JOINT MEETING FARMINGTON CITY COUNCIL FARMINGTON HILLS CITY COUNCIL April 25, 2007

A joint meeting of the City of Farmington and City of Farmington Hills City Councils was held on Wednesday, April 25, 2007 at the Maxfield Training Center, 33000 Thomas Street, Farmington, Michigan.

ROLL CALL:

FARMINGTON COUNCIL MEMBERS PRESENT: Tom Buck, Valerie Knol, JoAnne McShane and Michael Wiggins. (Absent: David Wright)

FARMINGTON HILLS COUNCIL MEMBERS PRESENT: Vicki Barnett, Nancy Bates, Barry Brickner, Randy Bruce, Jerry Ellis and Kenneth Massey. (Absent: Cheryl Oliverio)

FARMINGTON REPRESENTATIVES PRESENT: City Manager Pastue, City Clerk Halberstadt, and City Attorney Schultz.

FARMINGTON HILLS REPRESENTATIVES PRESENT: City Manager Brock, City Clerk Dornan, Assistant City Manager Whinnery and City Attorney Joppich.

WELCOME/ INTRODUCTIONS/ DISCUSSION:

The meeting was called to order at 7:30 p.m. by meeting facilitator, Eleanor (CoCo) Siewert. She introduced Mayors McShane and Barnett.

Mayor McShane thanked everyone for attending the meeting and for their interest. She noted that it was exciting to meet with the officials from Farmington Hills and urged everyone to set politics aside and to consider the issue this evening with an open mind.

Mayor Barnett commented that it was wonderful to see so many people in the audience and that it was exciting to talk about more shared services and the possibility of combining the two cities, only with much study, public input, etc. She spoke on the importance of talking about shared services and the council's coming together on how to serve the residents of both communities as well as possible, while preserving each community's identity. She added that she felt it was the "human touch" of each community's government that works so well for Farmington and Farmington Hills, but that it was a good idea to explore where to go from here, and how to bring the two communities together even more.

Ms. Siewert noted that there is currently a lot of talk in the state regarding neighboring communities and combining services to residents. She noted there are already areas combining services around the state and spoke on the media attention being given to this issue. She remarked on the hard times being

experienced by the people of Michigan, the job layoffs and other financial issues. She advised that the state is cutting their budget and expenditures, and they are looking to local governments, asking what they are going to do as well. She noted that many townships are considering becoming a city for financial reasons and other communities are making changes to their police and fire departments. They have begun to look at combining as many services as possible in order to save money. She noted this is an interesting topic, that tonight's meeting with the two city councils is very timely, and that there are no doubt changes that will be made down the road.

Ms. Siewert spoke on the rules for conducting tonight's meeting, advising that each elected official will be able to make their statement to the questions being asked this evening, and that the audience may ask questions at the end of the meeting.

Ms. Siewert noted that to begin the discussion, she had a question for the group to consider. She advised that Oakland County had agreed to fund a study if there was interest in exploring more shared services or an interest in combining two or more entities into one community. She questioned the council members as to whether there was interest on their part for combining further services and/or entities.

Councilmember Wiggins spoke on the differences between the F/FH Police Departments, stating Farmington is a Public Safety Department in that police officers are also firefighters. He noted that Farmington Hills had separate departments. He referenced a study done on this issue many years ago and questioned if the Police Departments could merge together with these differences.

Councilmember Bates commented that she did not believe the answer to this could come from one person; that it is too early to decide the issue for the reason that there has not been enough investigation and study done. She added that she feels this issue deserves and requires citizens input and questioned the Oakland County study as to the timing of public participation. She stated that it was her feeling, that if a study showed a merger was not good for both communities, she would not support it.

Mayor McShane questioned that if Oakland County was funding the study, who would actually do the study. She added that she felt a study should be done by an entity who would not benefit from the merger in any way, and that it should be clear and concise. She commented that she would need to know how a merger would affect the residents of each community before she could make any decision.

Councilmember Ellis commented that in 1989, Farmington Hills did a Year 2000 study and he read a statement from that report which suggested the merging of the two cities. He added that he has done research himself on the services already being shared by the two communities and that he does not feel

Farmington is currently paying their fair share. He spoke on statistics regarding mutual aid between the two communities, noting that there were many more instances of assistance by Farmington Hills to Farmington than the other way around. He commented that he felt the residents of Farmington Hills were subsidizing programs for Farmington. He added that he would like this cost issue researched further. He also spoke on the voter approved public safety millage for Farmington Hills and questioned how this would be affected if a merger occurred.

