

FARMINGTON CITY COUNCIL
REGULAR MEETING
JUNE 7, 2010

A regular meeting of the Farmington City Council was held on Monday, June 7, 2010, 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 7:00 p.m. by Mayor Buck.

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

COUNCIL MEMBERS ABSENT: None.

CITY ADMINISTRATION: Director Gushman, City Clerk Halberstadt, City Manager Pastue, Attorney, Schultz (arrived 7:10 p.m.)
Director Schulz, Treasurer Weber.

APPROVAL OF ITEMS ON CONSENT AGENDA

06-10-103 MOTION by McShane, seconded by Knol, to approve the consent agenda as presented:

- A. Special Meeting Minutes of May 3, 2010
- B. Regular Meeting Minutes of May 17, 2010

MOTION CARRIED UNANIMOUSLY

APPROVAL OF REGULAR AGENDA

06-10-104 MOTION by Wright, seconded by Knol, to approve the agenda as presented. MOTION CARRIED UNANIMOUSLY.

PRESENTATION AND PUBLIC HEARINGS

Public Hearing – Proposed Fiscal Year 2010-11 Millage Rate and Budget

City Manager Pastue reviewed changes from the Manager's budget (originally proposed). The changes were made in response to feedback from residents and in an effort to further contain costs. The changes would reduce the proposed millage from 15.2000 to 15.000 or an overall budget reduction of \$49,199. Some of the revisions included: personnel reductions/changes, elimination of \$33K Civic Theatre Transfer, and a reduction in the number of days City Hall is open.

Pastue noted changes made to the General Fund, Civic Theatre Fund and Water and Sewer Fund. He discussed the long-term forecast which included: 10% reduction in taxable property value in FY 2011-12 and 2% reduction in FY 2012-13. He stated budget certainty could be achieved with the collective bargaining

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agreements. He advised implemented changes would result in maintenance of primary services and millage rate over the next three years.

Mayor Buck called for a motion to open the public hearing.

06-10-105 MOTION by Knol, seconded by Wiggins, to open the public hearing to receive comment on the proposed Fiscal Year 2010-11 millage rate and budget. MOTION CARRIED UNANIMOUSLY.

Chuck Milan, 32777 Grand River, expressed concern regarding the proposed increase in millage. He stated taking more money from families is not good for the economy. He advised in depressed times homeowners should get a break. He noted the possible increase in Federal taxes next year. He pointed out residents could live with reduced services.

Terry Purves, Farmington employee and resident, stated the following:

“Most of you know me as a Public Safety Commander (23 yrs.) and city resident (22 yrs.). I bring a slightly different perspective to the millage ADJUSTMENT discussion in that I am an employee, homeowner/taxpayer and my wife works for a downtown business. All of these are affected by the adjustment.

Things need to be made very clear when it comes to the employee concessions. Public Safety employees as well as city employees took large concessions that include an immediate wage reduction, increased monthly health care payments, a reduced health care coverage, elimination of accrued sick time, pension reductions and other benefit cuts.

As you have all seen in the media, many cities are laying off employees and trying to explain the reduction in services their residents will have to endure. Farmington Public Safety officers actually had two options during negotiations. One was to allow the City to layoff Public Safety officers and other employees which would have greatly reduced the city services. However, in doing so the actual reduction in benefits to the employees would have been greatly reduced through arbitration. Employees would not have seen their wages and benefits cut nearly as much as we have agreed to. However, when the economy gets worse, as it has, the crime rate usually goes up. The last thing you want to do is cut Public Safety positions and reduce the service they provide.

The other option we had was to accept greater wage and benefit cuts to maintain Public Safety jobs. This was done against the recommendation of our parent union, who recommends layoffs over benefit reductions. As

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president of the Command Officers union, you may think I and my members made this decision to save our jobs, but none of us would have been affected by the layoffs. The decision was mainly based on our ability to provide the highest level of service to Farmington residents. As I mentioned, most cities are laying off employees instead of preserving safety and services. The employees of the Public Safety department and city employees as a whole choose providing a high level of service and protection to the City.

