair Tagle closed the floor for public comment.

The petitioner, Joe Maniaci of Mondrian Properties, and Jeremy Carnahan, project civil engineer of Professional Engineering Associates, were present.

There was discussion on:

- Preservation of trees/aesthetics of site.
- Stormwater detention; drainage; grading.
- Cluster development option as alternative.
- Creative development.
- Abutting residential property to south and north.
- Potential for sidewalk waiver.
- Elimination of berm.
- Detention basin maintenance.

**Resolution # PC-2012-06-040**

Moved by: Hutson

Seconded by: Krent

**RESOLVED**, That Preliminary Site Condominium Approval, pursuant to Article 8 and Section 10.02 of the Zoning Ordinance, as requested for Beachview Estates Site Condominium, 8 units/lots, West side of Beach Road, South of Long Lake, Section 18, within the R-1A (One Family Residential) District, be granted, subject to the following:

1. Obtain all appropriate wetland permits MDEQ, Oakland County Soil Erosion, Oakland County Water Resources Commissioner, City of Troy, and any other appropriate body prior to final site plan approval.
2. Selectively clear only those trees necessary and attempt to preserve as many significant trees as possible.
3. Show the proposed twenty (20) Norway Spruce allocated along the southern property line on the Landscape Plan.

Discussion on the motion on the floor.

**Resolution # PC-2012-06-041**

Moved by: Edmunds

Seconded by: Schepke

**RESOLVED**, To amend the Resolution to postpone the item for two weeks for the developer to come back with an alternate plan that takes into consideration comments made at tonight’s meeting.

Vote on the substitute motion on the floor.

Yes: Edmunds, Krent, Schepke, Schultz, Strat, Tagle

No: Hutson

Absent: Sanzica

**MOTION CARRIED**

Mr. Hutson said he opposes a postponement because the site plan meets all Zoning Ordinance requirements.

**REZONING REQUEST**

- 9. REZONING APPLICATION (File Number Z 740) – Proposed Charter One Bank Branch, 125 Stephenson Highway and 1250 W. 14 Mile Road, Section 35, From O (Office) to IB (Integrated Industrial and Business) District

Mr. Savidant gave a brief review of the proposed rezoning application postponed by the Board for an informal discussion.

The petitioner, Jason Horton and Daniel Stern of Lormax Stern Development Company, were present.

It was determined the petitioner would prepare a list of uses allowable within the IB zoning district that they project to be viable and residentially friendly.

Members of the Board were encouraged to review in detail the allowable uses within the IB zoning district in preparation to reach an agreement with the petitioner on potential uses.

\_\_\_\_\_

Chair Tagle requested a recess at 8:35 p.m.

The meeting reconvened at 8:40 p.m.

\_\_\_\_\_

**CONDITIONAL REZONING**

- 10. CONDITIONAL REZONING APPLICATION (File Number CR 006) – Proposed Troy Plaza Development, West side of Crooks, North side of New King (5500 New King), Section 8, From PUD (Planned Unit Development) to OM (Office Mixed Use) and CB (Community Business) Districts

Mr. Savidant announced the petitioner submitted three color renderings shown in the Board’s digital presentation this evening but were not available at the time the agenda packet was distributed.

Mr. Carlisle gave a brief report on the proposed conditional rezoning. Mr. Carlisle addressed site planning revisions to assist in creating a more cohesive and integrated site.

The petitioner, Michael Gordon of Moiseev/Gordon Associates, was present. Mr. Gordon addressed the reason for submitting a rezoning application versus a PUD development. He indicated the proposed development would be constructed in phases; first phase, McDonald’s restaurant; second phase, two-story office/retail building; third phase, free standing restaurant; and final phase, hotel.

There was general discussion on the following:

- Drive throughs; location, future uses.
- Position of buildings; closer to Crooks.
- Pedestrian traffic; walkability.
- Retention; stormwater management.
- Viability of hotel.
- Elimination of parking; provide additional green space.
- Internal directional signage.
- Outdoor restaurant seating.

Tom Geigich, real estate manager for McDonald’s corporate offices, was also present. Mr. Geigich addressed the restaurant customer base, internal directional signage relating to the restaurant entrance and drive through, and outdoor seating.

The Board gave a general nod of approval of the proposed conditional rezoning application.

**OTHER BUSINESS**

11. **PLANNING COMMISSION BYLAWS**

**Resolution # PC-2012-06-042**

Moved by: Schultz  
 Seconded by: Edmunds

**RESOLVED**, To amend Article IV, Section 3, of the Planning Commission Bylaws to change the start time of meetings to 7:00 p.m.

Yes: All present (7)  
 Absent: Sanzica

**MOTION CARRIED**

12. **PUBLIC COMMENT** – Items on Current Agenda

There was no one present who wished to speak.

13. PLANNING COMMISSION COMMENT

There was general Planning Commission discussion.

Mr. Carlisle received favorable comments from the Board and staff for his astute presentations and site planning observations.

The Special/Study meeting of the Planning Commission adjourned at 9:20 p.m.

Respectfully submitted,

---

John Tagle, Chair

---

Kathy L. Czarnecki, Recording Secretary

G:\Planning Commission Minutes\2012 PC Minutes\Draft\2012 06 26 Special Study Meeting\_Draft.doc

Chair Tagle called the Special/Study meeting of the Troy City Planning Commission to order at 7:00 p.m. on June 26, 2012 in the Council Chamber of the Troy City Hall.

1. ROLL CALL

Present:

Donald Edmunds  
 Michael W. Hutson  
 Tom Krent  
 Gordon Schepke  
 Robert Schultz  
 Thomas Strat  
 John J. Tagle

Absent:

Philip Sanzica

Also Present:

R. Brent Savidant, Planning Director  
 Susan Lancaster, Assistant City Attorney  
 Ben Carlisle, Carlisle/Wortman Associates, Inc.  
 Kathy L. Czarnecki, Recording Secretary

2. APPROVAL OF AGENDA

**Resolution # PC-2012-06-038**

Moved by: Edmunds  
 Seconded by: Schultz

**RESOLVED**, To approve the agenda as published.

Yes: All present (7)  
 Absent: Sanzica

**MOTION CARRIED**

3. APPROVAL OF MINUTES

**Resolution # PC-2012-06-039**

Moved by: Krent  
 Seconded by: Strat

**RESOLVED**, To approve the minutes of the June 12, 2012 Regular meeting as submitted.

Yes: All present (7)  
 Absent: Sanzica

**MOTION CARRIED**

4. PUBLIC COMMENT – Items not on the Agenda

There was no one present who wished to speak.

5. ZONING BOARD OF APPEALS (ZBA) REPORT

Mr. Strat reported on the June 19, 2012 Zoning Board of Appeals meeting.

6. DOWNTOWN DEVELOPMENT AUTHORITY (DDA) REPORT

Mr. Savidant reported there was no Downtown Development Authority meeting in June.

7. PLANNING AND ZONING REPORT

Mr. Savidant gave a brief report on potential development projects.

### **SITE CONDOMINIUM DEVELOPMENT**

8. PRELIMINARY SITE PLAN REVIEW – Proposed Beachview Estates Site Condominium, 8 units/lots, West side of Beach Road, 1000' South of Long Lake, Section 18, Currently Zoned R-1A (One Family Residential) District

Mr. Carlisle gave a report on the proposed site condominium development and stated the proposed development meets all Zoning Ordinance requirements. Mr. Carlisle recommended approval contingent on the applicant satisfying the requirements as noted in his report, dated June 21, 2012.

Mr. Savidant announced correspondence was received by Ali Bazoun of 4855 Beach, of which the Board members received a copy in their agenda packet.

Chair Tagle opened the floor for public comment.

