

MINUTES  
CITY OF FARMINGTON HILLS  
FARMINGTON HILLS CITY COUNCIL  
CITY HALL – COMMUNITY ROOM  
MAY 13, 2024 – 6:00PM

The study session meeting of the Farmington Hills City Council was called to order by Mayor Rich at 6:00pm.

Council Members Present: Aldred, Boleware, Bruce, Dwyer, Knol, and Rich

Council Members Absent: Bridges

Others Present: City Manager Mekjian, City Clerk Lindahl, Assistant City Manager Mondora, Directors Brockway, Rushlow, Schnackel and Skrobola, Fire Chief Unruh, Fire Lieutenant Pankow, Senior Engineer Gushard, and City Attorney Joppich

**REVIEW OF THE CITY’S EMERGENCY OPERATIONS PROGRAM AND LOCAL PLANNING TEAM**

Fire Department Lieutenant/Emergency Manager Pankow presented a PowerPoint presentation: *Emergency Management Program for the City of Farmington Hills.*

Lt. Pankow coordinates all Emergency Management Team activities and training, with the assistance of Fire Chief Unruh and semi-retired Fire Lieutenant Jamie Neufeld, both of whom are also emergency managers. The activities include frequent work with the Local Planning Team (LPT) consisting of managers and directors from each City department.

Public Act 390 of 1976 is the State’s Emergency Management Act. Farmington Hills is a PA 390 community. There are 61 cities, villages, and townships in Oakland County. Only 5 of those municipalities have earned the right to call themselves a PA 390 community: Farmington Hills, Southfield, Bloomfield Township, Birmingham, and Waterford.

Being a 390 community means that Farmington Hills has a much more capable and robust response to any emergency that may come, due to the City’s core capabilities and resources. The City’s emergency managers and Local Planning Team have established relationships and direct access to Michigan State Police Emergency Management Homeland Security Division, and the Oakland County Emergency Management Office. Farmington Hills trains and educates with its local, state, and federal partners, in order to be able to coordinate any emergency response appropriately and to ensure that City citizens and staff are safe.

A full-scale exercise in 2023 prior to the fireworks display celebrating the City’s 50<sup>th</sup> anniversary trained the team based on the enactment of a vehicle being driven through a crowd of people, creating a simulated mass casualty incident. This tested the Fire Department, Police Department, DPW, and other city departments. It also tested Corewell Health and other nearby hospitals, when over a hundred “patients” were transported to hospitals. Oakland County Sheriff, a drone team, the FBI and MSP all participated in this exercise. This was a very successful drill and reflects the kind of training being held in Farmington Hills.

Farmington Hills follows 5 phases of emergency management:

1. Mitigation

2. Prevention
3. Preparedness
4. Response
5. Recovery

Phase 1. Past and present mitigation activities include:

- Helped develop and adopted the Oakland Hazard Mitigation Plan
- Training personnel
- Minnow Pond Drain Project in conjunction with Halsted Road reconstruction
- Water Tower
- 14 Mile Road and 8 Mile Road water main projects

Phase 2. Prevention activities have included:

- Established goals, policies, and procedures
- Established roles and responsibilities
- Published Emergency Operations Plan (EOP)
- Published Emergency Action Plan (EAP)

Phase 3. Preparedness includes:

- Training to the EOP and EAP with all city personnel
- Work and train with Farmington Public schools as well as private schools/faith based communities
- Work with assisted living facilities to make sure there is an emergency plan in place. How is back-up power provided? Are evacuation procedures in place?
- Work with group homes and “extended stay” hotels to make sure there is an emergency plan in place. How is back-up power provided? Are evacuation procedures in place?

Phase 4. Emergency response:

- The goal is to protect life, property, and stabilize the community.
- Use of the Incident Command System (ICS)
- Activate mutual aid
- Activate the Emergency Operations Center (EOC)

Phase 5. Recovery phase:

- Restore life to normal for the community
- Conduct damage assessment
- Seek disaster relief
- Review plans, policies, and procedures
- Develop corrective action plans

During a recent extensive winter storm event, there was a multiple vehicle pile-up on 696. The Emergency Response Team coordinated with Farmington Public Schools to use their buses to get the non-injured off of 696. The Team also worked with MDOT (Michigan Department of Transportation) to use their trailers to shut down 696, which then put the City’s fire apparatus, police, and staff cars back in service so they could be used to respond to other emergencies. The Hawk was used for unification.