We live in a small town like Farmington for the services we are provided. The Public Safety Department prides itself in the fast response time to all calls for service and especially the under two minute response time to all Police, Fire and Medical Emergencies that is one of the fastest in the state. The employees had all this in mind when they agreed to the concessions.

Farmington is dealing with the economic situation this year, today. This should allow us to keep providing our high level of service and high quality of life into the future until the economy gets better. We trust the mayor when he says we can position Farmington to weather this economic downturn if we work together. Other cities are putting off these critical decisions and will be faced with greater challenges next year by not addressing the problem now.

I believe the employees have done their part in choosing greater concessions and reductions to allow for a continued high level of service and our ability to better protect and serve the residents of Farmington. If you really believe in the City, employees and the service we provide, you can only vote in favor of the ratification and the millage. I would ask the council to do their part with the millage adjustment so that Farmington can continue to be one of the best communities to live in the state."

Kevin Giannini, 23720 Beacon Street, stated residents should learn to adjust to a reduction in services. We need to learn to do with less. We need to give up our Cadillac for a Chevy to get through present times or things are going to get worse.

Wright clarified changes have been made to the originally proposed budget.

Hearing no other public comment, Mayor Buck asked for a motion to close the public hearing.

06-10-106 MOTION by Knol, seconded by Wiggins, to close the public hearing.
MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

There was no old business.

NEW BUSINESS

CONSIDERATION TO RATIFY THREE-YEAR COLLECTIVE BARGAINING AGREEMENT WITH FARMINGTON PUBLIC SAFETY OFFICERS ASSOCIATION (POAM)

Pastue advised the POAM contract is basically identical to the COAM. He reviewed the provisions and essential elements of the collective bargaining agreement.

Wright noted the City is contractually agreeing to retiree healthcare benefits for employees with 20+ years of service. He requested clarification regarding a provision of the contract concerning reopening the contract in the event of layoffs.

Pastue responded this provision is in 'good faith' as it relates to the employees' concerns relating to layoffs.

Wright asked concerning legal obligations to change terms of contract if re-opened.

Pastue stated that 'good faith' is a significant part of why employees worked with management; he confirmed all contracts have pretty much the same provisions.

Knol clarified that if a projected 2% decline in property values turned into an 8% decline and layoffs occurred the contracts would be reopened allowing discussion of other benefits that may lead to binding arbitration.

McShane stated binding arbitration could happen now or later. She advised it is best to look at concessions now and address what is good for everyone across the board. She stated this is an ongoing process on how to divide revenue. She noted taxpayers want a voice as to how tax dollars are being spent.

Buck commented the result of this collective bargaining is a rare and incredible act of teamwork and thanked Public Safety Officers, Dispatch and Municipal Employees for coming to the table.

06-10-107 MOTION by McShane, seconded by Wiggins, to ratify the Collective Bargaining Agreement with Farmington Public Safety Officers Association (POAM) for a 3 ½ year term (January 1, 2010 thru June 30, 2013). **[SEE ATTACHED AGREEMENT]**.

ROLL CALL

Ayes: McShane, Wiggins, Buck.

Nays: Knol, Wright.

Absent: None.

MOTION PASSED.

CONSIDERATION TO RATIFY THREE-YEAR COLLECTIVE BARGAINING AGREEMENT WITH COMMAND OFFICERS ASSOCIATION OF MICHIGAN (COAM)

06-10-108 MOTION by Wiggins, seconded by McShane, to ratify the Collective Bargaining Agreement with Farmington Public Safety Officers Association (COAM) for a 3 ½ year term (January 1, 2010 thru June 30, 2013). [SEE ATTACHED AGREEMENT]

ROLL CALL

Ayes: McShane, Wiggins, Buck.
Nays: Wright, Knol.
Absent: None.
MOTION PASSED.

