FARMINGTON CITY COUNCIL SPECIAL MEETING

A special meeting of the Farmington City Council was held on Tuesday, September 4, 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 7:05 p.m. by Mayor McShane.

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

COUNCIL MEMBERS ABSENT: None.

CITY ADMINISTRATION: City Clerk Halberstadt, Director Nebus, City

Manager Pastue, City Attorney Schultz.

APPROVAL OF AGENDA

09-04-156 MOTION by Wiggins, seconded by Knol, to approve the agenda as presented. MOTION CARRIED UNANIMOUSLY.

<u>MARY ENGELMAN - FARMINGTON/FARMINGTON HILLS CHAMBER OF COMMERCE</u>

Mary Engelman, Chamber of Commerce President, was present to discuss the mission of the Chamber as it relates to commerce, community and commitment. She further discussed Chamber efforts in bringing new businesses to the community and upcoming events.

<u>DISCUSSION - SCOPE OF WORK FOR SHARED SERVICES/CONSOLIDATION STUDY</u>

Mayor McShane opened discussion by reading a statement concerning the City's approach to the shared services/consolidation study.

City Manager Pastue reviewed the process leading up to the study and how it originated. He introduced Adam Rujan of Plante & Moran who will oversee the study.

Mr. Rujan discussed the process and scope of the shared services/consolidation study.

Responding to a question from Councilmember Wiggins, Mr. Rujan stated his firm has completed studies for the Downriver Community Conference, Wixom and Walled Lake and Royal Oak.

Councilmember Buck asked how Plante & Moran would measure and guarantee objectivity in their research and final report. Mr. Rujan responded the report would provide data from which both cities could draw their own conclusions. He stated no recommendations would be made nor would he try to bias anyone towards arriving at a

SPECIAL MEETING -2-September 4, 2007

particular conclusion. He further stated there are a number of controls and safeguards in place to ensure an objective report.

Responding to an additional question from Councilmember Buck, Mr. Rujan stated that to his knowledge there are no recent examples of cost savings and tax reductions as a result of a complete consolidation. He further stated there are some recent examples of successful consolidations in services.

Councilmember Wright asked whether Plant & Moran would draw a conclusion based on the findings of the report. Mr. Rujan stated conclusions would be drawn based on economics and measurable scenarios.

Wright asked how the study would show the impact of consolidated economic development. Mr. Rujan stated their research would evaluate economic development in both cities and how they compare with other communities. He noted that if there appears to be room for improvement, the report will show how a tighter affiliation with Farmington Hills would improve performance.

Wright stated a possible drawback to the study is the *exclusion* of collaboration with other communities where greater cost efficiencies could be realized.

Councilmember Wiggins asked whether the study would point out the differences between services, such as Public Safety and Police and Fire. Mr. Rujan responded that the services will be analyzed in terms of effectiveness using existing metrics.

Discussion followed regarding the current cost of joint services with Farmington Hills.

Mayor McShane expressed concern regarding the lack of public input under Phase I. She asked regarding the outcome of Phase I if one City wants to move forward with Phase II and the other does not. She further asked who would cover the cost of Phase II.

Mr. Rujan responded there are a number of mechanisms available to include public input under Phase I and information gathered could be included in the final report. He stated the cost of Phase II has not yet been discussed. He further stated that if one community wants to move forward with Phase II and the other does not, it would be likely that both communities would seek other partners or avenues for cost savings.

Mayor McShane asked about an objective comparative analysis of the departments of Public Safety and Police and Fire. Mr. Rujan responded as part of the interview process for each department head, the question would be asked as to what it would look like incrementally to expand their model to the other City. He stated research will also include models of other cities with Public Safety Departments to aid in determining cost effectiveness.

Mayor McShane expressed concern that outsourcing, privatization and regional effort are not included in the study. She asked if the study will include a review of legacy costs and how each City is prepared to meet them.

SPECIAL MEETING -3-September 4, 2007

Mr. Rujan stated Phase I will not include a detailed benefit analysis, however, legacy and large unfunded costs will be reviewed.