Kathy Kolbe, 4699 White Oaks Court, Troy; addressed public notification of meeting, natural beauty of site, proposed sidewalk, elevations and construction traffic.

Ali Bazoun, 4855 Beach Road, Troy; addressed house representation on site plan and asked petitioner to consider landscape buffer for his property.

Paul Bringer of Dawda, Mann, Mulcahy & Sadler, PLC, 39533 Woodward Avenue, Bloomfield Hills; represents John Abbott of 4751 Beach Road and submitted correspondence dated June 26, 2012.

Chair Tagle closed the floor for public comment.

The petitioner, Joe Maniaci of Mondrian Properties, and Jeremy Carnahan, project civil engineer of Professional Engineering Associates, were present.

There was discussion on:

- Preservation of trees/aesthetics of site.
- Stormwater detention; drainage; grading.
- Cluster development option as alternative.
- Creative development.
- Abutting residential property to south and north.
- Potential for sidewalk waiver.
- Elimination of berm.
- Detention basin maintenance.

**Resolution # PC-2012-06-040**

Moved by: Hutson

Seconded by: Krent

**RESOLVED**, That Preliminary Site Condominium Approval, pursuant to Article 8 and Section 10.02 of the Zoning Ordinance, as requested for Beachview Estates Site Condominium, 8 units/lots, West side of Beach Road, South of Long Lake, Section 18, within the R-1A (One Family Residential) District, be granted, subject to the following:

1. Obtain all appropriate wetland permits MDEQ, Oakland County Soil Erosion, Oakland County Water Resources Commissioner, City of Troy, and any other appropriate body prior to final site plan approval.
2. Selectively clear only those trees necessary and attempt to preserve as many significant trees as possible.
3. Show the proposed twenty (20) Norway Spruce allocated along the southern property line on the Landscape Plan.

Discussion on the motion on the floor.

**Resolution # PC-2012-06-041**

Moved by: Edmunds

Seconded by: Schepke

**RESOLVED**, To amend the Resolution to postpone the item for two weeks for the developer to come back with an alternate plan that takes into consideration comments made at tonight’s meeting.

Vote on the substitute motion on the floor.

Yes: Edmunds, Krent, Schepke, Schultz, Strat, Tagle

No: Hutson

Absent: Sanzica

**MOTION CARRIED**

Mr. Hutson said he opposes a postponement because the site plan meets all Zoning Ordinance requirements.

**REZONING REQUEST**

- 9. REZONING APPLICATION (File Number Z 740) – Proposed Charter One Bank Branch, 125 Stephenson Highway and 1250 W. 14 Mile Road, Section 35, From O (Office) to IB (Integrated Industrial and Business) District

Mr. Savidant gave a brief review of the proposed rezoning application postponed by the Board for an informal discussion.

The petitioner, Jason Horton and Daniel Stern of Lormax Stern Development Company, were present.

It was determined the petitioner would prepare a list of uses allowable within the IB zoning district that they project to be viable and residentially friendly.

Members of the Board were encouraged to review in detail the allowable uses within the IB zoning district in preparation to reach an agreement with the petitioner on potential uses.

\_\_\_\_\_

Chair Tagle requested a recess at 8:35 p.m.

The meeting reconvened at 8:40 p.m.

\_\_\_\_\_

**CONDITIONAL REZONING**

- 10. CONDITIONAL REZONING APPLICATION (File Number CR 006) – Proposed Troy Plaza Development, West side of Crooks, North side of New King (5500 New King), Section 8, From PUD (Planned Unit Development) to OM (Office Mixed Use) and CB (Community Business) Districts

Mr. Savidant announced the petitioner submitted three color renderings shown in the Board’s digital presentation this evening but were not available at the time the agenda packet was distributed.

Mr. Carlisle gave a brief report on the proposed conditional rezoning. Mr. Carlisle addressed site planning revisions to assist in creating a more cohesive and integrated site.

The petitioner, Michael Gordon of Moiseev/Gordon Associates, was present. Mr. Gordon addressed the reason for submitting a rezoning application versus a PUD development. He indicated the proposed development would be constructed in phases; first phase, McDonald’s restaurant; second phase, two-story office/retail building; third phase, free standing restaurant; and final phase, hotel.

There was general discussion on the following:

- Drive throughs; location, future uses.
- Position of buildings; closer to Crooks.
- Pedestrian traffic; walkability.
- Retention; stormwater management.
- Viability of hotel.
- Elimination of parking; provide additional green space.
- Internal directional signage.
- Outdoor restaurant seating.

Tom Geigich, real estate manager for McDonald’s corporate offices, was also present. Mr. Geigich addressed the restaurant customer base, internal directional signage relating to the restaurant entrance and drive through, and outdoor seating.

The Board gave a general nod of approval of the proposed conditional rezoning application.

**OTHER BUSINESS**

11. **PLANNING COMMISSION BYLAWS**

**Resolution # PC-2012-06-042**

Moved by: Schultz  
 Seconded by: Edmunds

**RESOLVED**, To amend Article IV, Section 3, of the Planning Commission Bylaws to change the start time of meetings to 7:00 p.m.

Yes: All present (7)  
 Absent: Sanzica

**MOTION CARRIED**

12. **PUBLIC COMMENT** – Items on Current Agenda

There was no one present who wished to speak.

13. PLANNING COMMISSION COMMENT

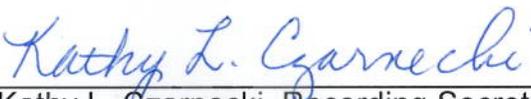
There was general Planning Commission discussion.

Mr. Carlisle received favorable comments from the Board and staff for his astute presentations and site planning observations.

The Special/Study meeting of the Planning Commission adjourned at 9:20 p.m.

Respectfully submitted,

  
\_\_\_\_\_  
John Tagle, Chair

  
\_\_\_\_\_  
Kathy L. Czarnecki, Recording Secretary



## CITY COUNCIL AGENDA ITEM

---

Date: July 5, 2012

To: Mike Culpepper, City Manager

From: Mark F. Miller, Director of Economic and Community Development *MM*  
Steve Burns, Building Official, SAFEbuilt *SB*  
Mitch Grusnick, City Building Official *MG*

Subject: Building Department Report – June, 2012

---

The following attachment contains a summary of permit activity, project valuation and inspection counts for the Building Inspection Department from January to June 2012. Permit activity has continually improved over the past six months.

Attachments:

1. Building Department report, January thru June 2012

Preparer of memo\File name\File location













**CITY OF TROY - 2011**

Inspections by Trade												
Building	Electrical	Fence	Mechanical	Plumbing	Sewer	Water	Other	YTD Totals	MTD Totals	Other	One-Stop	Prev. Year
TC of O	246											
22	31											

**February 2012**

Permit Activity	Commercial				Residential				YTD Totals	MTD Totals	Other	One-Stop	Prev. Year
	New	Alt.	Misc.	New	Alt.	Misc.	Misc.	Misc.					
Count	0	37	1	1	2	54	1	3	296	446	52	967	302
Valuation	\$ -	\$ 7,834,182.00	\$ 140,000.00	\$ 445,125.00	\$ 964,784.00	\$ 5,900.00				\$ 9,389,991.00	\$ 16,514,779.00	\$ 2,742,265.00	
Plan Reviews													
Received		34	2	2	54	3				95	173		
Inspections	Approved	Canceled	Disapproved	Locked Out	Not Ready	Partial Approved	Other						
Count	673	23	154	26	31	74	4			985	1972		
Inspections by Trade	Building	Electrical	Fence	Mechanical	Plumbing	Sewer	Water	Other					
Count	264	318	2	255	123	16	1	6		985	1972		
TC of O													
32	23												