CONSIDERATION TO RATIFY THREE-YEAR COLLECTIVE BARGAINING AGREEMENT WITH POLICE OFFICERS ASSOCIATION OF MICHIGAN/DISPATCH

06-10-109 MOTION by McShane, seconded by Wiggins, to ratify a tentative Collective Bargaining Agreement with Police Officers Association of Michigan/Dispatch for a three-year term (July 1, 2010 thru June 30, 2013). [SEE ATTACHED AGREEMENT].

ROLL CALL

Ayes: Wiggins, Buck, McShane.
Nays: Wright, Knol.
Absent: None.
MOTION PASSED.

CONSIDERATION TO RATIFY THREE-YEAR COLLECTIVE BARGAINING AGREEMENT WITH THE TECHNICAL OFFICE PROFESSIONAL ASSOCIATION/ PUBLIC WORKS EMPLOYEES

06-10-110 MOTION by Wiggins, seconded by McShane, to ratify a tentative three-year (July 1, 2010 thru June 30, 2013) Collective Bargaining Agreement with the Technical Office Professional Association/Public Works Employees.

ROLL CALL

Ayes: Buck, McShane, Wiggins.
Nays: Wright, Knol.
Absent: None.
MOTION PASSED.

**CONSIDERATION OF RESOLUTION TO ADOPT FISCAL YEAR 2010-11
BUDGET AND MILLAGE RATES**

Wright stated the following:

“The final budget presented by the Administration includes a millage increase as well as drawing upon prior surplus in order to balance the budget. The Budget does include some reduction in expenditures, but it is not enough. I cannot support a budget that relies on an increase in millage and the use of the prior surplus to balance the budget rather than cost reductions.

At the beginning of this process I raised concerns that by not cutting costs to match the lower expected revenues, we would be ignoring the economic reality that has existed the last few years. Borrowing on the past surplus and raising property taxes simply postpones the inevitable.

The lost revenue from the decline of property values and the reduction of funds from the State of Michigan are likely permanent and relying on the prior surplus to help balance the budget is a mistake. And, by the way that has been continuing years prior to this.

The argument to justify an increase in millage is that the average real estate property owner will experience a reduction in their property tax bill, and even with a millage increase, the amount of tax paid will be lower than the prior year. In other words, property values have declined to such degree that your tax bill will decline. By increasing the millage up somewhat your tax bill will still be lower than what it would have been last year on average. Frankly, this argument ignores that most property owners have less income with which to pay their taxes.

As I have thought about this I think a more important issue is at stake here. In fact, what these declining property values have indicated is that for years we have been paying more than we should have, because the only reason property values were higher was because free debt allowed values to rise beyond their true value. We are now falling back to what is really normal times. These aren't reduced times. Excessive debt has allowed this to get way out of hand and it is not going to change for a long time.

There is very strong evidence that the economy is going through a restructuring that is long overdue. The levels of debt must be reduced before the economy will begin to grow. In other words, we are in a period of deflation and for some period of time prices will continue to decline. The City must reduce expenses not raise revenue.

There are a number of alternatives, and frankly I could make three pages of them. I will just mention a couple, that I think are critically important. One is

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technology; a better use of technology within this City could greatly reduce costs. The other is looking to neighboring communities to work together in delivering services the City needs to provide.

By delaying the necessary restructuring we are just weakening our financial condition. We have a balance sheet that has 'X' amount of money and we are going to take with the millage increase a half a million dollars from our bank account and next year we will just spend it so we break even. That is not break even, that is deficit financing. Fortunately, we don't have to borrow to do it. We are not borrowing on tomorrow, but we are borrowing on yesterday. We have to live within our means everyday. I have to do it at home. You have to do it at home. We have to do it for the City. That is my position."