Responding to a question from Mayor McShane, Mr. Rujan stated that even though the study will not include public input, it does not preclude Farmington from soliciting public feedback.

Mayor McShane opened the meeting to public comment.

Hank Borgman, 34011 Grand River, recommended the City take a look at privatizing services. He expressed his satisfaction with the City's public safety department. He asked how he would benefit if a consolidation would not result in tax reduction.

Ken Murray, 21564 Chestnut, expressed concern regarding rising property taxes. He stated his belief that consolidation of the cities would result in tax savings.

Betty Borgman, 34011 Grand River, asked how the public would be informed of the results of the Phase I study. Mr. Rujan stated the final report as a public document will be available for public review.

Bob Rossi, 22940 Manning, asked if it was feasible to obtain feedback from Farmington residents before tax dollars are spent. He asked if this issue would have been raised were it not for the Farmington Hills sustainability study.

Councilmember Knol stated this issue would have ultimately been addressed regardless of the Hills' study due to state government pressure for municipalities to consolidate services. She stated this is not a new issue, it has been discussed amongst the communities for a long time. She noted that the cities of Farmington and Farmington Hills are at the forefront because they already share a number of services.

Councilmember Wiggins stated this study offers the opportunity to finally resolve this issue one way or another.

Russ Duncan, 23912 Pickett, asked about the cost of the study. Mr. Rujan responded the cost of \$58,000 will be paid for by Oakland County. Mr. Duncan expressed concern regarding the lack of public involvement in decisions regarding Phase I. He proposed issuing a document to the public outlining the scope of Phase I and a request for feedback. He would also like the City to seek ways to save money outside of consolidation.

Greg Cowley, 23818 Wilmarth, discussed his reasons for living in Farmington. He stated he understands the fear and doubt related to consolidation strategy, but encouraged Council to review all economic options. He voiced his confidence in the objectivity of Plante & Moran. He stated public input should come second once the facts have been provided. He stated that if the study does not show an opportunity to save money, reduce taxes, increase services and improve economic development then he would not vote for consolidation.

SPECIAL MEETING -4-September 4, 2007

Susan Waisanen, 23911 Wilmarth, asked about the process for consolidation and final vote.

Paul Blizman, Farmington Hills resident, stated there are more important issues in the Farmington Hills sustainability study than merging. He stated concrete data is needed in order for residents of both cities to make an informed decision.

Claudia Tann, 31729 Marblehead, asked about the timing of the study. Mr. Rujan responded the study would be completed by the end of December.

Councilmember Wright stated we are in a unique time that calls for new ways to deal with economic challenges. He stated this study offers opportunity to gather information that will eliminate some of the misinformation that exists. He stated his support for the study because the City cannot continue to operate the same way in the future as was done in the past.

Councilmember Buck stated that the City should take advantage of opportunities to share services that would save taxpayer dollars. He stated he would like to know if any merger anywhere has resulted in tax savings because he believes the body of research will indicate no to that question. He clarified that less than 1/3 of property taxes goes to the City budget with the remaining going to other entities.

Mayor McShane asked how Phase I of the study would be released. Mr. Rujan responded the standard process includes issuing a draft report to both Cities to ensure the information is factual followed by the issuance of the final draft. He confirmed only the final draft becomes public.

Council concurred to move forward with Phase I of the Shared Services/Consolidation Study with the stipulation that public comment is solicited concurrently with the study.

Mayor McShane thanked the public for their comments.

Council broke for a ten-minute break at 8:40 p.m.

DISCUSSION – PROPOSED AMENDMENTS TO FIRE PREVENTION CODE

City Manage Pastue advised a number of the proposed amendments to the Fire Prevention Code are directed toward the outdoor burn provision that is being added. He requested input from Council concerning the amendments.

Councilmember Buck asked about the inclusion of propane patio warmers in the code.

Attorney Schultz stated the Fire Code as written does not allow the propane patio warmers, but could be added in another part of the code. Director Nebus stated he does not believe they are addressed in any other section of the code.

