



**FINAL**

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**BUDGET MEETING MINUTES**

A Budget meeting of the Farmington City Council was held on May 5, 2014, in City Council Chambers, 23600 Liberty Street, Farmington, MI. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 6:00 PM by Mayor William Galvin.

**I. CALL TO ORDER**

<b>Attendee Name</b>	<b>Title</b>	<b>Status</b>	<b>Arrived</b>
Greg Cowley	Councilmember	Present	
William Galvin	Mayor	Present	
JoAnne McShane	Councilmember	Present	
Steve Schneemann	Mayor Pro Tem	Present	
Jeff Scott	Councilmember	Present	

**City Administration Present**

Economic and Community Development Director Christiansen  
City Clerk Halberstadt  
Assistant to the City Manager Knowles  
Controller Norgard  
City Manager Pastue  
Attorney Schultz  
Treasurer Weber

**II. APPROVAL OF AGENDA**

**1. Motion to approve the agenda**

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Greg Cowley, Councilmember
<b>SECONDER:</b>	JoAnne McShane, Councilmember
<b>AYES:</b>	Cowley, Galvin, McShane, Schneemann, Scott

**III. PUBLIC COMMENT**

No public comment was heard.

#### **IV. DDA BUDGET**

Assistant to the City Manager, Annette Knowles, presented the proposed FY 2014/15 DDA budget.

Knowles discussed notable changes to the budget including: reduction in property taxes, purchase of vacant land, addition of the ice rink cost center, Farmers Market and Founders Festival reductions, no Art on the Grand concessions, and Groves Center facade reimbursement.

Knowles discussed revenue streams and expenditures and net changes from last year's fiscal budget.

Discussion followed regarding proposed TIF changes currently under consideration in the state legislature.

Discussion continued regarding a downward property tax adjustment received by KIMCO. Discussion followed regarding the Founders Festival and the impact of the reorganization.

Discussion continued regarding potential revenue for the ice skating rink.

Schneemann requested a breakdown of maintenance costs.

Discussion followed regarding the restoration of Riley Park and the start of Rhythmx in Riley Park.

Pastue discussed the possibility of a part-time person for the Design and Promotions Committee.

#### **V. CITY MANAGER'S PROPOSED BUDGET**

Council recessed at 7:08pm and returned at 7:14pm.

Pastue presented the proposed FY 2014/15 City Budget. The proposed \$14,117,000 budget addresses many of the items contained in the 2014-15 City Council goals adopted earlier this year including a two-year budget. In a budget overview, he discussed redevelopment opportunities both in the downtown and older shopping centers and the one time appropriation of \$110K to support those efforts. He discussed the improved economy and Farmington's ongoing recovery with property values finally on an upward trend.

Pastue discussed the city's efforts to achieve budget predictability over the past several years. He stated many of the volatile line items have been capped including: employee health care costs, retiree health care costs, water and sewer revenue spikes and dips, and wastewater treatment costs.

Pastue further discussed four items of concern including: phasing out of personal property taxes, uncertainty of the Affordable Care Act, abysmal condition of our

Michigan roads, and the need to re-establish the city's Capital Improvements Program.

Pastue proceeded to review the different Funds, Capital Outlays, Personnel, Major Revenues and Capital Improvements Program of the city budget.

## **VI. DISCUSSION - AUTHORIZE CITY MANAGER TO APPROVE TIME AND MATERIALS EXPENDITURES FOR RILEY PARK RESTORATION**

### **1. Motion to grant the City Manager authorization to approve, on a time and materials basis, restoration of Riley Park.**

<b>RESULT:</b>	<b>APPROVED [4 TO 1]</b>
<b>MOVER:</b>	Greg Cowley, Steve Schneemann
<b>SECONDER:</b>	JoAnne McShane, Councilmember
<b>AYES:</b>	Greg Cowley, JoAnne McShane, Steve Schneemann, Jeff Scott
<b>NAYS:</b>	William Galvin

Pastue advised the design for the restoration of Riley Park is almost complete. He stated that time is of the essence in order to be ready for summer activities. He requested Council authorize the City Manager to make the arrangements and sign purchase orders with contractors in order to move this project forward. He discussed the elements of the project including installation of pavers, plantings and electrical work.

Discussion followed regarding completion of the punch list for The Groves Center including installation of the sign.

Pastue advised \$100K will be needed to complete the restoration of Riley Park. He presented a preliminary plan for the restoration.

Responding to a question from McShane, Pastue advise putting the restoration out for competitive bids would delay the project by a month and he does not believe prices would be much different.

Galvin asked Council for feedback on this authorization request.

Schneemann commented that over the past 8 years Riley Park has become the epicenter for the downtown. He stated the community is asking a tremendous amount from this very small piece of land. The park is heavily burdened and is now being used all four seasons with the addition of the ice rink.

Schneemann stated the public has had a certain level of expectation over the past 8 years of what that park is and how it will serve the community. He stated for the city to do anything less than what the community has come to expect will adversely affect the park. The community would blame the ice rink for the decline of the park.

Schneemann stated that if there is one place the city does not want to skimp on it is Riley Park. He advised the Design Committee has put significant effort into this project to achieve a solution that would accommodate multi-uses for the park.

Pastue noted many of the costs have already been competitively bid as a result of previous projects.

Scott stated his biggest concern is compatibility of materials with the ice rink. He wants to make sure that whatever is put down allows for a seamless transition to the ice rink and then back again. He expressed concern that over time there will be level changes and the park will need to be torn up again.

Responding to a question from Galvin, Pastue stated the Design Committee has given a tremendous amount of time to functionality of the proposed design.

Schneemann advised functionality was the primary focus of the Design Committee. He stated Scott's point was a legitimate concern. He advised the committee has been working very closely with the engineers to ensure the rink can be installed and removed without disruption to the landscape of the park.

**Motion to grant the City Manager authorization to approve, on a time and materials basis, restoration of Riley Park.**

The votes were taken in the following order: Cowley, Galvin, McShane, Schneemann, Scott.

Galvin commented that his "no" vote was not because he didn't want the project done, but rather because the city has known this project had to be done and here we are a month into the Spring without a complete plan in place.

**VII. OTHER BUSINESS**

Pastue advised it is time for his performance evaluation. He has a format that he has used over the years that he will share with Council.

McShane requested salary comparables of city managers from cities of like populations.

Pastue stated he will work with the Mayor on this process. He requested a closed session for this evaluation.

**VIII. COUNCIL COMMENT**

Schneemann commented on the vote for the restoration of Riley Park. He stated that if plans were required for how the park would look in the summer of 2014 before the ice rink was installed it probably would not have happened last year and the city would have potentially lost the \$100K donation.

McShane thanked Pastue, Weber and Norgard for their work on the budget especially given \$1.6 million less in revenue.

Cowley expressed concern there is nothing in the budget that addresses downtown parking.

**IX. ADJOURNMENT**

**1. Motion to adjourn the meeting.**

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	JoAnne McShane, Councilmember
<b>SECONDER:</b>	Jeff Scott, Councilmember
<b>AYES:</b>	Cowley, Galvin, McShane, Schneemann, Scott

Meeting adjourned at 9:55 p.m.

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William E. Galvin, Mayor

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Susan K. Halberstadt, City Clerk

Approval Date: \_\_\_\_\_