Knol stated the following:

"I want to thank the City Administration and staff for their countless hours working on a variety of budget proposals. The city council has asked for numerous budget documents over the past few months and I certainly do appreciate the administration and staff always willingly obliging.

I also want to thank my fellow City Councilmembers for their professionalism and dedication over the past few months. As most people know, from their own experience balancing a budget whether at home or at work, since the economy has worsened, decisions have become tougher because those decisions often mean saying no we just can't afford that. Those decisions also tend to cause more disagreement between those involved in the decision-making. That is no different on our Council, but while we may have a variety of opinions and reasoning, we have always presented them in a civil and respectful manner.

Additionally, over the past few months we have had many additional meetings, some weeks as many as three meetings per week. While this is more time away from our other work and families, we all recognized the difficulties and unprecedented nature of these times and we want to put in the necessary hours to make what we believe is the right decision for the future of Farmington. So I thank them all for their dedication.

The vote I am about to cast tonight is not one I take lightly. I have put much thought into it, as this is a vote which affects all our residents and business owners because it deals with something everyone pays and uses - taxes and services. After attending both town halls, speaking with residents, and looking at the long-range economic forecast for Michigan, I believe the vote I am going to cast is necessary to move Farmington forward so we still exist in a much different economy. Although the economy will gradually improve, in Michigan, it will probably never be able to operate in the same manner it did

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just 10 years ago. That means in order to exist; we will have to exist in a different fashion. It doesn't mean that we can't still be the City of Farmington; it doesn't mean we won't still be a walkable city, it doesn't mean we won't be a city with a downtown, or a city where people know their neighbors, but it does mean we will have to restructure and provide good services in a different manner.

I hear from residents and business owners that they enjoy Farmington's City services. I completely understand. I do as well. I respect and appreciate our employees and believe they are doing a very good job. But I also do not think that we should become so parochial that we think our current arrangement is the only possible way for providing good City services. It is natural to fear change, but if we do not embrace and lead the change, we will instead end up reacting to this different economy and ultimately be left with less choices and options for restructuring.

It has often been said that a crisis is a terrible thing to waste. Our economy is in a crisis and I do not think we should squander this opportunity to look at a new model for operating city government. One which maintains the identity of Farmington, but one which is willing to co-operate with other neighboring cities and understands that our new economy will require offering services in a different manner or possibly at a different level. Over my time on Council, I have talked to many Council members from other cities in Michigan. Many of them are doing more with their neighboring cities, not less (example – Farmington Hills & Novi sidewalk program). They are entering into authorities for parks and recreation and for certain aspects of Public Safety.

There is always a fear of a reduction in service level and I'm sure there are cases of it, but most of the other cities I've spoken with have not seen a reduction in the quality of service based on these new agreements and many of them are very glad they have made these new arrangements. In fact, it has allowed them to operate more efficiently, thus potentially keeping other employees from being laid off or freeing up money to be invested in other important areas of the City budget.

Our City manager has stated numerous times that the adoption of this budget will get us through the next three years, but who knows what will happen after that. One of the concerns I heard from residents is that they would like a sunset on this millage increase, but truthfully, that may not be realistic because even with this millage increase, there is a possibility we will be looking at another millage increase and/or cuts in services in several years based on the long term effect of property tax reductions and increased legacy costs. Although the City has made great strides in reducing the uncertainty of healthcare and retirement costs there is still a great potential for increased costs in this area that will affect future budgets. Thus, I believe by adopting

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the FY 2010-2011 budget, the City is simply pushing the problem out another three years, delaying the problem for another Council.

Even if the economy improves and housing sale prices increase, the revenue that the City collects in property taxes will be limited in growth to the lesser of 5% or the rate of inflation. This is based on proposal 'A'. This means there is the potential that City revenue will not increase to the level of revenue needed to not have to use the fund balance revenue for another decade. It isn't enough to say that if in three years the City's property tax revenue doesn't grow but is sustained at the FY 2011 level we will be okay. I don't believe that to be the case because we have to remember that we have been using our fund balance for the past couple years and will continue to use it during the next three years with this proposed budget. Drawing down a fund balance is fine for a few years, but you can't continue to do this because at some point your fund balance will be depleted.

