

FARMINGTON CITY COUNCIL
SPECIAL MEETING

A special meeting of the Farmington City Council was held on Wednesday, January 3, 2007, 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 7:03 p.m. by Mayor McShane.

COUNCIL MEMBERS PRESENT: Tom Buck, Valerie S. Knol, JoAnne M. McShane, Michael J. Wiggins.

COUNCIL MEMBERS ABSENT: None.

CITY ADMINISTRATION: City Clerk Halberstadt, City Manager Pastue, Assistant City Manager Richards, Attorney Roberts.

APPROVAL OF AGENDA

01-07-001 MOTION by Knol, seconded by Wiggins, to approve the revised agenda as amended, moving *Discussion Regarding Farmington Hills Sustainability Report* from Agenda item 3D to 3B and moving the remaining items under STUDY SESSION ITEMS down one. MOTION CARRIED UNANIMOUSLY.

STUDY SESSION ITEMS

PRESENTATION – OAKLAND COUNTY DRAIN COMMISSIONER – JOHN P. MCCULLOCH

John McCulloch, Oakland County Drain Commissioner, was present to discuss the aging infrastructure of water waste and water systems. He identified three major initiatives his office has undertaken to benefit the Oakland County infrastructure: (1) putting a process in place using water and computer technology to manage assets in order to reduce ongoing operating costs and prolong the life of the systems; (2) establishment of adequate financial reserves; and (3) monitoring the services of Detroit Water and Sewer (DWSD) to ensure as a tier one customer Oakland County is getting the “best bang for the buck” and holding DWSD accountable.

Responding to a question from Councilmember Buck, Mr. McCulloch stated Farmington’s system compares very well to other communities due to the City’s proactive approach.

Responding to a question from Councilmember Knol, Mr. McCullough advised an earlier study determined that a water and sewer system drawn from Lake St. Clair was cost prohibitive for Oakland County. He spoke of a study that is currently underway concerning a possible intake site on Lake Huron that would provide water to

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surrounding counties including Oakland. He further spoke of a third study to divert sewer flow from growing communities into the City of Pontiac treatment facility where there is tremendous capacity.

Responding to a question from Councilmember Wiggins, Mr. McCullough discussed the difficulty of separating the water and sewer systems.

Mayor McShane asked if DWSD has conducted a study of the needs and costs of bringing their infrastructure up-to-date. Mr. McCullough stated he did not believe they have done an adequate job, however, they do have a capital improvement program in place that has been driven by federal mandates.

Mayor McShane noted that in terms of asset management it is crucial that cities understand the costs that may be passed down by the DWSD.

Discussion followed regarding the desire of DWSD to have uniform contracts that would provide consistency throughout the region.

DISCUSSION REGARDING FARMINGTON HILLS SUSTAINABILITY REPORT

City Manager Pastue advised one of the recommendations from a sustainability study commissioned by the City of Farmington Hills was the merger of the two cities. He stated this issue which has surfaced in the past creates uncertainty for residents and employees and should be addressed. He presented a proposed resolution outlining the City's position in response to the study. He noted that historically the City has always taken a thoughtful and deliberate approach to major decisions and has solicited input from residents.

Pastue confirmed that the resolution could be adopted at the next meeting allowing Council sufficient time to discuss the issue.

Councilmember Buck expressed his support for the resolution noting the priority of filling the council vacancy and allowing transition time for the new member. He stated it makes sense to consider holding a public forum in April or May to receive public comment.

Councilmember Knol agreed the priority is to fill the council vacancy and to receive public comment regarding the study. She noted that the Farmington Hills Sustainability Study was a recommendation to conduct a study, not a recommendation that a merger take place. She stated residents need information on how a merger would affect them in order to form an opinion. She recommended scheduling the public forum sometime *earlier* than May.

Councilmember Wiggins agreed with Councilmember Knol that he would like to see an initial public forum to find out what residents are thinking. He further agreed residents need more information on the subject.