SPECIAL MEETING -5-September 4, 2007

Pastue advised the Public Safety Department would research the issue of propane heaters and if appropriate Attorney Schultz would add a provision to include them in the code.

Mayor McShane asked about the use of chimneas and questioned their insurability. Director Nebus stated that without research he believes chimneas are only uninsurable in communities where they are prohibited.

Discussion followed regarding the difference in regulation between open cooking and low flame gas cooking.

Director Nebus requested adding item (k) leaves, brush, vegetative debris, under section (2) of the Open Burning provision in the code.

City Manage Pastue stated the Ordinance amending the Fire Code will be brought back to Council with the highlighted changes as discussed.

CITY GOALS UPDATE

City Manage Pastue provided a report on the status of 2006 and 2007 City Council goals. He stated a priority is to address the General Fund imbalance and develop a strong financial structure that maintains the current millage rate and supports current services along with providing funds for major projects. He noted there are a number of major decisions coming up including: increasing captured value for the DDA Tax Increment Financing and a possible bond issue related to the 2008 Streetscape Project.

Council reviewed and discussed the status and action strategy of each goal.

Councilmember Knol commented on the need for continuing regular Council tours of Farmington to address code enforcement issues.

Mayor McShane asked regarding a business retention plan for the entire City, not just the downtown. Pastue stated he has met with many of the major commercial property owners to discuss business retention and maintenance issues.

Responding to a question from Mayor McShane, Pastue stated he would move forward immediately with the development of guidebooks for signage and outdoor displays and a sign ordinance.

Councilmember Knol asked regarding setting a time limit on signs that were grandfathered as a result of ordinance changes. Pastue stated there is already a time limit on nonconforming signs in the downtown.

Knol recommended notifying those businesses with grandfathered signs of the time limit after which their signs need to be replaced.

SPECIAL MEETING -6-September 4, 2007

Councilmember Buck concurred that businesses should be notified if they have nonconforming signs, especially if they have an opportunity to replace their signs before the deadline.

Discussion followed regarding maintenance of commercial properties and enforcement of code violations. Discussion continued regarding the maintenance of outdoor seating areas and establishment of non-smoking areas.

Pastue recommended providing property maintenance requirements to businesses with outdoor seating to ensure standards for indoor seating are maintained for outdoor seating as well.

Attorney Schultz concurred to present to Council a list of solutions for maintenance of outdoor seating.

Discussion followed regarding strategy to maximize utilization of City facilities including: Warner Mansion, Shiawassee and Riley Parks and Civic Theatre.

Discussion followed regarding an RFP for the City's website.

OTHER BUSINESS

Pastue advised a proposed right-of-way ordinance would be forthcoming to specifically address the AT&T boxes that are appearing in the right-of-ways and to tighten the permit process for work taking place in the right-of-ways.

PUBLIC COMMENT

Ken Murray, 21564 Chestnut, stated his opposition to the recently adopted branding program due to his belief that other projects should have taken precedence. He cited the need to replace the lighting at the Sundquist Pavilion.

COUNCIL COMMENT

Councilmember Wiggins announced the availability of tickets for "Taste of the Farms", an event to support Farmington Youth Assistance.

Mayor McShane made the following announcements:

- Tickets are available for the "Classical Brunch" at the Warner Mansion on September 8th.
- Beautification Award Ceremony will be held at the Mansion on Thursday, September 6th.
- The City received a note of recognition from School Superintendent Zurvalec for making the list of the top 100 towns in the USA.

SPECIAL MEETING -7-September 4, 2007

- Dedication ceremony will be held at Women's Park by the University Women on Friday, September 14th.
- Encouraged City Council and City departments to participate in the DDA Scarecrow contest.
- Training session for local update of the census address for 2010.
- South Oakland County Mayors Association dinner will be held on October 10, 2007 at Gala Restaurant.

ADJOURNMENT

09-07-157 MOTION by Knol, seconded by Wiggins, to adjourn the meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 10:10 p.m.

JoAnne M. N	IcShane, Mayor	
Susan K. Ha	lberstadt, City Clerk	

APPROVED: September 17, 2007