While I appreciate all the work that went into this proposed budget, I just do not believe this proposed budget is a long-term sustainable model. We have already found out that for FY 2012 the prediction for reduction in property values is not high enough. Our City budget predicted a 5% reduction based on falling home values, but last week, we were just told by our city assessor that we are looking at more around a 10% reduction. What if that 2% that was forecasted for the next fiscal year ends up being 8%.

So the question is do we raise the millage rate tonight along with making cuts to get us by another three years or do we not raise the millage rate and make even more significant structural changes. If I were confident that this proposed increase would get us out of the woods and that there would not have to be any more millage increases or more cuts in services in a few years, I would be more understanding and accepting of it. But as previously explained I do not believe that to be the case.

Additionally, based on feedback I have heard, I don't think all of our businesses and residents can handle paying more now and then have to worry that this may happen again in another three years. Business and residents need more certainty that this is not just a temporary fix. Many of our businesses are barely hanging on and many of our residents have lost their jobs or have taken pay cuts. Now I realize that this millage increase isn't that large and some say it isn't really an increase because property values and taxable values have fallen, but every little increase matters when you are already struggling to pay your mortgage, rent, payroll, and other bills.

Additionally, because the value of our homes has fallen to where it was approximately 10 years ago property owners are also losing money when they try to sell their home. The only good news about property values dropping is that it will help our residents and businesses get a bit of a break

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on their taxes, but this millage increase will negate some of that money. Finally, I believe that raising the millage rate will make our city less attractive for attracting new businesses and residents. Our neighboring cities have lower millage rates than we do and I believe this is a factor when a home buyer is looking at buying a home in Chatham Hills or in FH just on the north side of Grand River and Drake or when they are looking at buying in the Flanders neighborhood east of Farmington Rd. or in FH on the west side of Farmington Rd. And although there are some businesses that want to be located in a downtown no matter what the millage rate, there are many others that could easily locate in a strip mall in one of our neighboring cities, which has lower millage rates. By increasing the millage rate, we are only increasing the millage gap between Farmington and other neighboring cities and hurting our chance at recruiting certain businesses and home buyers.

For many of my previously stated concerns regarding the millage increase contained in the FY 2011 budget, I am casting a no vote on the FY 2011 budget. I realize this vote is not going to be popular with some. Quite honestly, it might be easier to vote yes. But I do not believe it is in the long-term best interest of the city, nor do I want to just pass this problem on to a future council. Although some may say that I am being too negative about the Michigan's economic future and that is compromising my view of this budget, but I think those that know me will say that I'm a positive person. I try my best to say the glass is half full and not half empty, but I think they will also say that I am a realist because if the glass is only 1/3 full, I'm not going to say it is half full. I was elected to council not just to make decisions for this year, but to prepare this city for the future and I believe my no vote tonight is signifying that we need to do more to move our city into the new economy of the future."

McShane thanked City Administration for their superb work in assisting Council in doing what is best for Farmington. She stated City Council has always been very respectful and for that she is thankful.

Wiggins noted how City Manager Pastue has described the budget as a three legged stool; all stake holders participate. He pointed out City Administration came up with a plan that did all three things. He stated this was a very difficult decision and it was not an easy way out. He liked the sunset provision added to the resolution. He advised the City has made strides in cost reduction but has not made the ultimate reduction. He noted administration reached agreements with the bargaining units without facing binding arbitration. The City took as much as it could get to move forward. He expressed support for adoption of the budget and a millage rate as proposed.