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Mayor McShane noted the study was a Farmington Hills, not a Farmington initiative. She spoke about the great relationship Farmington enjoys with Farmington Hills and the numbers of services they currently share. She indicated that many residents have expressed concerns regarding a merger, but would like to see a study done to determine ways to save money. She expressed support for a public forum. She advised a merger would take 3-4 years which would involve a charter commission reviewing the processes and finances of each government. She noted there are many unanswered questions that will not be addressed for quite awhile. She further stated Council's job is to look at the needs of the residents.

Councilmember Knol stated the importance of holding discussions with Farmington Hills should they decide to commission a study. She pointed out that our City needs answers to questions including: who would conduct the study, how it would be funded and would Farmington participate. She stated Farmington needs to be involved in order to ensure our residents have proper representation.

Mayor McShane noted that Farmington meets with Farmington Hills regularly throughout the year to ensure the needs of both communities are met. She pointed out that the recommendation to merge was one of twenty-nine points made in the study. She stated the City will give consideration to what is presented and seek feedback from the community.

DISCUSSION – UPDATE REGARDING REORGANIZATION

Civic Theatre

City Manager Pastue stated the transition of the management of the Theatre to Assistant City Manager Richards has progressed more quickly than anticipated and is going well.

Richards provided an update on the status of the Theatre including: offering letters of employment to select Theatre employees, continued use of MJR as booking and advertising agent, and preliminary assessment of Theatre operations.

Pastue noted that as a result of the transition the City will realize a savings of approximately \$35K to \$40K. He discussed some of the other advantages resulting from the transition. He noted in the near future a proposed addition to the employee manual covering Theatre employees would be presented to Council for approval.

Department of Public Works

Pastue indicated there were five employees eligible for early retirement and all of them have submitted their letters of intent, however, they have the opportunity until the end of January to rescind their agreement. He anticipated one of the employees to rescind his agreement. He noted a special provision was made for one of the employees to retire November 22, 2006 due to health reasons.

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Pastue advised the Department has begun to advertise for one of the positions to avoid the burden of losing four employees at once. He stated that as a result of these changes the City, in the first year, will realize approximately \$100,000 in savings from reduced salaries and benefits.

Future Items

Pastue advised that former Clerk/Treasurer Cantrell is of the opinion that her assistance in helping transition the Clerk and Treasurer in their new positions is no longer needed. He indicated Ms. Cantrell will continue to oversee the Retirement System and Retiree Healthcare.

Pastue discussed the space issues of the Treasury/Clerk/Assessor area. He noted the proposed purchase of modular furniture for the Clerk's area that would alleviate some of the space issues and provide the Clerk with an office.

Pastue indicated a pay analysis would be completed to ensure both internal and external pay equity.

Pastue discussed other office space changes relative to the City Assessor and Treasury Departments.

DISCUSSION – COMMERCIAL REDEVELOPMENT ACT

Pastue discussed the Commercial Redevelopment Act that was recently passed in the legislature. He stated it would provide a significant economic benefit to redevelop older commercial and multi-family areas outside of the Downtown District. He advised the Act would allow communities to freeze the tax rate for redevelopment. He noted many of the older commercial shopping centers and residential developments would qualify under this Act. He strongly recommended the City consider using this tool for redevelopment. He stated along with this incentive the City should be more aggressive in changing its zoning requirements.

Pastue noted the Redevelopment Act could be discussed at an upcoming special meeting that will include a number of boards and commissions.

Responding to a question from Wiggins, Pastue confirmed a ten-year maximum on the tax freeze, but noted communities have the discretion to apply fewer years. He further confirmed that at the end of the tax freeze period the full value of the property would be taxed.

Councilmember Knol stated the Act provides a really good tool to redevelop older properties. She advised this legislation allows local governments to set their own criteria providing control to the local unit.

Councilmember Buck noted this tool allows Farmington to expand its economic development efforts.

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Pastue advised the Act fits this community very well and he would like to see Farmington become one of the first communities to take advantage of this opportunity.

Mayor McShane cited the many different tax incentive programs available that can be used in combination with the Commercial Redevelopment Act.

Councilmember Buck asked about the next step in the process of using the Redevelopment Act, such as the formation of a Redevelopment Committee. Mayor McShane noted that such a committee fits well with the City's goals.

