

MINUTES
CITY OF FARMINGTON HILLS
CITY COUNCIL SPECIAL BUDGET STUDY SESSION MEETING
CITY HALL – COMMUNITY ROOM
MAY 14, 2025 – 4:00PM

The special budget study session meeting of the Farmington Hills City Council was called to order by Mayor Rich at 4:00pm.

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 Aranowski, Brockway, Kettler-Schmult, Rushlow, Skrobola and Sullen-Winn, and City Attorney Joppich

City Council reviewed the following budgets with respective Department Directors and the following highlights, significant changes in budgets, requests, or amendments were noted:

CENTRAL SERVICES/SUPPORT SERVICES

Director Aranowski noted the following FY 24/25 accomplishments:

- Windows 11 Upgrades: Nearly complete with 100 devices remaining out of 600 total
- FOIA Processing Software: Implementation of new system for easier Freedom of Information Act processing
- Time and Attendance System (UKG): Three departments remaining: Police, Fire, and Special Services. Completion is expected fall 2025/January 2026.
- Human Resource Information Systems (HRIS): Successfully implemented NeoGov system
- BS&A Implementation: replaced outdated Enterprise Resource Planning EDEN system.
- Smart Infrastructure:
 - Installed smart sign at The Hawk along 12 Mile Road
 - Established smart poles and lighting at Longacre
 - Installed light head and camera at 11 Mile and Orchard Lake Road
 - Still working on obtaining and pulling out data, which means a data policy will need to be established in the very near future for this data and the data acquired from the other smart signs.
- Security: Conducted penetration test against IT infrastructure in June/July 2024, next test scheduled for July 2025. State grant has been applied for to help fund this testing.
- New software for reviewing plans: Bluebeam for Engineering, ePlanReview for Planning and Community Development
- Conference Room Modernization: Updated conference rooms in City Hall with latest technology.
- Staffing: Hired one information system analyst and one buyer

FY 25/26 Planned Projects:

- Enhanced Security: Installing 22 card readers at The Hawk for employee-only offices
- Technology Upgrades: Additional conference room enhancements at The Hawk for webinars
- Smart Cities Expansion: Continue to implement with new electronic wayfinding signs

- Financial Systems: New reporting, performance management, and transparency software
- Website Modernization: Begin research into new website supporting single sign-on for residents (taxes, classes, building permits)
- Communication Systems: Video implementation for Emergency Operating Center and Fire Department Headquarters

Q&A:

Explain the data being pulled from the smart signs.

Smart signs are capable of collecting traffic counts, weather data, and pedestrian information.

Working with Plante Moran consultant from Chicago to develop data management policy.

Is there a timeline for developing comprehensive online services for residents?

The goal is to have something to offer the next fiscal year. Comprehensive online services development depends on strategic implementation alongside other systems. Recreation tracking system (RevTrak) would need replacement for full integration; City is looking at CivicPlus.

What can be done to reduce the increasing help desk requests and incidents?

The department is implementing an Office 365 work order system to provide better tracking and categorization of help desk requests, distinguishing between software-related and hardware-related issues.

Is help desk activity currently being tracked?

Yes, but only as a whole without detailed breakdown. Currently requests come in as emails, and some people call directly or contact their favorite employee rather than using the help desk line. The new system will require IT technicians to log all interactions including calls and emails for comprehensive tracking.

Are there self-help resources available to reduce repetitive requests?

There are no comprehensive frequently asked questions resources, which the department continues to work on developing.

Will the city implement AI for internal and external support?

AI implementation is planned for the new website, though current AI web implementations can be clunky and sometimes create frustrating loops. The goal is to ensure AI functionality works effectively rather than perfectly. The city is monitoring available AI technologies for future implementation.

What is the status of the city's AI policy development?

An AI use policy was being developed but has been paused due to other ongoing projects and uncertainty about how the new website will integrate with AI. However, a policy needs to be established as staff are already using AI tools like ChatGPT, following general guidelines of not including personal names or city-specific information.

Can you explain the increase in memberships, licenses, and network security?

This reflects payment for the new BS&A software, with \$100,000 annually for maintenance and training.

City Manager Mekjian noted that next year marks the 250th anniversary of the United States (semi-quincentennial) and asked if there was interest in having fireworks for the celebration in July. The previous fireworks event cost approximately \$15,000, with 50% paid upfront and 50% paid afterward. Residents love fireworks; they create community spirit. Council reached consensus that the city would budget for the event next summer and would explore sponsorship opportunities to help offset costs.

PLANNING AND COMMUNITY DEVELOPMENT

Director Kettler-Schmult and Community Development Coordinator Emmanuel noted the following:

The department comprises building, zoning, community development, and planning divisions. Primary responsibility is monitoring city development, redevelopment, and property maintenance through zoning and ordinance implementation.