Buck stated there is very little visibility on what's going to happen in three years. He agreed with many of the comments previously made. He stated there is no way to know exactly what the future holds. Our City Manager has presented the

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clearest picture that he can possibly draw for the next couple of years, based on what we know today. He stated this budget preserves what we know Farmington to be. It preserves the efforts going on in our downtown, it gives us the ability to maintain a safe and clean city for the benefit of our residents and businesses.

Buck estimated that the number of taxpayers whose bill will be lower even with the change in millage rate is around 76%. He stated many of the remarks heard during Public Comment were “don’t raise the taxes at a time when all these other things are going up”, but 76% of our taxpayers in Farmington will see a reduction in their tax bill from last year to this year. He pointed out all employees in the City are taking cuts. The City is making every effort to reduce expenses. He stated some of us are expecting the taxpayers to also participate, to be part of the three-legged stool Mike spoke about.

Buck pointed out that during the budget workshop, which had pretty good participation from both the City and community, the majority supported Plan “A” budget. He noted Plan “A” was one that had a higher retention of services and higher millage rate than what the City Manager presented tonight. He stated he has heard from many residents on both sides of the issue, but has heard far more often support for maintaining City services.

Buck noted the City participates in a fair amount of collaborative activity with other governmental entities, probably more than most cities in Southeast Michigan, or in other areas of the state as well. He has heard through his research that not all communities are happy subjecting themselves to larger communities running their services. As a commercial and residential property owner, he noted he will have to pay higher taxes based on his support for this budget.

Buck stated he has been serving for five years, and this year has been the most difficult with all of the challenges the City has faced. He commended his fellow council members for the job they have done in studying the issues and working together to find solutions. He along with every Councilmember loves this City.

Wright inquired if the addition of a sunset clause to the resolution is binding on future Councils. Attorney Schultz responded absolutely, noting it is an aspiration not a mandate. Pastue added the same language will be incorporated each year as a reminder. Wright stated based on past experience once millage is on it does not come off.

RESOLUTION 06-10-111 Motion by Wiggins, seconded by McShane, to adopt a resolution approving the Fiscal Year 2010-11 budget and millage rate with the addition of the following: “WHEREAS, based on comments from the May 12, 2010 Community Budget Forum, the Farmington City Council will determine whether it is feasible to return to the overall millage rate of 13.8163 prior to the adoption of the Fiscal Year 2013-14 millage rate and budget.” **[SEE ATTACHED RESOLUTION].**

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ROLL CALL

Ayes: Buck, McShane, Wiggins.

Nays: Knol, Wright.

Absent: None.

MOTION PASSED.

McShane commented that she has been on the Council for many years and this has been the most difficult decision she has had to make. She noted many have been asked to make concessions and she thanked them for doing so. She has listened to many residents and business owners and attended both community forums. She stated her response supports the will of residents and those business people who do support the millage increase. She noted that more than 50% of residents at the community forum supported the millage increase.

McShane stated the residents she interviewed stated they did not necessarily want to raise taxes, but the increase isn't much for what they are getting. She noted a lot of residents will see a tax decrease. She does not want to lose what defines the City and is not willing to risk the safety of residents and businesses. She stated the City will continue to evaluate its operations looking for more ways to join services with other cities. She believes in a strong Farmington and wants it to continue that way. She believes the proposed budget is the best direction for Farmington.

CONSIDERATION TO ADOPT DOWNTOWN DEVELOPMENT AUTHORITY'S FISCAL YEAR 2010-11 BUDGET AND ESTABLISH 2010 PRINCIPAL SHOPPING DISTRICT SPECIAL ASSESSMENT

McShane expressed strong support for the proposed DDA budget. She stated the downtown is a good investment.

Wright commented for consistency he is opposed.

RESOLUTION 06-10-112 Motion by McShane, seconded by Wiggins, to adopt resolution for Fiscal Year 2009-2010 Downtown Development Authority Budget and establish 2010 Principal Shopping District special assessment. [SEE ATTACHED RESOLUTION].