Another local emergency involved the 14-Mile water main break. Over 300,000 regional residents were affected by this event, causing a Regional State of Emergency. The Emergency Response Team worked

with the Great Lakes Water Authority, the Oakland County Water Resources Commissioner's Office, and with the Farmington Hills Department of Public Works (DPW) and Department of Public Services (DPS), all working together to re-establish water pressure in the affected Farmington Hills community.

The Emergency Management Team, along with Fire Prevention, works with known facilities where there are chemicals stored, in order to ensure the safety of all.

The key documents to the Emergency Management Team's success are the Emergency Operations Plan and the Emergency Action Plan. Combined with these two plans is the Incident Command System, which is a standardized approach that coordinates the City's response, resources, and how the community recovers.

The Emergency Operations Center (EOC) also serves a critical role. This is the physical hub where the EMT coordinates and facilitates activities, directing resources toward the emergency incident. Recovery and cleanup are also directed from the EOC.

Another example of how well the emergency management program has worked was the response to severe weather in July 2021. During that storm, Fire and Police responded to hundreds of calls from fire alarms, burglar alarms, house fires, medicals, event patients, and bedridden patients, as well as reports of downed trees and power lines. There were over 200 runs in 8 hours.

After the weather event was over, everyone had to deal with recovery, especially DPW who had to clear debris so that citizens could travel and emergency response could get to their calls. The Mayor activated the Emergency Operations Plan, which then activated the Emergency Operations Center. As things were handled, the Emergency Manager, DPW, DPS and Lt. Burris from Michigan State Police (MSP) handled damage assessment. Because this was all done correctly according to prior training, paperwork was able to be filed in a timely way. Because of the City's relationship with the Southeastern Oakland County Public Works Association, Oakland County Emergency Management, MSP Emergency Management Homeland Security Division, and because of the trained response and reliance on critical documents, the City was eventually awarded \$1M in Section 19 funding (state disaster assistance grant), or the maximum amount that could be awarded.

During an emergency, elected officials can most effectively help by supporting Incident Command, and by not going to the EOC until it's deemed safe. The media will follow city officials, and chaos at the EOC may result. On the other hand, if everyone carries one consistent message and timely updates are provided, recovery can occur in the most orderly way possible.

Moving forward:

- Continue to work with Karmanos Cancer Center in preparation for their Gamma Exchange.
- Continue to work with assisted living facilities, to get them to come up with relocation plans and emergency action plans.
- Continue to work with faith-based communities.
- Continue to participate in state-sponsored Cobalt Magnet drill(s). This is especially important relative to the new reactor coming in, to be known as Fermi 3.
- Grant-funded Station 5 updates will include an updated Emergency Operations Center, which will be located in the middle of the renovated Station 5 building.

In response to questions and discussion. Lt. Pankow provided the following further information:

- The Emergency Response Team is not mandated to plan a major event every year. No mandates are coming from the State at this time.
- Oakland County and Michigan State Police frequently train in Farmington Hills.
- The Farmington Hills program is self-funded, as is the Emergency Manager position.
- Residents need to be able to be self-sufficient for 72 hours.

### **WATER AND SEWAGE DISPOSAL SYSTEMS FY 2025 RATE PROPOSAL**

Oakland County Water Resources Commissioner's Office staff present to support tonight's discussion included Raphael Chirolla, Drew Sandahl and Amy Ploof.

Public Services Director Rushlow explained that over the last few years water and sewage disposal sales have remained relatively flat and stable. A slight increase is predicted in both the water and sewer sales divisions. There will be an increase in operational costs, both on routine operations and maintenance of the facilities, as well as water and sewer treatment costs, both from Great Lakes Water Authority, and some non-operating costs which go into debt service from large capital improvements that are either internal to the City's programs, or in regional participations with other communities in the Water Resource Commission area for Oakland County.