Ms. Siewert reminded the council members that the questions being asked would be for Oakland County – if a study were done – not for each other to answer here at this meeting.

Councilmember Brickner spoke on the corridor legislation passed about a year ago and how re-development areas and projects could be put together utilizing this legislation if the two communities were to combine.

Councilmember Knol indicated that her questions to the county would be 1) regarding the parks in both communities and how the existing parks millage could be restructured; 2) regarding health insurance – can we look at pooling of employees in order to get better rates, and 3) regarding the Farmington downtown, how could we maintain the identity of the downtown. She added that the residents say the existing downtown has a certain "identity" and the Farmington councilmembers do not want to lose that.

Councilmember Buck thanked everyone for participating in this discussion, noting that the two communities have an excellent record of working together; that they are both financially stable and that they are great neighbors. He added that a merger may add to the ability to do more in the financial area, but that a study needs to be done on whether it would really be more effective. He noted his concerns regarding a merger as: 1) how to maintain the unique character of each city; 2) would a merger reduce service levels; 3) would a merger support businesses; 4) can benefits be guaranteed; 5) would there be a tax savings; 6) how to work out the concerns with the different public safety departments and 7) what would a merger provide to the residents?

Councilmember Massey commented that he has been hearing interest of a merger from residents of both communities, and that his concerns are 1) would a merger save money and if the answer is deemed yes, then how is the accounting done to prove this. He added that he feels a solid, objective accounting study would be in order to properly discuss a potential merger; and 2) how do we gain insight into subjective pieces of the issue? How do we design and study objectives while observing the objective, subjectively?

Mayor Barnett talked about the current approved millages of each of the communities and special costs allocated for things such as leaf pick-up in Farmington and road/sewer/water improvements in both communities. She spoke on legislation that she had heard of that may be possible to get approved

which would set parameters in order to consolidate and unify with community neighbors, thereby creating something that may be called "Central City Districts". She felt that if a merger was done, the increased size of the community, as a result, could perhaps increase benefits to leverage dollars, receive grants and state money.

Councilmember Bruce noted his questions were 1) a merger talks of savings but what about downtown businesses and effect on business growth, etc. 2) what would the effect be on property taxes for residents of both communities and 3) he questioned if more than one entity, such as Oakland County, should either do or contribute to the study such as Plante & Moran, for financial aspects; perhaps the EDC, for economic purposes, etc. He added that he feels the more information gathered the easier it would be for each of the councils to do more educated reasoning on the issue.

Mayor McShane spoke on future cost containment and growth. She mentioned the Farmington Hills sustainability study and questioned if anyone had considered future capital improvement projects and growth. She questioned if there would be money in the future to sustain a merged city. She also stated that she would need to know how a merger would affect the future of Farmington residents.

Councilmember Brickner suggested that a study would address the needs for efficiencies of the two cities and noted again that the State is looking at cost containment possibilities as much as possible.

Ms. Siewert summarized some of the areas in which the two cities were already sponsoring and sharing costs, noting they were for: The Multicultural-Multiracial Community Council; the Senior Programs, Police and Fire back-up; Parks & Recreation Programs; Cultural Arts Programs; the 47th District Court; the Libraries; some road projects and the Chamber of Commerce. She questioned as to how this list could be extended? And how effective are these shared services? Ms. Siewert again noted that Oakland County is willing to pay for and do a study if the two cities were interested in having this done.

Councilmember Ellis spoke on existing Corridor Legislation and noted that he was current chair of the FH Redevelopment Committee, of which Councilmember Buck was also a member. He questioned if the County could give any help with Grand River Avenue, downtown parking needs, or money for help with improvements and right-of-way acquisitions. He mentioned other downtown areas that are growing and flourishing and urged the council to ask for help from Oakland County on the Farmington Downtown area.

Facilitator Siewert advised that all the council members had provided questions to be researched if a study was done, and that the second question for discussion was "Do the two Council's want to ask Oakland County to do a study?" She requested comments on this question.

Councilmember Bruce indicated yes. He added that if a study was not done, information could not be gathered and an educated decision could not be made. He noted that both cities are good cities; are in good shape financially, and feels that if they are going to merge, that it's better to do that when both are healthy. He added that he feels there are more threats and issues coming from the State and that they would have more economic power and a louder voice with the legislators if they were one voice and larger. Again he stated Yes to a study.