**March 2012**

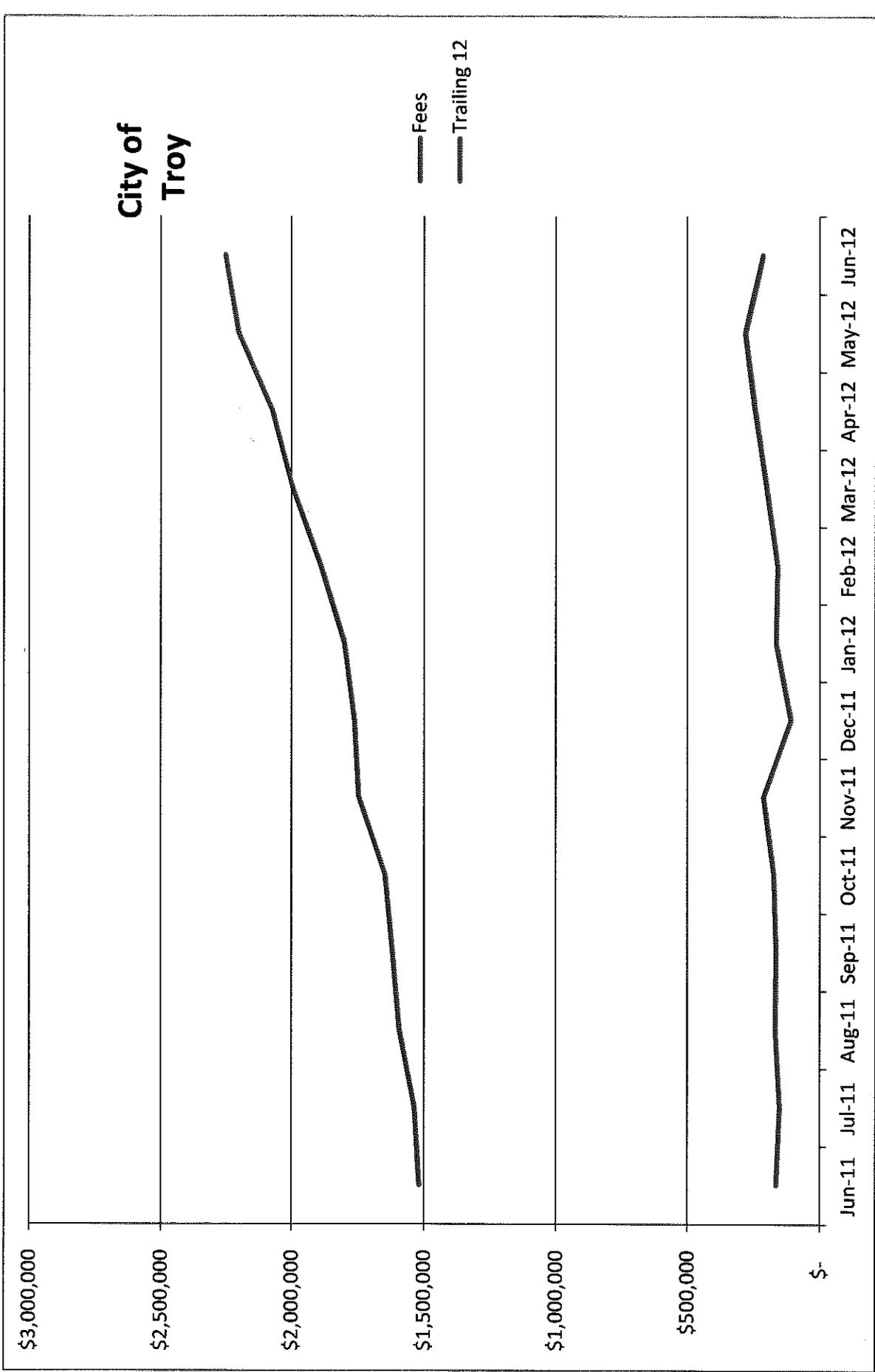
Permit Activity	Commercial				Residential				YTD Totals	MTD Totals	Other	One-Stop	Prev. Year
	New	Alt.	Misc.	New	Alt.	Misc.	Misc.	Misc.					
Count	0	20	1	17	109	4	11	366	70	598	1565	436	
Valuation	\$ -	\$ 3,471,210.00	\$ 7,300.00	\$ 1,993,286.00	\$ 1,331,117.00	\$ 128,950.00				\$ 6,931,863.00	\$ 23,446,642.00	\$ 4,941,231.00	
Plan Reviews													
Received		20	1	11	107	25				164	337		
Inspections	Approved	Canceled	Disapproved	Locked Out	Not Ready	Partial Approved	Other						
Count	645	54	133	19	25	118				994	2966		
Inspections by Trade	Building	Electrical	Fence	Mechanical	Plumbing	Sewer	Water	Other					
Count	270	287	7	278	126	22	4			994	2966		
TC of O													
19	20												

**April 2012**

Permit Activity	Commercial				Residential				YTD Totals	MTD Totals	Other	One-Stop	Prev. Year
	New	Alt.	Misc.	New	Alt.	Misc.	Misc.	Misc.					
Count	3	34	1	18	103	6	14	529	57	765	2330	134	
Valuation	\$ 2,212,000.00	\$ 5,617,710.00	\$ 20,000.00	\$ 2,432,634.00	\$ 934,958.00	\$ 49,100.00				\$ 11,266,382.00	\$ 34,713,024.00	\$ 8,507,060.00	
Plan Reviews													
Received		34	2	11	103	34				186	523		



# City of Troy

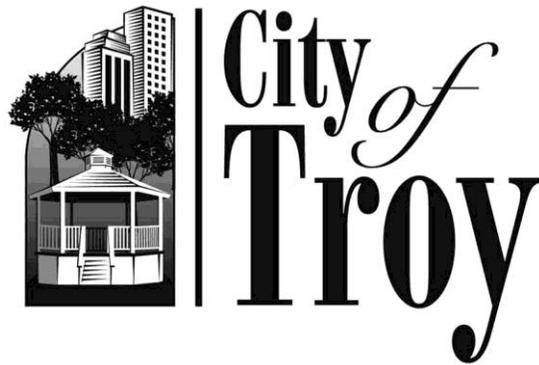


	January 2012	February 2012	March 2012	Apr-12	May-12	Jun-12	Jul-12
COM: New	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
COM: Alt/Rep	\$ 4,968,569.00	\$ 7,834,182.00	\$ 3,471,210.00	\$ 5,617,710.00	\$ 5,381,858.00	\$ 3,506,516.00	\$ 571,000.00
COM: Msc	\$ 40,000.00	\$ 140,000.00	\$ 7,300.00	\$ 20,000.00	\$ 36,950.00	\$ -	\$ -
RES: New	\$ 1,011,881.00	\$ 445,125.00	\$ 1,993,286.00	\$ 2,432,614.00	\$ 3,633,455.00	\$ 2,236,278.00	\$ -
RES: Alt/Rep	\$ 1,104,338.00	\$ 964,784.00	\$ 1,331,117.00	\$ 934,958.00	\$ 1,439,792.00	\$ 1,250,418.00	\$ -
RES: Msc	\$ -	\$ 5,900.00	\$ 128,950.00	\$ 49,100.00	\$ 17,500.00	\$ 69,050.00	\$ -
<b>TOTAL</b>	\$ 7,124,788.00	\$ 9,389,991.00	\$ 6,931,863.00	\$ 11,266,382.00	\$ 11,559,555.00	\$ 7,633,262.00	\$ -