Pastue advised one of the first steps would be to determine what properties should be included for redevelopment.

Councilmember Knol suggested an initial step might be rezoning properties into planned unit developments (PUD) or mixed-uses to further encourage redevelopment.

NEW BUSINESS

CONSIDERATION TO ACCEPT RESIGNATION OF KAREN SUTHERLAND FROM THE CITY COUNCIL

01-07-002 MOTION by Wiggins, seconded by Knol, to accept the resignation of Karen Sutherland from City Council effective immediately. MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO ACCEPT RESIGNATION OF DAN PENNING FROM PLANNING COMMISSION

01-07-003 MOTION by Knol, seconded by Wiggins, to accept the resignation of Dan Penning from the Planning Commission and request administration send a letter of gratitude for his service to the City. MOTION CARRIED UNANIMOUSLY.

APPOINTMENT TO ARTS COMMISSION

01-07-004 MOTION by Wiggins, seconded by Buck, to appoint Marion Middlebrooks to the Arts Commission for a three-year term ending December 31, 2009. MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO APPROVE VACTOR TRUCK REPAIRS

RESOLUTION 01-07-005 Motion by Knol, seconded by Wiggins, to approve payment to Jack Doheny Supplies of Northville in the amount of \$15,714.52 for repairs to the sewer vactor truck.

ROLL CALL

Ayes: McShane, Wiggins, Buck, Knol.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO AUTHORIZE CLERK'S DEPARTMENT TO PURCHASE NEW MODULAR FURNITURE

RESOLUTION 01-07-006 Motion by Buck, seconded by Wiggins, to authorize the City Clerk to purchase new modular furniture from Space Care Interiors, Inc. in the amount of \$24,279.01.

ROLL CALL

Ayes: Wiggins, Buck, Knol, McShane.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

CONSIDERATION TO APPROVE CONTRACT WITH BLUE CROSS

Administration requested that the City enter into an agreement with Blue Cross and Blue Shield of Michigan and Blue Care Network to provide administrative services related to the Retiree Drug Subsidy Program. Administration further advised there is no cost for this service.

RESOLUTION 01-07-007 Motion by Wiggins, seconded by Knol, to enter into an agreement, subject to City Attorney review, with Blue Cross and Blue Shield of Michigan and Blue Care Network to provide administrative services related to the Retiree Drug Subsidy Program. **[SEE ATTACHED AGREEMENT].**

ROLL CALL

Ayes: Buck, Knol, McShane, Wiggins.

Nays: None.

Absent: None.

MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENT

Ron Hale, 31881 Lamar Street, expressed concern regarding the proposal that the Cities of Farmington and Farmington Hills merge. He cited issues including zoning control, loss of our Planning Commission, pension plan funding, financial impact on the City, increased homeowner's insurance, taller buildings and lack of representation on Council.

David Judge, 33704 Shiawassee, spoke against holding a public forum regarding the proposed merger. He stated it would cause residents further anxiety and increase public stress regarding the situation. He encouraged the City to provide the appropriate data to assist residents in formulating an opinion.

Walt Grajewski, 34002 Shiawassee, recommended Council commission a study to determine the merit of a merger.

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COUNCIL COMMENT

Councilmember Wiggins announced that Big Boy on Farmington Road is now smoke-free. He requested information on a prior study commissioned by Farmington Hills regarding a merger of emergency dispatch with Livonia. He stated it would be important for Council to see the results of that study.

Councilmember Buck noted the media coverage of the Sustainability Study provides the City with an opportunity to publicize all the great things about Farmington. He stated Council should be very careful in how they address the merger proposal and that any action taken serves the residents and provides improvements.

Mayor McShane passed on a concern recently expressed by a resident of Farmington Hills regarding maintenance of the cemetery. She spoke about mental health services offered by the Neighborhood House. She presented the idea of Farmington offering the option of credit card or electronic check for payment of taxes.

ADJOURNMENT

01-07-008 MOTION by Knol, seconded by Wiggins, to adjourn the meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 8:53 p.m.

JoAnne M. McShane, Mayor

Susan K. Halberstadt, City Clerk

APPROVED: January 16, 2007