Councilmember Massey advised that he felt there was a great need to do the study and that the elected officials would be remiss not to request it. He added that a merger has been mentioned, suggested and talked about for the last 25 years and that the only way to gather the proper information is through a formal study. He stated he does not feel anyone can know if it makes sense to merge until data is available.

Councilmember Knol stated she agreed, that the councils need the information. She also felt a study should not only look at a possible merger, but also at what is being done now and whether additional combined services are needed, rather than a full-fledged merger.

Councilmember Ellis stated he agreed with Councilmember Knol and that he would also like an analysis as to whether shared services are being financially supported appropriately.

Councilmember Bates indicated her agreement, adding that the councils need to hear adequate information and citizen input prior to any changes or decisions.

Councilmember Brickner stated he also agreed that a study needs to be done to gather information; that many questions have been asked that need to be answered. He also spoke on some of the basic differences between the communities, on infrastructure differences, on staff differences, etc. He questioned how to deal with all these differences. He questioned as to what the name of the community might be if a merger were to take place. Discussion was held and the name "Farmington" was suggested by the majority of those present.

Councilmember Bruce commented on the similarities of each community. He added that cost savings is a huge issue to be considered.

Councilmember Buck commented that there has been considerable discussion on how a merger would help with the goals of the State, but noted that the two communities already have a collaborative relationship and share many services. He added that he does not feel the State should dictate what the local communities do. He stated that if Mayor Barnett can help to get legislation passed that would insure aid to merged communities, he urged that to be done. He also questioned as to whether the two communities could do the study themselves? He commented that a study would be very costly and feels that both communities have very talented city managers and staff members and wondered if at least parts of the study could be done by them.

Mr. Buck commented on the business re-development taking place downtown, such as the addition of Office Depot, ACE Hardware, the Farmers Market and others. He noted that they are working all the time to attract new businesses and have done so.

Mayor Barnett stated she agrees that there is a lack of State cooperation in many areas and that Farmington and Farmington Hills have always talked and cooperated together. She added that she does not feel the communities should do a study on our own; that the issue is too emotional. She felt there was a need for fresh eyes from outside the two communities to gather this data.

Mayor McShane commented that she hoped the two cities don't have undo pressure placed upon them by the State. She mentioned that there are store vacancies here in this area as well as throughout the State and other areas of the country. She urged that the study be independent for each community; feeling that it needs to include individualized data as well as factual information on shared services for both communities. She hoped it would also have data on whether the two communities should be sharing even more services that we currently are.

Councilmember Buck questioned if there were other regional shared services that could be considered also, not just shared between Farmington and Farmington Hills.

Councilmember Brickner mentioned the shared services of SWOCC, between the two cities, and including Novi.

Mayor Barnett added that she also hoped the study would look at other possible shared services opportunities but that she did not want so much put into the study that it would end up too large to be done well.

Councilmember Bates indicated that she agreed this should be a "focused" study, done by an outside source.

Ms. Siewert questioned as to whether any of the council members were not in favor of a study being done for the purpose of 1) shared services and 2) a potential merger.

Mayor McShane commented that she was not sure she was in favor and indicated she still had questions as to who would pay for this and how it would be done.

Councilmember Massey suggested that perhaps a resolution could be drafted that would ask for a study and outline the provisions of the study and that both councils could review the document and agree or amend, etc.

Ms. Siewert agreed that each council should act independently.

Councilmember Brickner noted that the councils have been advised that there is money for a study to be done from Oakland County and feels that the councils should ask for it and utilize it to gain information.

Ms. Siewert asked if there was general agreement with the councils to ask Oakland County for a proposal to do a study as discussed.

Motion by Massey, with initial second by Barnett; then amended to be seconded by Knol, that the city councils hereby request that Oakland County undertake an independent, comprehensive study on the cities of Farmington and Farmington Hills in terms of shared services, taking into account what the current situation is, what alternatives would be extended through the spectrum towards consolidation and what it would entail in terms of objective accounting and with the assurance that all questions that have been proposed are assessed and answered.

Mayor Barnett commented that she hoped both communities could independently approve a resolution confirming the above at one of their regular council meetings by the third Monday in May so that this can be submitted to Oakland County.

Councilmember Brickner suggested that the communities seek out any funding available for this type of study, not just Oakland County funding.

Councilmember Bates commented that the issue of the merger was only 1 of 29 recommendations that came from the sustainability study commissioned by Farmington Hills and that she agrees an independent study would be worthwhile.