	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012
<b>COM: New</b>	0	0	0	3	2	2						
<b>COM: Alt/Rep</b>	27	37	20	34	41	36						
<b>COM: Msc</b>	1	1	1	1	2	0						
<b>RES: New</b>	4	2	17	18	35	16						
<b>RES: Alt</b>	44	54	109	103	159	117						
<b>RES: Msc</b>	1	1	4	6	4	9						
<b>MISC</b>	6	3	11	14	26	13						
<b>ONESTOP</b>	373	296	366	529	480	597						
<b>OTHER</b>	65	52	70	57	80	62						
<b>TOTAL</b>	521	446	598	765	829	852	0	0	0	0	0	0

Run the Category Detail report for Permits. Use the month's date range.	January-12	February-12	March-12	April-12	May-12	June-12
Commercial, Add/Alter	26 \$ 4,818,569	34 \$ 7,754,367	17 \$ 2,921,210	34 \$ 5,617,710	37 \$ 4,671,358	33 \$ 3,200,236
Commercial, Demo and New						
Commercial Access, Structure				1 \$ 2,000		1 \$ 28,000
Commercial, Kiosk						
Commercial, Parking Lot					2 \$ 36,950	
Commercial, Repair		1 \$ 44,815				
Commercial, New Building				2 \$ 2,210,000	1 \$ 1,050,000	1 \$ 543,000
Commercial, Wreck	1 \$ 40,000	1 \$ 140,000	1 \$ 7,300	1 \$ 20,000		
Commercial, Temp Off. Trailer						
Electrical	125	94	108	140	138	194
Electrical, Fire Alarm	23	16	14	12	24	12
Electrical, Signs	5	9	10	12	10	5
Fence	1	2	13	21	38	25
Fire Alarm	23	19	14	13	23	14
Fire Protection	27	17	20	23	21	22
Inst./Hosp., Add/Alter					1 \$ 65,000	1 \$ 49,000
Inst./Hosp., New Building						
Industrial, Add/Alter	1 \$ 150,000	1	3 \$ 550,000		2 \$ 645,000	
Industrial, New Building						
Industrial, Wreck						
Industrial, Parking Lot						
Mechanical	97	62	85	135	121	143
Mechanical, Air	2	13	6	9	7	28
Mechanical, Heat	23	35	18	26	6	6
Mechanical, Refrigeration	4		3	3	3	9
Multi., Garage/Acc. Structure						
Multi., Add/Alter			2 \$ 3,000			
Multi., Repair	2 \$ 411,956					
Municipal, Add/Alter						1 \$ 7,280
Municipal, New Construction					1	
Plumbing	81	63	68	99	62	91
Religious, Add/Alter		1 \$ 35,000			1 \$ 500	1 \$ 250,000
Religious, Parking Lot						
Residential, Add/Alter	35 \$ 307,637	36 \$ 474,679	41 \$ 486,092	42 \$ 427,108	121 \$ 1,171,722	73 \$ 701,820
Residential, Fnd./Slab/Rat Wall						2 \$ 3,050
Residential, Demo & New						
Residential, Fire Repair	1 \$ 336,665		1 \$ 249,343			
Residential, Garage/Acc. Structure			8 \$ 38,050	7 \$ 41,299	10 \$ 54,332	7 \$ 50,005
Residential, New Construction	4 \$ 1,011,881	2 \$ 445,125	9 \$ 1,955,236	11 \$ 2,391,315	25 \$ 3,579,123	9 \$ 2,186,273
Residential, Pool/Spa/Hot Tub			3 \$ 124,950	4 \$ 47,100	3 \$ 13,500	4 \$ 63,500
Residential, Repair		4 \$ 427,725	3 \$ 51,810			1 \$ 225,702
Residential, Roof	5 \$ 42,550	6 \$ 41,497	47 \$ 469,910	37 \$ 337,445	30 \$ 216,049	24 \$ 196,455
Residential, Siding			1 \$ 6,250		1 \$ 9,000	
Residential, Window	1 \$ 5,530	8 \$ 20,883	14 \$ 64,712	24 \$ 170,405	7 \$ 43,021	19 \$ 126,441
Residential, Wrecking	1	1 \$ 5,900	1 \$ 4,000	2 \$ 2,000	1 \$ 4,000	3 \$ 2,500
Satellite/Antennas						
Sewer Installation, Sanitary	5		12	19	12	19
Sewer Installation, Storm	5	1	12	19	16	24
Sewer Tap	2		1			1
Sidewalk	2	1	17	34	43	41
Sign	13	15	33	17	30	14
Special Event						
Special Inspection					1	
Tent						
Twn House, Add/Alter						
Water, Commercial New			1	2	1	
Water, Religious Add/Alter						1
Water, Commercial Add/Alter	2	1	1	1	3	2
Water, Industrial Add/Alter					1	
Water, Residential Add/Alter						
Water, Residential New	4	2	9	11	20	10
Zoning, Animal			1	1	1	
Zoning, Temp Use or Structure		1	1	3	5	11
Zoning, Outdoor Dining						
<b>TOTALS:</b>	<b>521 \$ 7,124,788</b>	<b>446 \$ 9,389,991</b>	<b>598 \$ 6,931,863</b>	<b>765 \$ 11,266,382</b>	<b>829 \$ 11,559,555</b>	<b>852 \$ 7,633,262</b>



**Troy Public Library**

# Memo

**To:** Mike Culpepper, Acting City Manager

**From:** Mark F. Miller, Director of Economic & Community Development  
Cathleen A. Russ, Library Director

**Date:** July 17, 2012

**Re:** Update on Library Strategic Planning Process

---

The Troy Public Library Strategic Planning Task Force had its first meeting on Monday, June 25.

Consultant Erin Gong discussed the strategic planning process and the timeline with the committee members. The committee members identified key areas that strategic planning should address:

- What services does the Troy community want from the library?
- How can the library best provide those services?
- How can the library reach non-users and identify what would bring them in to the library?
- How can the library better promote its existing collections, programs and services?

Ms. Gong expects to have a "State of the Library" report prepared for the next committee meeting, which will be Tuesday, August 14. The results of that report will be shared with City Council.

I've attached Ms. Gong's report of the Orientation Meeting to this memo, and will update you as this project progresses.

What is the library?

How will funding support the redefined library?

How will we communicate the redefined library to stakeholders?

# Redefining the Library

## Business model

### Funding Streams

Millage  
Sponsorship, Grants  
Revenue, Friends

*What has been done to implement a sustainable, revenue-generating business model that reduces taxpayer reliance? How do we get secure funding and new revenue streams? How can we create a better funding model, business model for library with declining money? Will the library users support a future millage and referendum? (problem of users who aren't voters)*

### Stakeholders

#### Partners

*Have collaborative opportunities throughout the region been identified? How do we expand community partnerships? Have community stakeholders been engaged?*

#### Users (current, potential)

*How do we reach the people who don't use the library? How can we attract non-users (by age, specifically 15-29 yr olds)? How can we target non-users? How do we get library non-users to use the TPL and become supporters?*

#### Voters

#### Staff

*How will staff be reorganized to meet changing needs? How do we keep employee morale up when no raises are forthcoming?*

### Core products

#### Collection

#### Programs

#### Space

*Is our current space adequate for the programs and collections needed to serve customers? How can we rearrange space to create better "place experience" and meet community's place needs?*

#### Customer Service

*Are we providing customer service that builds a relationship with the community?*

### Needs/Outcomes

#### Needs of stakeholders

#### Impact of core products on stakeholders

*Are we meeting the needs of the community? Is our collection serving our patrons? Does our current collection serve the needs of our residents and customers? Are our patrons well-served? How are our programs changing to serve them? How can the TPL better serve our customers during the economic downturn?*

## Communication

### Awareness

*Is the library equipped to market itself? Are we effectively making the community aware of all the resources and services available at the library? How can we better market the library's services, collections and programs?*

### Perceptions

#### Relevance and Value

*What is the library of the future? How will TPL stay relevant? What innovations have been implemented to ensure relevance? Why is the library necessary? How will TPL communicate its relevance to the community? How do we get word out to show the value of TPL to the community?*

### Public vs private

*How can you address the public who think the library shouldn't compete with the private sector? How do we reach nay-sayers? Why do we need the library with internet, Google, etc.? What does my tax money as a patron get me overall at the library?*

**Orientation Meeting—Troy Public Library**  
**Monday, June 25, 2012**

**Overview of Strategic Planning Process**

Based on Outcomes-Based Planning and Evaluation model by the Institute for Museum and Library Services

The strength of this model is it puts your end-users, your patrons, up front in the planning process. It focuses on getting at the difference a library will make for those people.