Utilizing the PowerPoint *City of Farmington Hills Water and Sewage Disposal Systems FY 2025 Rate Proposal*, Mr. Chirolla and his team explained the following:

#### **Sewer rates, 2025:**

- Basic rate calculation follows a straightforward formula: Total estimated costs are divided by projected sales, providing the rate.
- Projected sewer system sales are going up by 0.7%. GLWA (Great Lakes Water Authority)/Evergreen-Farmington Sanitary Drain Drainage District charges are going up 2.6%. Evergreen-Farmington charges will be up overall about 2.3%.
- A 5-year sewer volume average between Farmington Hills and Evergreen-Farmington's other customers determines Farmington Hills' share.
- Reserves are being increased to \$250K in the major maintenance reserve and \$250K in the capital reserve. The 8 Mile Road cap project for Evergreen-Farmington will account for a pretty significant increase in either 2027 or 2028, when the first principal payment will be due.
- Overall in 2025 there will be a 6.8% increase in costs, less the .7% increase in sales, leaving a net increase in cost of about 6.1%. A typical residential customer will see a \$12.44 quarterly increase, for a total quarterly bill of \$219.14, based on 3.9 thousand cubic feet of usage per quarter.

#### **Water rates, 2025:**

Water rates use a 3-year average.

- Overall, from FY 2023-24 to FY 2024-2025, there is a 2.8% increase in volume, with GLWA purchased water going up 4.4%.
- Operating expenses are going up 17.3%, due to the construction of water main replacements.
- Reserves are increasing \$650K, with \$150K going toward major maintenance, and \$500K going toward capital.
- There is a long-term expected spend rate of \$6M per year in capital expenditures on projects within the Farmington Hills system. This is requiring a drawdown of existing reserves, but if the reserves are increased at a consistent rate, the \$6M will be covered, without too much impact overall in years to come.
- Non-operating debt service applies to the water tower
- Non-rate revenue includes interest on bills not paid on time

- The overall cost increase is \$1,671,840 or 10.3%.

2025 rate increase:

- Based on the 3-year average, the overall water rate increase will be \$13.96 per residential customer per quarter, with a FY 2025 estimated quarterly bill of \$205.14.
- The minimum quarterly increase will be \$5.73.

Water tower:

- FY 2025 estimated savings including debt = \$3,054,000
- Estimated total savings through FY 2025 = \$25,981,000. The original water tower cost was ~\$14M.

Water and sewer combined rates:

- For 2025, combined rate increase will be 6.6%.

Council discussion/questions:

- Council requested current balances in the reserve funds.
- The average household will see a combined increase (water and sewer) of just over \$100/year, dependent on their water usage.
- Planned projects over the next 6 years (through 2030) include:
  - Major water system improvements in Kendallwood Subdivisions 2-4 (\$16M), Westbrook Manor Subdivisions 1-4 (\$16M) and Old Homestead Subdivision (\$6M).
  - Sanitary sewer system, Evergreen-Farmington Sanitary Drainage District Corrective Action Plan (FH share) of \$37M, and Annual system renewal of \$2.5M-\$4M/year.
- Water tower debt will be paid off in 2034-35.
- Combined water/sewer costs for minimum users, which includes many seniors, is about \$10-\$11 per quarter, or ~\$40 per year.
- Council requested more information relative to the Highland Park bad debt situation and how that impacts Farmington Hills.
- The proposed rates for Farmington Hills will be presented at the next Council meeting on June 10.

**DISCUSSION ON THE HAWK INNOVATION CENTER AND STRUCTURE OF MANAGEMENT**

Economic Development Director Brockway explained that she would be discussing some items regarding the incubator that exists on the 3<sup>rd</sup> floor of the Hawk. Director Brockway will also be looking for input and direction from Council on the appropriate location, operation and management of the incubator.