ROLL CALL

Ayes: Knol, McShane, Wiggins, Buck.

Nays: Wright.

Absent: None.

MOTION PASSED.

CONSIDERATION TO ADOPT FISCAL YEAR 2010-11 47TH DISTRICT COURT, BROWNFIELD REDEVELOPMENT AUTHORITY AND JOINT AGENCY BUDGETS

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Wright inquired regarding revenue received back from the court. Pastue responded the City receives revenue from fines and court costs.

Responding to a question from Wiggins, Pastue stated there is a 6% reduction in the joint agency budgets and noted a significant drop in the Brownfield Redevelopment Authority budget.

RESOLUTION 06-10-113 Motion by Wright, seconded by Knol, to adopt Fiscal Year 2010-11 Budget Resolution for the 47th District Court, Brownfield Redevelopment Authority and joint agency budgets. **[SEE ATTACHED RESOLUTION].**

ROLL CALL

Ayes: McShane, Wiggins, Wright, Buck, Knol.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO ADOPT RESOLUTION TO AMEND RESIDENTIAL REFUSE/RECYCLING USER CHARGE

RESOLUTION 06-10-114 Motion by McShane, seconded by Knol, to adopt resolution to amend the residential refuse/recycling user charge effective July 1, 2010. **[SEE ATTACHED RESOLUTION].**

ROLL CALL

Ayes: Wiggins, Wright, Buck, Knol, McShane.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO ADOPT RESOLUTION TO AMEND WATER AND SEWER RATES, EFFECTIVE JULY 1, 2010

McShane commented every year the City and residents pay more and more to the City of Detroit. She stated Council is left with no choices in this matter.

Buck stated this is part of the budget we work to balance. He stated the revenues are purely intended to offset the costs of providing water and sewer. Pastue responded the costs related to the water and sewer system are not set to show profit, but to be efficient.

Wright noted it rained more and less water was consumed resulting in a rate increase. He advised there is a fixed and variable component to this service. He stated regardless of consumption the City still pays the fixed costs.

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RESOLUTION 06-10-115 Motion by Knol, seconded by McShane, to adopt a resolution to amend fees associated with water and sewer rates, quarterly LTCSO charge, and quarterly meter and service charge, effective July 1, 2010.

[SEE ATTACHED RESOLUTION].

ROLL CALL

Ayes: Wright, Buck, Knol, McShane, Wiggins.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO CONTINUE GENERAL ACCOUNTING SERVICES FOR SWOCC

06-10-116 MOTION by Wiggins, seconded by Knol, to authorize continuation of general accounting services for SWOCC for a one-year period beginning July 1, 2010 with compensation set at \$15,218 in cash and in-kind production services equivalent to \$5,690.

ROLL CALL

Ayes: Buck, Knol, McShane, Wiggins, Wright.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO APPROVE RESOLUTION AUTHORIZING LIQUOR LICENSE TRANSFER TO BASEMENT BURGER BAR, 33316 GRAND RIVER

As the landlord of Basement Burger Bar, Buck asked to be recused from a vote on this matter.

06-10-117 MOTION by Knol, seconded by Wiggins, allowing Mayor Buck to recuse himself from voting on the consideration to approve the transfer of the liquor license at the Basement Burger Bar.

ROLL CALL

Ayes: Knol, McShane, Wiggins, Wright.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

RESOLUTION 06-10-118 Motion by McShane, seconded by Wright, to adopt a resolution authorizing the transfer of an escrowed liquor license at 33316 Grand River from Natives, LLC to Basement Burger Bar Inc., excluding the outdoor service area. [SEE ATTACHED RESOLUTION].