Councilmember Ellis asked the City Managers to work together on the resolution so that each community is considering and approving the same document.

Councilmember Buck questioned if the resolution would outline what the proposal and study would entail, or if it would just request that a study be done.

Councilmember Massey indicated he would like to see the study done and feels the county should be asked for a proposal outlining to the councils what would be evaluated and completed within a study.

Councilmember Buck requested that since a Farmington Hills Councilmember made the motion, he would prefer that a Farmington councilmember would go on record as seconding the motion. Councilmember Knol agreed to second the motion.

VOTE ON MOTION: Unanimously Carried.

Councilmember Massey mentioned that at a study session held by the Farmington Hills Council, Mayor Barnett outlined the steps that a formal merger would entail. He asked that these steps be reviewed at this meeting.

Mayor Barnett noted that there were several ways for communities to join or merge with one being done voluntarily. She spoke on the steps required such as the development of a charter commission, election of those members, the development of a draft charter, a vote of the residents, etc. She also explained how this could be done through petitions and review by the State Boundary Commission. She added that if a merger were done, she would hope it would happen through voluntary procedures.

Ms. Siewert opened the meeting to receive public comments at this time.

Dave Cornwell, business property owner in downtown Farmington, commented that he was not a resident but wanted to offer his perspective. He noted that as a real estate broker he has met lots of people who don't know the distinction between Farmington and Farmington Hills. He added that this confusion is difficult in the real estate market and that it is not positive for either community. He advised that he was a member of the Farmington DDA and has a special interest in downtown Farmington. He commented that he does not feel the people in Farmington Hills visit the businesses in Farmington and that the downtown's potential has not been realized. He added that he does not want any changes that will hurt Farmington.

Mary Johnston, resident of Farmington Hills, stated she feels the moderator is biased and that she is sorry the council of Farmington agreed to meet and talk with the Farmington Hills officials. She added that she feels the real issue is the provisions of the Corridor Improvement Act which is an attempt to turn Farmington Hills into a "megalopolis with 8 story buildings". She noted that this has been a polite exchange between the councils; that Farmington has quaintness – not Farmington Hills and that Farmington would be "swallowed up" by Farmington Hills. She spoke on the attitudes of the Farmington Hills City Manager and Council members and urged the Farmington officials not to agree to any merger of the two communities.

Hank Borgman, resident of Farmington, spoke on the issues of state and local taxes; the fact that the state and federal governments have no money; on the changes to 12 Mile and Orchard Lake Road Boulevards and the costs to improve them; and on speed bumps to slow down traffic, etc.

Mr. Lawrence (last name unknown – a Farmington resident) commented that it is difficult to get through downtown Farmington due to traffic, etc.

A Farmington Resident (name unknown) indicated that she can agree with some of the points made by representatives of both communities. She added that she was concerned with police and fire services and spoke on the differences between the departments of both cities. She added that she felt the staff of these

departments had different jobs and that they cannot merge together without changes being made. She noted it would bother her to give up the combination "public safety" aspect that Farmington has now. She added that she feels a merger would benefit Farmington Hills more, but was not sure about any benefit to Farmington.

Farmington Hills resident and member of the Planning Commission, Shari Garms, spoke on the fact that the multiple story buildings proposed in the sustainability study was only a suggestion. She spoke on other aspects of the sustainability study and advised that the Planning Commission was currently in the process of revising the city's Master Plan, which is required by law every five years.

Greg Cowley, a Farmington resident, business owner and a member of the Farmington DDA, complimented both city councils for agreeing to consider a study and resolution. He agreed that much data and information was needed before any decision could be made. He noted that the City of Farmington is trying to remake itself and that information is definitely needed on the financial benefits of a merger. He added that he had read that Farmington Hills is the 29th best city in the country and that this image and recognition alone is great; it is an excellent marketing tool and a large asset to bring to a negotiation table.

Farmington resident, Jerry Blume, commented that he has great city services and noted that a friend in Farmington Hills doesn't have as many services provided by the city and questioned how this would change with a merger.

There being no further public comments, Ms. Siewert thanked the members of the city councils, the city's staff members and members of the public for meeting; their comments; and the decision reached this evening. With that, the meeting was adjourned at 9:05 p.m.

Respectfully submitted,
CITY OF FARMINGTON
JoAnne M. McShane, Mayor
Susan K. Halberstadt, City Clerk

CITY OF FARMINGTON HILLS Vicki Barnett, Mayor Kathryn A. Dornan, City Clerk

APPROVED: May 21, 2007