In this process we answer three main questions: Where are we? Where do we want to go? How do we get there?

We answer the first two questions in a back and forth way and from that move on to the third question.

1. State of the Library. What the library looks like now, internally, compared with other libraries.
2. Vision. Come up with the big picture, the guiding ideas. What do we want the library to be?
3. Outcomes. This makes the vision concrete. What does the library look like for real people. What difference will it make for them?
4. Gaps and barriers. As we look at where we are and where we want to go, what's stopping us from getting there.
5. Activities. This is where we get to decide what we actually want to do. What's the solution, what are our objectives that we want to accomplish?
6. Measurement. How do we make the SP a living document. Figure out which of our solutions work, which don't. Make changes, keep thinking.

**Housekeeping**

Organization of Task Force, Roles

- Task force is the head behind the strategic plan
- Want a lot of involvement. Won't be a time sink, we know everyone's time is scarce. Have a few meetings over the next few months, may have some small assignments between meetings in order to keep things moving along. My role is to make this as easy as possible for you, but without your investment, the strategic plan won't have traction.
- Cathy and I have talked about forming a smaller group from this task force to be more involved in the management, moving things along, making some of the decisions that the whole group doesn't necessarily need to be involved in but that we want to have input into. We will let you know where this goes.

Decision-making

- Want a lot of feedback. Want to hear ideas.
- At the end of the day, we turn to Cathy for the final decision.
- She wants to make decisions based on your input and your advice, but she has the perspective of the practical business of running the library that must be considered in our planning.

Communication

- Setting up meetings. Cathy will likely use something like Doodle in future. Schedule meetings as much in advance as possible (at least several weeks).
- Feel free to share ideas, resources, etc. with the group. Everyone should have all email addresses from emails Cathy has sent out.

--Erin Gong

Tuesday, July 10, 2012

Troy City Council  
C/O City Manager, Michael Culpepper  
500 W. Big Beaver  
Troy, MI 48084

Dear Mr. Culpepper and City Council Members:

We are writing to commend two City of Troy employees. On several occasions over the past two months, we have contacted Mr. Paul Evans, Zoning and Compliance Specialist regarding issues in our neighborhood. He, in turn, referred our concerns to Mr. Gary Bowers, Housing and Zoning Inspector.

In every instance, our emails were answered within one business day by both individuals, and on several occasions, within a matter of hours. In addition, they promptly initiated complaint investigations and issued citations accordingly. Two instances involved unsightly property and a third involved hazardous obstruction of an intersection.

While expeditious response is commendable, both Mr. Evans and Mr. Bowers both display a sincere commitment to serving the citizens of Troy. Our issues were never treated as trivial or inconsequential. When we stated our concern that we might be viewed as "chronic complainers" for reporting repeat code violations on our block, they reassured us that our concerns were valid and our issues were important to them. As Mr. Evans stated in an email: "We appreciate residents such as you letting us know where our services are needed. We would never view it as complaining."

While we are certain that many citizens take the time to communicate with you regarding City employees who fail to perform, we feel it is as just as important to commend those who exceed our service expectations. The dedication and professionalism displayed by both Mr. Evans and Mr. Bowers are exemplary and we would like to see them recognized in some public forum.

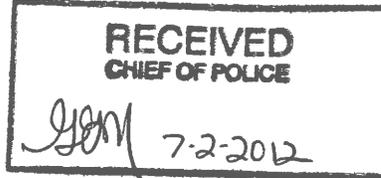
Please feel to contact us should you need any further documentation.

Sincerely,



Nancy and Don Johnson  
2199 Brinston Drive  
Troy, MI 48083  
248.457.6872  
Email: [glassdimen@wideopenwest.com](mailto:glassdimen@wideopenwest.com)

Cc: Paul Evans  
Gary Bowers  
Cindy Stewart



CASE # 12 12334  
P.O. DOUG DREWIK  
GREAT JOB. THANK YOU  
FOR YOUR WORK AND  
ASSISTANCE RENDERED TO  
MR. BARTOS. JGM

Doug

30 June 2012

Gary Mayer, Chief of Police  
Troy Police Department  
500 West Big Beaver  
Troy, Michigan 48084

Dear Chief Mayer:

In behalf of my husband and me, we extend our heartfelt appreciation to Police Officer Doug Drewek for literally helping to save my husband's life on April 19.

Andy was on his way to work at GM Tech Center when his carotid artery dissected while driving on I-75 at Big Beaver at approximately 5 o'clock that morning. By the grace of God, the car finally came to a stop without hurting anyone else and with only minimal damage.

Officer Drewek reported to me during his telephone call that morning that he found Andy immobile and unresponsive. He called for immediate medical assistance and Andy was taken to St. Joseph Mercy Hospital

**(MEDICAL & PERSONAL INFORMATION REDACTED)**

In any event, Andy would not be here at all today were it not for the quick action of Officer Drewek, who came to his aid and made the "right call" to get him to St. Joe's where Dr. Xavier could "work his magic." We are eternally grateful to Officer Drewek and consider him our personal hero.

Below you will find Andy signing his name personally along with mine; this letter is at his request and he wanted me to make sure we said "thank you" --- so, Officer Drewek, from the bottom of our hearts, THANK YOU!

Sincerely,

Andrew & Barbara Bartos

Andrew & Barbara Bartos



U.S. Department of Homeland Security  
**UNITED STATES SECRET SERVICE**

Detroit Field Office  
 477 Michigan Avenue, Suite 1000  
 Detroit, Michigan 48226

June 29, 2012

Chief Gary Mayer  
 Troy Police Department  
 500 West Big Beaver Road  
 Troy, Michigan 48084

Dear Chief Mayer,

Please let me extend my gratitude to the men and women of your department for all their support during Presidential Candidate Mitt Romney's recent visit to Troy, Michigan. They did a superb job. As you know, without the assistance of local law enforcement, the Secret Service's task of protection would be insurmountable.

In particular I would like to thank Sgt. Russ Harden. He coordinated all public safety and law enforcement related activities, making him an invaluable asset during this visit.

Your department provided much needed support on short notice. The Secret Service appreciates your expertise and service in making the visit a success. Your participation and continued support are always greatly appreciated.

We look forward to working with you and other members of your department in the future.