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ROLL CALL

Ayes: McShane, Wiggins, Wright, Knol.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

**CONSIDERATION TO ADOPT SPECIAL ASSESSMENT RESOLUTION #1
RIVER GLEN PAVING PROJECT**

RESOLUTION 06-10-119 Motion by Knol, seconded by McShane, to adopt Special Assessment Resolution No.1 for the River Glen Paving Project which directs the City Manager to prepare a report regarding the proposed project. [\[SEE ATTACHED RESOLUTION\]](#).

ROLL CALL

Ayes: Buck, Knol, McShane, Wiggins, Wright.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

**CONSIDERATION TO INTRODUCE ORDINANCE C-747-2010 AMENDING
CHAPTER 2, ARTICLE V, DIVISION 2 OF THE FARMINGTON CITY CODE
DEALING WITH RETIREMENT SYSTEMS**

06-10-120 MOTION by Wiggins, seconded by Wright, move to introduce Ordinance C-747-2010 to amend and restate Chapter 2 "Administration," Article V, "Employee Benefits," Division 2, "Retirement System" of the City of Farmington Code of Ordinances to transfer administration of the City's Retirement System to the Municipal Employees' Retirement System (MERS) with the amendment to Sec. 2-392 (a) changing the date from March 1, 2010 to July 1, 2010. [\[SEE ATTACHED ORDINANCE\]](#). MOTION CARRIED UNANIMOUSLY.

**CONSIDERATION OF RESOLUTION DIRECTING THE FARMINGTON
EMPLOYEE RETIREMENT SYSTEM BOARD OF TRUSTEES TO TRANSFER
ASSETS TO THE MUNICIPAL EMPLOYEES RETIREMENT SYSTEM (MERS)**

RESOLUTION 06-10-121 Motion by Wright, seconded by Knol, move to adopt a resolution directing the Farmington Employees Retirement System Board of Trustees to transfer assets from the pension system to the Municipal Employees System (MERS). [\[SEE ATTACHED RESOLUTION\]](#).

ROLL CALL

Ayes: Buck, Knol, McShane, Wiggins, Wright.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

COUNCIL PROCEEDINGS -16-
June 7, 2010

BOARD AND COMMITTEE APPOINTMENTS

06-10-122 MOTION by McShane, seconded by Wright, to reappoint Jane Frost to the Farmington Area Commission on Aging for a three-year term ending June 30, 2013; appoint Heidi Cook, Jennifer Kales and Lorraine to the Beautification Committee for two-year terms ending June 30, 2012; Larry Kilner and Vera Lucksted to the Beautification Committee for three-year terms ending June 30, 2013; and appoint David Rorai to the Millennial Mayors Congress for an undefined term.

OTHER BUSINESS

No other business was heard.

PUBLIC COMMENT

No public comment was heard.

COUNCIL COMMENT

McShane noted the SMART millage renewal will be on the August Primary ballot. She suggested educating the public on this matter.

Wright recommended adding this item to the next meeting agenda.

Knol thanked the Downtown Development Authority, Farmington Hills Cultural Arts and its Director, Nancy Coumoundorous, for the recent success of Art on the Grand in downtown Farmington. She looked forward to this event in many years to come.

Buck stated at this level of government the Council has to solve the problem of balancing the budget. He commended the work of Treasurer Weber and his team and thanked all of the department heads for their efforts. He recognized City Manager Pastue's vision in putting together the budget. He thanked all employees who are reluctantly participating through reductions in compensation and benefits. He recognized this is not easy for them to do. He thanked taxpayers for their participation in the millage rate change. He thanked Bill Richards for his involvement in negotiations. He is gratified that everyone is participating and focused on a successful future. He stated Farmington is a great small city.

Buck requested that everyone send their thoughts and prayers to City Assessor John Sailer who is seriously ill.

COUNCIL PROCEEDINGS -17-
June 7, 2010

ADJOURNMENT

06-10-123 MOTION by Wright, seconded by Knol, to adjourn the meeting.
MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 9:17 p.m.

J. T. (Tom) Buck, Mayor

Susan K. Halberstadt, City Clerk