

FARMINGTON CITY COUNCIL
SPECIAL MEETING

A special meeting of the Farmington City Council was held on Monday, May 1, 2006, in Council Chambers, 23600 Liberty Street, Farmington, Michigan. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 6:16 p.m. by Mayor McShane.

COUNCIL MEMBERS PRESENT: Buck, Knol, McShane, Sutherland, Wiggins.

COUNCIL MEMBERS ABSENT: None.

CITY ADMINISTRATION: Clerk/Treasurer Cantrell, City Manager Pastue, Assistant Finance Director Weber.

APPROVAL OF AGENDA

05-06-082 MOTION by Knol, seconded by Wiggins, to approve the agenda as submitted. MOTION CARRIED UNANIMOUSLY.

REVIEW DDA PROPOSED FISCAL YEAR 2006-07 BUDGET

The Farmington Downtown Development Authority (DDA) Executive Director, Annette Knowles, presented the Authority's budget for Fiscal Year 2006-2007. Director Knowles discussed the Authority's Main Street Work Plan for 2006-07 including anticipated funding sources.

Dirk Beamer, DDA President, responded to questions raised by Council including the availability of bank loans to Downtown businesses.

Knowles advised regarding various funding sources available to businesses including opportunities and criteria for securing a loan.

Discussion continued regarding aspects of DDA operations, expenditures and funding sources.

Mayor McShane thanked Director Knowles for her presentation.

REVIEW CITY MANAGER'S PROPOSED BUDGET

City Manager Pastue reviewed the Fiscal Year 2006-2007 Budget presented to Council at the April 17, 2006 Council meeting. His presentation included all budgeted funds including the General Operating Fund, Capital Improvement Fund, Street Funds, Water and Sewer Fund, and the Theatre Fund. Pastue highlighted significant expenditure and/or revenue changes in the various funds.

SPECIAL MEETING -2-
May 1, 2006

City Manager Pastue presented an overview of planned restructuring of administrative departments and functions. Discussion regarding planned changes continued with Manager Pastue indicating that, as the changes were finalized, he would bring the proposal back to Council.

Councilmember Knol, responding to discussion on recycling fees, recommended that the City pursue a "Pay as You Throw" program which she believes is the most fair and equitable method for collecting trash.

Councilmember Buck asked if funds were included in the Public Safety budget to support parking enforcement in the Downtown. Pastue responded that Public Safety would incorporate it as part of their daily routine without requiring additional funds.

Responding to a question from Mayor McShane, Pastue concurred that parking enforcement was initially part of the DDA budget, however, Director Nebus had offered to incorporate this function into the department's patrol services. Manager Pastue agreed to evaluate the parking enforcement program on a regular basis.

Responding to a question from Buck concerning the General Fund, City Manager Pastue stated that \$179,000 would be transferred from fund equity to balance the General Fund budget. Pastue confirmed that the General Fund's balance is extremely healthy, but advised that it should remain at a reasonable level relative to the budget.

In response to discussion of the large DDA fund balance, Buck suggested that since their fund balance is high, a good use of some of those funds would be for promotion and advertising. Pastue noted that large fund balances are often used for one time capital projects rather than operating expenses which can then become part of ongoing budget expenses.

Buck continued to express concern that the DDA has not allocated enough dollars towards promotion and advertising. He further emphasized the need to promote Farmington in order to fill available retail space and bring in more customers.

Responding to a question from Councilmember Sutherland, Pastue stated the goal set by Council for a marketing plan would come out of the fund balance.

Councilmember Knol emphasized that long term projects, i.e. code enforcement or marketing plan, should not come out of fund equity, noting that fund equity is for one-time projects such as land acquisition.

Buck suggested that Farmington might want to participate in a psycho-metric based study commissioned by the City of Farmington Hills to determine buying behavior in the market area.

Responding to discussion regarding millage rates, both Mayor McShane and Councilmember Knol expressed support for maintaining the current level. Pastue indicated he would look for budget reductions to support the current millage level.

SPECIAL MEETING -3-
May 1, 2006

Responding to a question from Buck, City Manager Pastue stated that the proposed restructuring changes are not built into the budget.

Knol indicated that Council still needs the opportunity to review additional comprehensive proposals regarding management of the Theatre.

Regarding restructuring plans, Knol noted the difficulty of finding a replacement for a position that is defined as a part-time Assistant City Manager and part-time Theatre Manager.

Under the restructuring proposal, Wiggins expressed concern regarding overloading the Department of Public Services. Pastue noted that the City might consider contracting out some of the work.

Mayor McShane indicated that there may be other cost-saving measures available such as cooperative buying projects with other municipalities. She stated that Oakland County has commissioned a feasibility study for cooperative ventures between local governments.

DISCUSSION-DUAL WATER METERS

City Manager Pastue discussed a number of issues related to installation of dual water meters. He stated that approximately 20% of metro Detroit communities including Farmington Hills offer dual water meters. He noted that payment to the City of Detroit for sewer treatment costs varies from season to season based on the amount of rainfall and groundwater entering the sanitary system.

Pastue noted that installation of dual meters would be a zero sum game with both winners and losers. He stated that it is difficult to assess how much of sewer disposal service is based on domestic water consumption and how much is attributed to infiltration. He recommended a rate study if Council elected to consider dual meters.