Sincerely,

Jeffrey Frost  
 Special Agent in Charge

**RECEIVED**  
**CHIEF OF POLICE**

*JGM* 7-2-2012

THANKS TO THE OFFICERS AND COMMUNICATIONS STAFF IN INITIAL DETAIL. ALSO TO THOSE WHO HELD OVER FROM THEIR SHIFT UPON ARRIVAL OF THE PICKETERS. *JGM*

Detail Officers

SGT Harden (On-Scene Commander)  
 PO Stopczynski  
 PO Julian  
 PO Raczka  
 PO Bragg

Hold Over

Chief Mayer (Duty Officer)  
 LT Gordon (Tactical Response Team)  
 PO Bordo  
 PO Linton  
 PO Stansbury  
 PO LaForest

On duty Communications Personnel

CS Page  
 SGT Haddad

HELLO - TO MY HEROES -

GREG SCHELSESKY  
OFFICER MORGAN  
SGT. SMITH  
SGT. LEHMAN  
OFFICER WARZECHA

RECEIVED  
POLICE  
JPM 7-3-2012

TRAFFIC DISPUTE  
2012-21180

THANKS FOR MAKING SUCH A GREAT  
IMPRESSION ON MS. BERKEY.  
GARY

Just to say

I WANT TO TAKE THIS OPPORTUNITY  
TO SHOW MY APPRECIATION AND  
THANK YOU FOR ALL YOUR HELP  
AND SUPPORT + STAYING WITH ME  
ON THE PHONE DURING MY ORDEAL  
ON JUNE 27TH.  
I WAS SCARED - AND ALL OF YOU  
GAVE ME COMFORT AND STRENGTH.  
THANK YOU AGAIN - DEBORAH BERKEY

6-28-2012



**From:** [Mike Culpepper](#)  
**To:** [Aileen Bittner](#)  
**Subject:** FW: [DSLRT] Southfield shortens hours  
**Date:** Wednesday, July 11, 2012 10:23:51 AM

---

**From:** Cathleen A Russ  
**Sent:** Wednesday, July 11, 2012 10:09 AM  
**To:** Cynthia A Stewart; Mark F Miller; Mike Culpepper  
**Subject:** FW: [DSLRT] Southfield shortens hours

FYI from the Director of the Southfield Public Library. Southfield has taken a huge hit due to declining revenue and this is the result.

Hello Everyone -

Due to continued declining revenues, Southfield Public Library will be shortening its hours of operation to the public, beginning September 4th, 2012. Much as I hate doing it, this is our best way to survive the economic crisis. We held on longer than some, but the economy has not revived quickly enough to keep us afloat without these measures.

Our new hours, after Labor Day weekend, will be:

Mondays and Wednesdays - 1:00 pm to 9:00 pm  
Tuesdays and Thursdays - 9:30 am to 5:30 pm  
CLOSED on Fridays  
Saturdays - 9:30 am to 5:30 pm  
Sundays - 1:00 pm to 5:00 pm (from Labor Day to Memorial Day)/closed in the summer

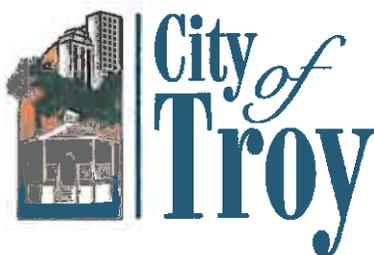
I hope this will be a temporary situation, but from the news I've been given, it will be at least 2015 before our tax base stops decreasing in value. If the Personal Property Tax is eliminated without any replacement, we will have another \$660,000 hit from that.

Hang in there,  
Dave

*David L. Ewick*

City Librarian  
Southfield Public Library  
26300 Evergreen  
Southfield, Michigan 48076  
248 796-4300  
[dewick@sfdlib.org](mailto:dewick@sfdlib.org)





## MEMORANDUM

TO: Members of the Troy City Council  
 FROM: Lori Grigg Bluhm, City Attorney *LSB*  
 DATE: July 18, 2012  
 SUBJECT: Fireworks Regulations

The Michigan Legislature's passage of the Michigan Fireworks Safety Act (2011 PA 256) has caused some municipalities to enact local regulations concerning the use and discharge of fireworks. Due to activity during the past month, some members of the Michigan legislature are reviewing the newly enacted state statute, MCL 28.451 et. seq. to address concerns that have been raised by residents and local governmental units.

In the interim, some municipalities have enacted ordinances that completely prohibit the use or discharge of fireworks on days other than the national holidays. Local ordinances have been enacted in Birmingham, Center Line, Ferndale, Keego Harbor, Novi, Rochester Hills, Royal Oak, Sterling Heights, Sylvan Lake, Warren, West Bloomfield and other metropolitan Detroit communities, as well as in cities on the west side of the State, including Grand Rapids, Kentwood and Walker.

The current state law pre-empts any local regulation addressing the use and discharge of fireworks on the national holidays (including the day before and the day after the holiday). In other communities, there have been challenges to criminal noise citations issued on these designated days, so there may be case law in the near future clarifying this aspect.

The City of Troy has used state law and Troy's existing ordinances to address firework complaints. Under state law, fireworks cannot be discharged on public property, school property, church property, or the property of another person (unless explicit permission is given). Persons under the influence of drugs or alcohol are prohibited from discharging fireworks. Minors cannot purchase the more powerful fireworks that are otherwise authorized under the new state statute. All of these provisions are incorporated in Troy's ordinance, which requires compliance with the State law. Troy also has additional provisions, including Chapter 98, Section 98.05.05, prohibiting loud conduct which disturbs the peace and quiet. This provision can be cited if persons are caught disturbing the peace with the use of fireworks. The City also has a nuisance ordinance, Chapter 88 of the City of Troy Ordinances, which could be used against property owners to abate a continuing nuisance, such as loud conduct or littering.

City Administration is happy to work on a proposed ordinance revisions concerning fireworks if Council directs. A proposed ordinance could do any of the following:

- prohibit fireworks on all days but the designated holidays; and/or
- set hours on the discharge of fireworks; and/or
- prohibit minors from using or discharging fireworks; and/or
- create setbacks from residential property; and/or
- other items that need to be addressed

Please let us know how Council would like to proceed on this matter.



**RULES OF PROCEDURE FOR THE  
CITY COUNCIL  
CITY OF TROY, MICHIGAN**

**Adopted: February 20, 2012**

1.	APPOINTMENT OF MAYOR PRO TEM .....	1
2.	CODE OF ETHICS.....	1
3.	DESIGNATION OF ACTING MAYOR .....	1
4.	SPECIAL MEETINGS .....	1
5.	REGULAR MEETINGS .....	2
6.	AGENDA .....	2
7.	ORDER OF BUSINESS .....	2
8.	CABLE CASTING OF CITY COUNCIL MEETINGS.....	3
9.	MINUTES .....	3
10.	PROCLAMATIONS .....	3
11.	RECONSIDERATION OF QUESTIONS.....	3
12.	RESCISSION OF QUESTIONS.....	4
13.	WITHDRAWAL OF MOTIONS PRIOR TO VOTING.....	4
14.	PUBLIC HEARING .....	4
15.	CONSENT AGENDA .....	4
16.	APPOINTMENTS .....	4
17.	MEMBERS OF THE PUBLIC AND VISITORS.....	5
18.	POSTPONE .....	6
19.	RULES OF ORDER .....	6
20.	MISCELLANEOUS EXPENSES.....	6
21.	EXPENSES: OUT-OF-TOWN TRAVEL FOR CITY BUSINESS.....	6
22.	ABSENCES AT COUNCIL MEETINGS.....	7
23.	SUSPEND RULES .....	7
24.	COUNCIL DISCUSSION.....	7
25.	AGENDA ITEMS SUBMITTED BY COUNCIL MEMBERS .....	7
26.	VIDEO AND AUDIO PRESENTATIONS .....	7
27.	CONTINUED AGENDA ITEMS NOT CONSIDERED BEFORE 12:00 AM.....	7
28.	VIOLATIONS.....	7
29.	WIRE COMMUNICATIONS BY AND TO COUNCIL MEMBERS DURING ANY MEETING OF COUNCIL .....	7

**1. APPOINTMENT OF MAYOR PRO TEM**

The selection of Mayor Pro Tem shall rotate annually in the following order: McGinnis, Slater, Fleming, Tietz, Henderson, Campbell.

**2. CODE OF ETHICS**

The City Council Code of Ethics shall be reviewed in November of each election year, and all City Council members shall agree to abide by the City Council Code of Ethics, and shall evidence this agreement by affixing their signature to a written copy of the Code of Ethics at the earliest opportunity, and providing a copy to the City Clerk.

