

MINUTES
CITY OF FARMINGTON HILLS
CITY COUNCIL STUDY SESSION MEETING
CITY HALL – COMMUNITY ROOM
APRIL 13, 2015 – 6:00PM

The Study Session meeting of the Farmington Hills City Council was called to order by Mayor Brickner at 6:05pm.

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

Council Members Absent: None

Others Present: City Manager Brock, City Clerk Smith, Assistant City Manager Boyer, Directors Gajda and Mekjian and Attorney Joppich

DISCUSSION ON SPECIAL ASSESSMENT DISTRICT POLICY/ORDINANCE

City Manager Brock stated that Council has received information from staff regarding the recommended policy changes based on a previous study session with Council as well as proposed revisions to the city's assessment formula policy for residential road improvements. He noted that Council has discussed the option of an ordinance versus a policy and staff believes that a policy is the best option in order to provide for more flexibility.

He stated that the proposed policy outlines a process to make road improvements based on using the PASER rating to assess the conditions of the roads, which is a standard unit of measurement used throughout the country. He stated that the City will continue to allow for the petition process; but once roads were assessed at a PASER rating of 2.75 or lower, the City would include those roads for future road improvements.

Councilmember Bridges inquired what items staff would like Council direction on this evening. Mr. Brock responded that staff would like to know if Council agrees with the following concepts: using 2.75 as the PASER rating that would trigger improvements, including roads that are at that rating or below in a 5 year capital improvement plan, proposed changes to the lot assessment calculations and to make some decisions with regard to financing and how long projects may be bonded and guidelines for eligibility for deferred payments.

Discussion was held on bonding longer than 15 years. Councilmember Bridges asked for data on bonding over 10, 15 and 20 years or longer. City Manager Brock stated that they could provide some data, but he would suggest not including the number of years in an ordinance where Council would have no flexibility to change that time frame.

Attorney Joppich explained that the Charter states that a process must be established by ordinance so there are items that need to be included in the ordinance and other items that can be addressed by way of a policy. He stated that if Council were to set the number of years for financing, that would have to be part of the ordinance. He clarified that a project is not initiated until City Council approves the district and determines to proceed so all of the information gathered up until that time is governed by policy.

Councilmember Bruce stated that he likes the draft policy and the idea of using the PASER rating to initiate road improvements. He believes that residents look at roads and schools when determining where they want to live. He believes the concept of using the PASER rating is logical and would like to see the policy implemented.

Councilmember Knol inquired how the city would prioritize the subdivisions that are rated at 2.75 or lower.

Attorney Joppich responded that it would come down to reasons and if there were rational reasons as to why one project was done prior to others, that could be defended. He added that things such as the availability of funds could be a reason or factor when considering various projects.

Councilmember Bridges commented that this is a major change over how the City has been handling road projects and he feels that the financing is a major component. He stated that he discussed this policy change with his neighborhood and there was support for such a change.

In response to Councilmember Bridges, Traffic Engineer Mark Saksewski explained how the roads would be assessed and rated by staff.

Mayor Pro-Tem Massey inquired if there was a mechanism to address those subdivisions without homeowner's associations and if a threshold could be included in the policy so that when a road is rated at a 4 or 5, the City would send a letter to the Homeowner's Association providing the option for them to address their roads earlier by way of the petitioning process.

Councilmember Lerner agreed that there should be flexibility with regard to the number of years a project is financed, but that it should be recognized that this may need to be modified for certain subdivisions. He suggested experimenting with seal coating roads that have a PASER rating of 5 to see if this would extend the life of the roads.

Senior Engineer Cuber stated that the City has not used seal coating in a long time, but they could include that in the program.

Director of Public Services Mekjian presented photos of roads showing various PASER ratings. He discussed various amortizations schedules and how that would change the payments. Mr. Mekjian also noted how other surrounding communities are maintaining their roads, whether they have a millage, etc.

Councilmember Steckloff inquired how the City would handle including a subdivision that submitted a petition if their roads had a PASER rating of 4 or 5 in with the other projects with roads that have a PASER rating of 2.75 or lower.

Attorney Joppich responded that City Council would have to find a reasonable way to handle that within their policy.

City Manager Brock added that the city has a lot of bonding capacity and he feels they will be busy; but they would try to accommodate all projects. He did not feel that the City would have many requests by way of petition with the new policy in place, but that they would be reviewed on a case-by-case basis.

Mayor Brickner suggested that if residents petition and want their roads fixed, those could possibly be given priority. Mr. Brock felt that it should still be based on reasons for the improvements and that Council should not lock themselves into that as part of their policy.

Councilmember Bruce stated that he would also like to review the petitioning process and move away from the petition being a yes or no vote. He stated that residents should not be able to add and remove their name from a petition and suggested that once a certain threshold of signatures are obtained, it would

simply trigger staff review and the City would determine how to prioritize it with other identified projects.

Councilmember Bridges stated that the City has used the petitioning process for many years and he feels that it works. He stated that the policy change has to be equitable to all and he supports the proposed amended policy but feels the petitioning process should remain. He added that as part of the road millage passed by the voters, it was noted that this millage would allow for the City to continue to contribute 20% towards special assessment districts and to provide for improved maintenance programs. He feels any change needs to be clearly communicated to the residents.

Councilmember Lerner suggested publishing once a year the PASER rating of all of the local roads. Director Mekjian stated that they could post this information on the City's website.

Mr. Lerner inquired about the City's bonding ability. Director Gajda responded that the City has a lot of bonding capacity and he feels that by spreading projects over time through the Capital Improvements Program, it could manage the financing as debt would be paid off as new debt is being added.

There was City Council consensus to move forward as recommended by staff and to include a threshold of a PASER rating of 4 or 5 that would trigger a letter from the City to homeowners.

Discussion was held on calculating assessments for corner lots. The recommendation was that a corner lot would be calculated at a minimum of 1 unit. City Council concurred.

It was determined that the proposed policy would come back to Council at their next study session and then also be placed on the regular meeting agenda for consideration of adoption.

ADJOURNMENT

There being no further discussion, the meeting adjourned at 7:25pm.

Respectfully submitted,



Pamela B. Smith, City Clerk