

**MEETING MINUTES  
CITY COUNCIL STUDY SESSION MEETING  
CITY OF FARMINGTON HILLS  
MAY 12, 2014 – 6:00PM  
CITY HALL – COMMUNITY ROOM**

The City Council study session meeting was called to order by Mayor Brickner at 6:30p.m.

Council Members Present: Brickner, Bruce, Knol, Lerner, Massey and Steckloff

Council Members Absent: Bridges

Others Present: City Manager Brock, City Clerk Smith, Assistant City Manager Boyer, Assistant to the City Manager Geinzer, Directors Gajda and Mekjian, 47<sup>th</sup> District Court Administrator Walsh and Attorney Joppich

**BRIEF UPDATE ON CLASS III DISTRICT COURT**

Dave Walsh, 47<sup>TH</sup> District Court Administrator, stated that it was his understanding there was some discussion regarding the court and if the County or State could take over funding. He provided some history on the Third Class District Courts and how they were created, noting that Third Class District courts are funded by an entity other than the County; and in this case, funded by both the Cities of Farmington and Farmington Hills.

He explained that the County funds First and Second Class District Courts and the revenue breakdown is different in terms of what the communities receive. He noted that cities in the Second Class District Court areas receive one-third of the revenue generated from case activity and two-thirds is given to the County, but they have no expenses. Farmington and Farmington Hills receive 100% of the revenue generated; but have to fund the 47<sup>th</sup> District Court.

Mr. Walsh stated that in order for the County or State to take over jurisdiction of the 47<sup>th</sup> District Court, they would have to first agree to do so; and this won't likely happen as the County would be losing even more money as they already are with the other Courts they fund.

Mr. Walsh added that all communities that have a Third Class District Court are in a similar situation as Farmington and Farmington Hills. He stated that the Court does the best it can for both cities to try and collect on all outstanding accounts and they have maintained a good working relationship with staff from both communities. Mr. Walsh commented that the Community Work Program is an added value to both communities, although it doesn't generate revenue.

Mr. Walsh reviewed various graphs showing the caseloads and revenue and expenses over the years for the Court for both cities. He noted that the revenue generating caseloads are down in activity.

Mayor Pro-Tem Bruce commented that the traffic cases have dropped significantly since 2007 and inquired if staffing has been adjusted accordingly. Mr. Walsh responded that staffing has been adjusted; however, traffic cases are the least work intensive. He noted that they have raised fines where possible, but most fines are capped at \$100 by legislation; and the State is taking more revenue from each ticket.

In response to Councilmember Lerner, Mr. Walsh confirmed that closing the court was also not an option.

Mayor Pro-Tem Bruce questioned the new Court building was overbuilt. Mr. Walsh stated that it was overbuilt; however, at the time it seemed likely that the Court would be approved for a third Judge.

Judge Marla Parker added that while the third courtroom has not been utilized for its intended purpose, they have used that portion of the facility for training opportunities and to house city staff during city building renovations. She added that the building suit the needs of the Court going forward.

City Council thanked Mr. Walsh for his time.

**DISCUSSION ON WATER AND SEWER RATES:**

Water Resource Commissioner, Jim Nash, stated that mediation has started with the Detroit Water and Sewer Department on whether to remain with DWSD. He noted that this will eventually go to the Board of Commissioners and through a public hearing process.

Council was updated on the status of the Water Tower Project and Middlebelt Tunnel Project.

The Water Tower Project started in April 2012 and the estimated completion date is June, 2014. The anticipated annual savings is \$3,500,000 and it is hoped that the city will start seeing this savings as of July 1, 2015. It will take a full year with the tower to realize the actual savings. The County noted that they are doing all they can to make the target completion date. Detroit Water and Sewer Department (DWSD) will look at the peak day for the City and the County then would re-negotiate the rates with DWSD based on that information.

The estimated cost for the Middlebelt Tunnel Project is \$46,600,000 and that cost would be shared by the 4 communities benefiting from the project. Farmington Hills' share of the cost is 53.1% or an annual bond payment of \$1,585,000. A map was shown of the location of the proposed tunnel and schedule for construction. It is anticipated that the project would begin in late September or early October, 2014 and completion in November, 2016.

Councilmember Lerner mentioned an incident in another state where a contractor's piece of equipment was stuck in a tunnel in a similar project and inquired about the insurance for this project and the City's liability.

Attorney Joppich pointed out that there could be many variables involved in any incident and what party was at fault, but insurance is being posted at all three levels – the County, City and by the Contractor; and the Contractor is posting a significantly enhanced insurance certificate for this project. He added that the Contractor would be responsible for the operation of their equipment.

Slides were shown of aging sanitary sewer systems and different types of piping used. A graph displayed the operations and maintenance costs for the system.

Keith Parmly, WRC Representative, discussed the forecasted numbers for water and sewer sales for Farmington Hills and required revenue to fund the systems. He reported that the proposed water rates for Farmington Hills would increase by \$2.83 per average, residential customer; and the proposed sewer rates would increase by \$3.98 for the average residential customer. Mr. Parmly added that he expects the combined water and sewer rates to be flat going into FY 15/16 and is projecting an increase in FY16/17 of 8.3% and 5.3% increase in FY17/18.

It was noted that consideration of the proposed water and sewer rates would come before City Council at their June 9<sup>th</sup> meeting.

**ADJOURNMENT:**

Mayor Brickner adjourned the study session meeting at 7:00pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'P. Smith', with a stylized flourish at the end.

Pamela B. Smith, City Clerk