**3. DESIGNATION OF ACTING MAYOR**

In the absence or disability of the Mayor and the Mayor Pro Tem, the Council Member present who has served longest shall be designated Acting Mayor and shall perform the duties of the Mayor.

**4. SPECIAL MEETINGS**

**A. CALLING OF SPECIAL MEETINGS** (Pursuant to City Charter Section 4.2):

Special meetings shall be called by the Clerk on the written request of the Mayor, or any two members of the Council on at least twenty-four hours written notice to each member of the Council, served personally or left at his usual place of residence; but a special meeting may be held on shorter notice if all members of the Council are present or have waived notice thereof in writing.

**B. DOCUMENTATION:**

Special meetings shall be exclusively limited to items specifically referenced in the Call of the Meeting.

- **Special Meeting Posting:** Pursuant to City Charter a printed meeting notice for each specially called meeting shall contain the items indicated in the written notice calling the meeting.
- **Study Session (Special Meeting) Agenda and Posting:** Study Session Agendas shall contain the items as indicated in the motion calling the meeting.

**C. POSTING AND DELIVERY:**

Special Meeting Calling Notice and/or Agenda shall be personally delivered to each Council Member and posted for public display at least twenty-four (24) hours in advance of the meeting.

**D. ORDER OF BUSINESS:**

At each Study Session (Special Meeting) of the Council, the business to be considered shall include the items listed and in the following order:

**A. Call to Order**

**B. Roll Call:**

- 1) Listing of Council Members

2) Excuse Absent Council Members pursuant to Rule Number 21.

**C. Items as Indicated in the Motion Calling of the Meeting**

**D. Items Not Indicated in the Motion Call the Meeting** (Pursuant to City Charter Section 4.2):

1) Special meetings are limited to what is expressly indicated in the Call of the Meeting (Motion of Council or written notice), except as set forth below.

**E. Amendments/Additions to Agenda** (Pursuant to City Charter Section 4.3):

In order for City Council to address items at a Special Meeting that are in addition to the Items expressly indicated in the Call of a Special Meeting, all members of City Council must consent to the requested addition(s) in writing and all Council members present at the Special Meeting must consent.

**F. Public Comment**

**G. Adjournment**

**5. REGULAR MEETINGS**

Regular meetings shall be held in the Council Chambers at 7:30 P.M. Meeting dates will be established, by resolution, prior to the end of the preceding calendar year.

**6. AGENDA**

**A. Regular Meeting Agenda:** A printed agenda for each regularly scheduled meeting shall be produced at least forty-eight (48) hours in advance of the meeting. Every item of business to come before the Council shall be filed with the City Clerk by noon on the Wednesday preceding the Monday on which the Council meets. It shall be the duty of the City Clerk to have delivered, as soon as practical, to each member of the Council a complete agenda of the items to be considered at the following meeting. Each item on the agenda shall have sufficient explanation to indicate its intent. All questions introduced that do not appear on the agenda will be referred to a later meeting, except by suspension of these rules. A packet, excluding all confidential items, will be posted on the City's Website at least 48 hours prior to Council meetings.

**B. Closed Session Agenda:** Where a Closed Session is requested of a pending case, the specific name(s) is to be included pursuant to MCL 15.268 (e), even though the specific name(s) is not technically required under the Open Meetings Act. Where a Closed Session is requested for any collective bargaining unit, the specific name(s) is to be included pursuant to MCL 15.268 (c), even though not technically required under the Open Meetings Act.

**7. ORDER OF BUSINESS**

At each Regular meeting of the Council, the business to be considered shall be taken up for consideration and disposition in the following order:

**Invocation**

**Pledge of Allegiance**

**A. Call to Order**

**B. Roll Call**

1) Listing of Council Members

2) Excuse Absent Council Members pursuant to Rule Number 22

- C. **Certificates of Recognition and Special Presentations**
- D. **Carryover Items**
- E. **Public Hearings**
- F. **Public Comment** – In accordance with the Rules of Procedure of the City Council, Rule Number 17 - Members of the Public and Visitors
- G. **Response/Reply to Public Comment**
- H. **Postponed Items**
- I. **Regular Business**
- J. **Consent Agenda**
  - 1) Approval of “I” Items NOT Removed for Discussion
  - 2) Address of “I” Items Removed for Discussion
- K. **Memorandums and Future Council Agenda Items**
- L. **Council Referrals** - Items appearing under Council Referrals are items brought forward by the Mayor or Council Members before the City Manager’s agenda deadline for consideration at the next regular meeting.
- M. **Council Comments** - Items brought forward by Mayor and Council will be placed on the next Regular Meeting Agenda for Action. Items appearing under Council Comments are not intended for discussion or action at the meeting at which they first appear.
- N. **Reports**
- O. **Study Items**
- P. **Closed Session**
- Q. **Adjournment**

**8. CABLE CASTING OF CITY COUNCIL MEETINGS**

All City Council Meetings will be broadcast on WTRY, with the exception of Closed sessions and Council retreats.

**9. MINUTES**

- A. **Minutes:** The minutes will be distributed to the Council prior to their approval. The minutes will be placed on the Consent Agenda for approval.
- B. **Closed Session Minutes:** Where a Closed Session is requested for discussion of a pending case, the specific name(s) is to be included pursuant to MCL 15.268 (e), even though the specific name(s) is not technically required under the Open Meetings Act. Where a Closed Session is requested for any collective bargaining unit, the specific name(s) of a collective bargaining unit is to be included pursuant to MCL 15.268 (c), even though not technically required under the Open Meetings Act.

**10. PROCLAMATIONS**

Proclamations shall be included in the agenda under Reports and Communications and may be brought before Council for consideration by any member. Proclamations will be placed on the Consent Agenda for approval.

**11. RECONSIDERATION OF QUESTIONS**

Reconsideration of any vote of the Council may be made by either side of the voted motion and shall require the affirmative vote of the majority of the Council Members\*. Reconsideration of any vote of the Council may further be made by either side of the voted motion and shall require the affirmative vote of the majority of the Council Members provided

that new information has been brought forward. \*Charter states "majority of the members elect."

**12. RESCISSION OF QUESTIONS**

Rescission of any vote of the Council shall require the affirmative vote of the majority of the Council Members. \*Charter states "majority of the members elect."

**13. WITHDRAWAL OF MOTIONS PRIOR TO VOTING**

Any motion may be withdrawn by its maker. A motion to withdraw must receive a second and the affirmative vote of the majority of the Council Members present.

**14. PUBLIC HEARING**

Public Hearings will be held after required notice has been provided. Notices shall inform recipients of possible continuations of hearings. The City Council may upon affirmative vote of a majority of its members "continue" said hearing at a future date designated in the resolution. If the City Council elects to continue the Public Hearing it will appear in the designated meeting Agenda under the topic of "Public Hearings".

**15. CONSENT AGENDA**

The Consent Agenda includes items of a routine nature and will be approved with one motion. That motion will approve the recommended action for each item on the Consent Agenda. Any Council Member may ask a question regarding an item as well as speak in opposition to the recommended action by removing an item from the Consent Agenda and having it considered as a separate item. Any item so removed from the Consent Agenda shall be considered after other items on the consent portion of the agenda have been heard. Public comment on Consent Agenda Items will be permitted under Agenda Item F.

**16. APPOINTMENTS**

**A. Appointments to Boards, Commissions and Committees:**

The Mayor shall, with City Council concurrence, appoint members of Boards or Committees as governed by State Statute or local ordinances.

The Mayor Pro Tem will contact incumbents to determine their interest in being nominated for reappointment.