FY24-25 Accomplishments

- BS&A module implementation for community development with the building department's online submission and payments system
- Currently transitioning to electronic site plan submissions
- increased communication with City Council through monthly code enforcement reports, improved GIS mapping and project status communication
- Master plan implementation is ongoing

Staffing and budget

- Staffing levels remain unchanged. Unfilled positions are being staffed by contracted services.
- Budget includes funds for overlap period relative to the long-time department secretary's upcoming retirement.
- Revenue sources include permit fees, review fees, and federal community development funds.

Community Development Block Grant

Community Development Coordinator Emmanuel reported 2025 CDBG allocation of \$358,837 (reduced \$6,500 from proposed \$415,398), with reduction applied to housing reimbursement category.

Rental housing inspection program

The rental housing inspection program is operating smoothly with electronic processing through BS&A and improved electronic notification and submission capabilities. When asked about cross-referencing homestead exemptions with rental properties, Director Kettler-Schmult explained that the zoning code criteria focuses on monetary compensation rather than homestead status. Previous homestead data was utilized during program initiation and could be revisited. Council suggested identifying multi-property owners for rental compliance, and Director Kettler-Schmult noted that simple reports would be available once new system issues are resolved.

Communication Enhancement

Council discussed how residents can better track proposed developments. The current process as legally mandated includes written newspaper notices for public hearings, 15-day mailing to residents within 300 feet, and website posting. Council discussed implementing standardized development notification signage similar to other communities, enhanced visibility of existing GIS project mapping, and making the project mapping more prominent on the website.

CITY CLERK

City Clerk Lindahl noted the following:

Four successful elections were completed in the past year. The budget reflects precinct consolidation costs including resident notification and new ID cards. Election equipment costs are increasing significantly due to the expiration of a five-year maintenance contract that now requires direct maintenance cost coverage.

Technology improvements include implementing – with IT – new FOIA software for online submissions that will launch soon, and DocuSign implementation for contracts and agreements.

COMMUNICATIONS AND COMMUNITY ENGAGEMENT

Director Sullen-Winn, with Marketing Manager Blunder and Media Buyer Crowley provided the following:

FY24/25 Accomplishments

- State of the City: Elevated city visibility with new sizzle reel
- Special Events: Council deer session at The Hawk, Farmington Hills "I Do Still" marketing, Longacre House events, employee recognition ceremony, citywide open house with WNIC partnership
- Digital Growth: Increased social media followers, website visits, e-news subscriptions, YouTube reach through council coverage and Farmington Hills In Focus
- Media Coverage: Over 15,000 mentions in 2023

FY 25/26 Planned Projects:

- Crisis Communications Plan: First comprehensive plan for the city
- Standard Operating Procedures: Creating department SOPs (currently non-existent)
- Council Chambers Enhancement: Improved sound quality and lighting for YouTube streaming
- Workflow Optimization: Leveraging Microsoft tools for efficiency
- Branding Guidelines: Working with Destination by Design for official city branding standards
- Special events:
 - Semi-Quincentennial (250th Anniversary of United States): Will be deeply involved with the fireworks and related activities during summer 2026, including sponsorship exploration.
 - Kick off to Summer: confirming media coverage

DEPARTMENT OF PUBLIC SERVICES

Director Rushlow, with Jim Cubera and Derrick Schueller provided council with the following budget overview:

- Operations Increase: 3% increase (~\$273,000) primarily due to RRRASOC (Resource Recovery and Recycling Authority of Oakland County) recycling tip fee changes.
 - Tip fees are rising industry-wide, across the state. Historically low tip fees encourage others to bring their trash to Michigan. Proposed state-wide tip fee increase is from \$0.36 to \$5.00 per transfer.
- Capital Investment Approach: Continued asset management focus, addressing underground infrastructure before road construction
- PASER Score Updates: Comprehensive 300+ mile road assessment starting May 2025 (conducted every two years)
- Major Road Projects (FY 25-26) - \$16.6 Million Total, including Federal Grant Projects (60% federal, 40% city)

- Local Road Projects: \$17.2 Million.
- Utility Infrastructure/Water Main Replacement: \$7 Million
- Sanitary Sewer: \$2 million cured-in-place pipe rehabilitation program citywide
- Drainage Projects: \$4.5 Million

Kendallwood Staging Area

Council discussed concerns about the Kendallwood staging area, including resident complaints about noise, traffic, and dust impacts. Residents requested that construction begin at 8 AM on Saturday instead of 7 AM. Alternative staging areas are being explored, and the current site is not planned for reuse next year.

Fleet Management

Council held a detailed discussion regarding fleet management. The current approach is in-house maintenance of 400+ vehicles across departments. This is an advantageous program with skilled in-house staff, but as personnel retire fleet maintenance may require a different solution. Director Rushlow has experience with the Enterprise Rental Fleet Leasing Program, which has significant cost benefits.

Gravel Roads

No gravel projects in the past year; some projects are in the queue. There were 23 miles of gravel roads in 2018; this has been reduced to 18 miles, or a total reduction of about 20%.