Utilizing a PowerPoint presentation: *The Incubator, Operational Management and Location*, Director Brockway presented the following information:

- Overview of the history of the 3<sup>rd</sup> floor incubator, from 2018 to the present. The incubator space had been considered for this space because of the availability of the old science labs there.
  - After Phases 1 and 2 of the incubator study were complete, on June 13, 2022 Council passed a resolution for the “potential establishment of an innovation and economic development incubator.”
  - In August of 2022 Council approved the buildout of one lab on the 3<sup>rd</sup> floor for incubator space. Some Economic Development Corporation members were present to discuss their interest in creating a non-profit called “The Hawk Hatchery” to oversee the incubator project.

- In March 2023 the City received a state grant of \$750K for the building-out of an incubator or innovation center in the City.
- In June 2023 Council approved a Use and Participation Agreement between the City and Comprehensive GI Solutions PLLC. Discussion of an agreement between the City and The Hawk Hatchery occurred.
- At the August 28, 2023 study session Council and EDC members discussed the incubator space; no determination was made to move forward with an agreement between the City and The Hawk Hatchery. Instead it was decided to return to this discussion relative to the operational management with a review of the non-profit's operating procedures, rules, and information regarding the Board of Directors.
- The current business (Comprehensive GI Solutions) has a healthy, non-demanding operation.
- Sports Facilities Consultants' evaluation of the Hawk and Special Services may find that the incubator space should or should not continue on the 3<sup>rd</sup> floor:
  - If incubator space should remain at The Hawk:
    - The City could be the "landlord" of the space.
    - An outside group would be sought out and given responsibility for the incubator's operations.
  - If incubator space should NOT remain at The Hawk:
    - A private entity should manage the incubator in its new setting.
    - A private entity should work with their new landlord within the City of Farmington Hills on operating procedures.
    - A private entity could still reach out to the City as a resource for business-related questions/information.

Council discussion/questions:

- Council had long-term concerns with mixing The Hatchery with Special Services programming. Currently there is also electronic gaming space on the 3<sup>rd</sup> floor and it seems inappropriate to have that kind of activity or other Special Services programming in the same vicinity as the incubator space. If the two types of activities did remain on the same floor, they should be sealed off from each other.
- The \$750K grant is sitting unused, and is decreasing in value due to inflation. The grant was restricted for use for a build-out and the creation of the incubator or innovation space. It did not have to be used at the Hawk, nor did it have to have a wet lab. The funding needed to be used by December 2024, with a possible 2-year extension.
- Special Services was operating at a deficit, making this a difficult time to expand a program like the incubator space. On the other hand, due to the deadline requirement of the \$750K grant, it was time to move forward with The Hatchery, if that was what Council decided they wanted to do.
- The Hatchery has been incorporated as a non-profit 501(c)(3), in order to be authorized by City Council to manage the incubator space. The director would be paid from some of the funding received by the state. However, Council had never taken the step to authorize the establishment of this nonprofit or to turn the operating responsibility of the incubator over to the nonprofit.
- Should the incubator space be moved to a different location?
  - The City could be the landlord, with oversight under a professional management company that had long-term experience in managing wet labs and innovation centers. The board of the management company could include members of the EDC. The management company could be drawn from a local college or university, research laboratory, etc.
  - The primary purpose of developing the space at the Hawk was to hopefully increase revenues at the Hawk, to apply toward the Special Services deficit. Council was hesitant to move the space to another location, where the intersection between City interest and the incubator use was not easy to see.

- BSL-1 (biosafety level 1) lab systems have to have separate/independent mechanical HVAC systems. The Hawk has this.
- Innovation spaces were often stood up and run by universities or hospital systems.
- There was space in the City, particularly along 12 Mile Road, that might be a better location for an incubator or innovation space.
- City staff should not be involved in running an innovation space, which use is far afield from the City's normal operation.
- Council was resistant to starting a city-sponsored/operated innovation center outside of the Hawk. The incubator space was developed at the Hawk to meet certain needs; the City did not need to develop a space elsewhere separate from the Hawk.

Council will continue this discussion at a future study session.

**ADJOURNMENT**

The study session meeting adjourned at 7:25pm.

Respectfully submitted,

Carly Lindahl, City Clerk