The Mayor or any Council Member desiring to nominate a person for appointment to a Board, Commission, or Committee shall at the meeting prior to the appointment, submit such name, for nomination. A brief summary of background and personal data as to nominee's qualifications should be presented at the time of nomination, except that such a resume shall not be required for the re-nomination of a current member, or if the Council unanimously agrees that a resume is not necessary. Resumes will be submitted on or before the time of nomination.

Nominations will occur during any regular meeting of the Council. A resolution to nominate will be considered during the "Regular Business" of the agenda. All nominations are subject to Section "B" which appears below.

**B. Method of Voting on Nominees:**

- 1) Where the number of nominees does not exceed the number of positions to be filled, a roll call vote shall be used.
- 2) Where the number of nominations exceeds the number of positions to be filled, voting shall take place by the City Clerk calling the roll of the Council and each Council Member is to indicate the names of the individuals he/she wishes to fill the vacancies
- 3) When no candidate receives a majority vote, the candidate(s) with the least number of votes shall be eliminated from the ensuing ballot.
- 4) No member of the City Council shall serve on any committee, commission or board of the City of Troy, except the Retirement System Board of Trustees, Retiree Health Care Benefits Plan and Trust Board, and the Local Development Finance Authority (LDFA) unless membership is required by Statute or the City Charter.
- 5) Persons nominated, but not appointed during this process will be sent a letter thanking them for their willingness to serve the community.
- 6) Recognition will be given to persons who have concluded their service to the community on Boards and Commissions.

**C. Appointment of City of Troy Representation to SEMCOG and SOCRRA**

**SEMCOG (Southeastern Michigan Council of Governments) Representation:** The Mayor and City Council shall appoint one Delegate and one Alternate to serve on the SEMCOG General Assembly for a term of two-years expiring at 7:30 PM on the Monday following the Regular City Council Election. The appointments shall be made at the organizational meeting of Council at the first Regular meeting of every odd-year November.

**SOCRRA (South Oakland County Resource Recovery Authority) Representation:** The Mayor and City Council shall appoint one delegate and one alternate to serve on the SOCRRA Board for a term of one-year expiring on June 15<sup>th</sup>.

**17. MEMBERS OF THE PUBLIC AND VISITORS**

Any person not a member of the City Council may address the Council with recognition of the Chair, after clearly stating the nature of his/her inquiry or comment. **NOTE TO THE PUBLIC:** *City Council requests that if you do have a question or concern, to bring it to the attention of the appropriate department(s) whenever possible. If you feel that the matter has not been resolved satisfactorily, you are encouraged to bring it to the attention of the City Manager, and if still not resolved satisfactorily, to the Mayor and Council.*

- Petitioners shall be given a fifteen (15) minute presentation time that may be extended with the majority consent of City Council.
- Any member of the public, not a petitioner of an item, shall be allowed to speak for up to five (5) minutes to address any Public Hearing item.
- Any member of the public, not a petitioner of an item, shall be allowed to speak for up to five (5) minutes to address Postponed, Regular Business or Consent Agenda items or any other item as permitted under the Open Meetings Act during the Public Comment portion of the agenda.

- City Council may waive the requirements of this section by a majority of the City Council members.
- Agenda items that are related to topics where there is significant public input anticipated should initiate the scheduling of a Special meeting for that specific purpose.

Prior to Public Comment, the Mayor will provide a verbal notification of the rules of decorum for City Council meetings. In addition, the written Agenda Packet will include the following language, as approved by City Council:

*The audience should be aware that all comments are to be directed to the Council rather than to City Administration or the audience. Also, there is a timer on the City Council table in front of the Mayor that turns yellow when there is one minute of speaker time remaining, and turns red when the speaker's time is up.*

*In order to make the meeting more orderly and out of respect, please do not clap during the meeting, and please do not use expletives or make derogatory or disparaging comments about any one person or group. If you do so, then there may be immediate consequences, including having the microphone turned off, being asked to leave the meeting, and/or the deletion of speaker comments for any re-broadcast of the meeting. Speakers should also be careful to avoid saying anything that would subject them to civil liability, such as slander and defamation.*

*Please avoid these consequences and voluntarily assist us in maintaining the decorum befitting this great City.*

## **18. POSTPONE**

A motion to postpone may be made for a definite period of time. Items will automatically appear on the appropriate agenda.

## **19. RULES OF ORDER**

*Robert's Rules of Order*, current edition, as clarified by the City Clerk, is hereby adopted and made a part hereof, except as modified by these Rules of Procedure, the Charter, and the City Code.

## **20. MISCELLANEOUS EXPENSES**

Reasonable and necessary expenses incurred in service on behalf of the City shall be paid the Mayor and Council, provided that at the end of each month a detailed expense report is submitted and approved by the City Council.

## **21. EXPENSES: OUT-OF-TOWN TRAVEL FOR CITY BUSINESS**

- A. Funds providing for Council representation at State and National conferences sponsored by affiliations of cities will be annually approved in the budget for the subject fiscal year. The City Council will by advance resolution grant authorization for out of town travel to specific places, for conference purposes. Members of the City Council will submit expense vouchers exceeding \$50.00 per day to attend out-of-town meetings and conferences, with additional allowances being made for transportation (paid at the air coach rate, City pool car, City Vehicle rental rate, or gas mileage at current IRS guidelines, depending upon the mode of transportation) and lodging. Expenses may be authorized for payment by the City Manager, and a copy of the expense report form will

be placed on the Council agenda under Reports and Communications.

- B. Detailed and receipted expenses, not to exceed \$150.00, to attend legislative committee hearings, legislative meetings, etc., may be authorized for payment by the City Manager without prior authorization by the Council, and a copy of the expense report form, along with receipts, will be placed on the Council agenda under Reports and Communications.

**22. ABSENCES AT COUNCIL MEETINGS**

- A. Council members who are unable to attend a Council meeting and desire an excused absence shall notify the City Manager, City Attorney or City Clerk of their absence in writing prior to the meeting and indicate the reason for the absence. The reason shall be entered in the proceedings of the Council at the time of each absence.
- B. In the event of an absence of a Council member at a meeting, the City Manager is directed to supply such absent Council member with information about any special meetings that may have been scheduled.

**23. SUSPEND RULES**

The Rules of Procedure may be waived by a simple majority.

**24. COUNCIL DISCUSSION**

No member of Council shall speak a second time on any item under discussion until all other members desiring to speak on that item have been heard. No member of Council shall be allowed to speak for more than five (5) minutes at a time.

**25. AGENDA ITEMS SUBMITTED BY COUNCIL MEMBERS**

Mayor and Council Members submitting an item for a vote shall send the item to the City Manager in a timely manner in writing. Staff professional opinion will be written to accompany the item for discussion and a vote on the matter. Presentations at the Council table shall be limited to 15 minutes.

**26. VIDEO AND AUDIO PRESENTATIONS**

Video and Audio Presentations may not be submitted for presentation at a Council meeting unless submitted by 12:00 Noon on the day of the meeting. Inappropriate material will be prohibited.

**27. CONTINUED AGENDA ITEMS NOT CONSIDERED BEFORE 12:00 AM**

Any item on the Council agenda that has not been discussed by 12:00 AM of the morning following the beginning of the meeting shall be continued to the next regular meeting as a Carryover Item, unless City Council takes action to the contrary.

**28. VIOLATIONS**

The City Clerk shall be responsible for reporting violations of time limitations or speaking sequence to the Chair.

**29. WIRE COMMUNICATIONS BY AND TO COUNCIL MEMBERS DURING ANY**

**MEETING OF COUNCIL**

All communications are subject to the Michigan Open Meetings Act, therefore members of the City Council shall not engage in any form of wire communication, as defined by U.S. Code Title 18, Part I, Chapter 119, Section 2510, during any meeting of the Council.