Nine Mile Project

Scope: 10-foot wide multi-use pathway from I-275 to Farmington Road (~2.5 miles)

Funding Strategy: Transportation Alternatives Program (TAP) grant application through MDOT

Collaboration: Potential joint application with City of Farmington for downtown connection

Design Standards: Federal funding requires 10-foot width vs. current 4-5 foot sidewalks

Environmental Concerns: Tree removal impact along corridor, particularly in natural settings

Community Impact Considerations:

- Significant tree removal in right-of-way areas, potentially resulting in resident complaints
- Change to corridor aesthetic character

BOARDS AND COMMISSIONS

- Regarding the 47th District Court, the ticketing policy change from impeding traffic to moving violations created an unintended court caseload increase as motorists contest for plea reductions. The city is considering a return to the previous approach.
- Budget adjustments for boards and commissions include approval of an increase for the Beautification Commission from \$2,500 to \$6,000, for enhanced refreshments and awards ceremony costs. A maximum of two signs per award recipient was approved.
- For the Mayor's Youth Council, \$1,000 was approved for MML Capitol Conference attendance for 6 students at \$125 each. Staff will coordinate transportation and liability issues.
- The Multicultural Commission line item will be removed as it is not officially a commission. The city is working toward a new committee/commission structure including accessibility and welcoming community components.

- City Council conferences are budgeted assuming 5 attendees for MML convention, NLC conference, NLC City Summit, MML Capital Conference, Association of Mayors, U.S. Conference of Mayors, Mayors' Innovation Project, and perhaps other professional development opportunities.

ECONOMIC DEVELOPMENT

Director Brockway provided the following updates:

12 Mile and Orchard Lake Corridor Study

Status: Two-thirds complete

- **Completed Components:** Retail analysis, current conditions assessment, survey results
- **Timeline:** Draft plan June 2025, final completion summer 2025
- **Outcome:** Recommendations for zoning amendments (OS-4, OS-2 districts) aligned with master plan

Grand River Corridor Market Study

- **Status:** Ahead of schedule, nearing completion
- **Consultant:** Bob Gibbs
- **Key Findings:**
 - 170,000 square feet available space for soft goods retail
 - 40,000 square feet grocery opportunity (confirmed food desert)
 - Increased development interest and market buzz

Master Plan/Zoning Text Amendments being developed to correspond to findings in the corridor studies.

Budget Modifications

Supplies (Marketing Materials) Increase: Enhanced marketing materials for economic development

- New folders, tri-fold brochures, pop-up banners that emphasize economic development related items.
- Business mailers and promotional items

Consultant Services Decrease: 12 Mile Orchard Lake study completion reduces ongoing consultant needs

Redevelopment Ready Community

The City is strategically preparing for Redevelopment Ready Community Status

Requirements Being Met:

- Master plan updates
- Enhanced transparency through BS&A and online permitting
- Market studies (exceeding standard requirements)
- Streamlined development processes

Benefits: Potential grant funding access, ability to serve as intermediary for developer grants

Timeline: No specific target date, focusing on strategic preparation

Brownfield Development Authority

Grant program:

- **Available Funding:** \$200,000 for Act 381 eligible projects

- **Eligible Activities:** Facade improvements, selective demolition, environmental surveys
- **Process:** Application-based, marketed through door-to-door outreach, focus groups, website, postcards

Corridor Improvement Authority Fund

The Corridor Improvement Authority operates as a tax capture district for expenses that benefit the district and are designed to increase taxable value. The authority has a healthy fund balance, with annual collections roughly matching planned spending. Once studies are completed, there is opportunity for expenditure of approximately one million dollars in fund balance over time.

Two projects are moving forward:

- Streetscape design project - \$35,000
- Implementation of streetscape design project - \$165,000

FINANCE DEPARTMENT

Director Skrobola provided the following updates:

- BS&A implementation has been successful, covering accounting and finance functions for finance, assessing, treasury, accounting, and planning departments. The next phase includes enhanced payment reception and customer relations module integration for a single customer experience.
- Operational efficiency improvements include reducing accounts payable staff by one full time to part-time with AI invoice processing exploration. Significant paper process elimination has been achieved through BS&A and UKG (the BS&A software) implementation. Exploring third-party invoice processing.
- Tax collection performance shows a 99.08% collection rate with \$685,000 outstanding. Nearly 100% recovery is achieved through the county reconveyance process.
- Investment earnings: Declining estimates reflect market conditions; projections reflect conservative market estimates.

SPECIAL PROJECTS AND CAPITAL IMPROVEMENTS – PUBLIC ART

A \$100,000 budget allocation was approved for public art projects. Identified locations include the Orchard Lake Road roundabout, a potential mural at The Hawk, and the entrance area at Serra Ford (Serra has informally offered to donate space). A SEMCOG grant opportunity of up to \$14,000 is available to help identify potential locations for future public art installations on public land. A comprehensive existing art inventory was requested.

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

The special budget study session adjourned at 6:50pm.

Respectfully submitted,

Carly Lindahl, City Clerk