Pastue advised that private water wells might be an option, however, the cost for installation might be prohibitive. He stated that irrigation meters would have an installation cost and in addition, a quarterly administration fee would be incurred if they were not used.

Mayor McShane requested that administration provide information on how other communities have implemented dual meters and have set appropriate rates. Pastue advised that it would be difficult to compare communities because of variables such as whether or not footing drains are disconnected from the sanitary system.

Knol noted that footing drains have been recently disconnected in Chatham Hills and that may be a good place to start with dual meters. Pastue expressed concern that it would cause a dual rate structure.

SPECIAL MEETING -4-
May 1, 2006

Knol requested a report comparing cities of similar size and age that have dual water meters. She further requested a proposal regarding the feasibility of installing meters.

Sutherland expressed concern regarding the environment in that dual water meters may encourage increased water use.

Buck cited the major projects the City is currently undertaking and suggested revisiting this issue in twelve months.

Wiggins requested that administration provide a comparison of other cities and include whether water usage increased after the dual meters were installed. He concurred with Sutherland that in terms of environmental conservation the City does not want to encourage increased water usage.

Pastue stated that a quick survey could be done.

Discussion followed regarding the feasibility of taking on this project at this time.

OTHER BUSINESS

Mayor McShane advised that the Charter Amendment Committee would be recommending a charter amendment at the May 15, 2006 Council meeting. She further advised that she would be sharing Council's goals with the DDA Board at their next meeting. She welcomed any comments Council would like her to take to the meeting.

Mayor McShane noted that the City Manager has not yet received his performance review, however, he has requested to delay it until June.

Mayor McShane expressed the need for Council to focus on established goals and not allow extracurricular activities to detract from achieving them. She cited goals that included among others: the Museum, Beautification Awards, Historic District Committee, Ordinance enforcement, Kimco, Pavilion Committee, parking, signage and cable programming.

Mayor McShane stated that there are a lot of items for discussion such as developing relationships with other local governments and the Founders Festival.

Buck noted that discussion and follow-up on the water meters may be detracting from working toward established priorities and goals. Discussion followed regarding the workload of the City Manager and City staff and addressing priorities.

Buck requested an update on Traffic Control Orders for the Downtown. Pastue responded that there would be 3-hour timed parking behind the Civic Theatre, excluding the north portion of the lot; 2-hour parking in areas of the Downtown Center; and a 2-hour limit between 9:00-5:00 p.m. in the lot behind Pages Restaurant.

SPECIAL MEETING -5-
May 1, 2006

Buck asked if it would be possible to give a "kinder/gentler" warning the first time someone exceeds the parking limit.

Sutherland suggested a "grace period" in which warnings are given.

Wiggins discussed the difficulty of enforcing timed parking, noting the experience Public Safety has had with the timed parking in the lot behind Pages Restaurant.

Buck asked how to prepare the merchants for the difficulties of enforcement of timed parking. Pastue expressed his expectation that there will be issues with enforcement.

Sutherland asked if merchants could be signers on the parking tickets. Wiggins responded yes, but verification of this would be needed from Director Nebus. Buck stated that the merchants would be receptive to this idea.

McShane asked again regarding funds for parking enforcement provided in the DDA budget. Pastue recommended allowing Public Safety to enforce timed parking before involving the DDA and merchants.

Discussion followed regarding the importance of communicating these changes to the merchants.

Sutherland suggested that the parking tickets be payable at City Hall, unless contested, to accommodate the public.

Buck stated that the primary objective of timed parking is to promote turnover in the lots.

PUBLIC COMMENT

Annabelle Gabel, Farmington resident, noted that it seemed brighter in the upstairs of the Civic Theatre than during her earlier visit.

COUNCIL COMMENT

Sutherland announced that on May 20, 2006 the American Cancer Society will hold a 24-hour walk in Shiawassee Park and that she is part of a team who is walking for city employee, Pam Recker.

Buck noted how efficiently the sewer construction was managed on Grand River. He observed that it was an excellent test of reduced lanes on Grand River, noting that he experienced no back-ups during peak hours.

Buck again recommended adding advertising funds to both the City and DDA budgets in order to promote Farmington. McShane advised that this is part of the Council's goals and suggested another meeting to discuss this issue.

Wiggins commended administration for their excellent budget presentation. He announced the Farmington Youth Breakfast on May 2, 2006.

SPECIAL MEETING -6-
May 1, 2006

Discussion followed regarding coordinating Council attendance at events through Executive Assistant, Cheryl Poole.

Mayor McShane noted a letter received from Cheryl Andrews on Meadowlark Street concerning the excellent services of the City. She requested that administration write a letter in response thanking her for her comments. She noted an excellent article on Farmington in the Detroit Home magazine.

Mayor McShane announced the Classical Brunch to be held at the Mansion on June 3, 2006 between 1:00-5:00 p.m.

Mayor McShane thanked administration for all their hard work.

ADJOURNMENT

05-06-083 MOTION by Knol, seconded by Wiggins to adjourn the meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 10:06 p.m.

JoAnne M. McShane, Mayor

Patsy K. Cantrell, City Clerk/Treasurer

Susan K. Halberstadt, Recording Secretary

APPROVED: May 15, 2006