

**FARMINGTON CITY COUNCIL
FARMINGTON HILLS CITY COUNCIL
JOINT STUDY SESSION
DECEMBER 5, 2011**

A joint study session of the City Councils of Farmington and Farmington Hills was held on Monday, December 5 2011, in the Farmington Hills Council Chambers, 31555 W. Eleven Mile Road, Farmington Hills, Michigan

The meeting was called to order at 7:30 p.m. by Mayor Brickner.

Farmington Hills City Council Members Present: Mayor Brickner, Bates, Bridges, Bruce, Lerner, Massey and Oliverio

Farmington Hills Council Members Absent: None

Farmington City Council Members Present: Mayor Buck, Cowley, Galvin, Kuiken and McShane

Farmington City Council Members Absent: None

Farmington City Representatives Present: City Manager Pastue and City Clerk Halberstadt.

Farmington Hills City Representatives Present: City Manager Brock, City Clerk Smith, Assistant City Manager Whinnery, Management Assistant Geinzer and City Attorney Joppich.

PRESENTATION ON SINGLE STREAM RECYCLING

Mike Csapo, General Manager of RRRASOC, explained that RRRASOC has recently converted its material recovery facility to a single-stream processing system that will allow residents to combine all of their recyclable materials into a single cart.

Waste Management will be providing a 96-gallon cart to each household at no cost to the city and Waste Management will be responsible for the maintenance, repair and replacement of the carts at no cost to the city. Residents may keep their existing 18-gallon bins or recycle them.

Mr. Csapo stated that they project that the modifications to the facility and the contract will result in improved recycling services and a projected overall cost savings of 3.6 percent over the term of the contract.

He added that the new system also opens the door for the deployment of trucks powered by compressed natural gas, which have less tailpipe emissions and are quieter.

Councilmember McShane inquired if there would be an educational campaign with regard to the new recycling process.

Mr. Csapo confirmed that there would be a complete multi-media campaign with printed literature and information over regular and cable television so that by the time the residents are provided the cart, it should not come as a surprise to anyone.

In response to Councilmember McShane, Mr. Csapo stated that competitive bids were received in 2008 and the proposal is to extend the contracts for a 10 year period.

Councilmember Cowley inquired if there were plans to extend the services to commercial routes. He felt that downtown Farmington would be a good destination for a commercial route.

Mr. Csapo stated that this has been discussed and they hope to slowly introduce commercial routes where possible.

Mr. Csapo explained that single stream recycling is for recyclable material only and that trash pick-up is still separate.

Councilmember Galvin inquired about the program roll-out date. Mr. Csapo stated that July 1, 2012 is the expected roll-out date with the educational campaign prior to that. Carts will be dropped off to each household by Waste Management.

Mayor Brickner inquired if Waste Management is currently accepting single-stream recycling. Mr. Csapo responded that they are and residents could use a regular trash can with a stick provided by Waste Management until their cart arrives.

Mayor Buck commented that the communities seemed to embrace recycling and wondered if that was still the trend. Mr. Csapo confirmed that both communities are well above others in the area of recycling and while he feels there will be an increase with this new program, it may not be as large of an increase as other communities because Farmington and Farmington Hills have such a high percentage of recycling already.

Councilmember Massey inquired about large item pick-ups and the possibility of residents dumping both recycling and trash into the larger recycling bin.

Mr. Csapo stated that their experience has been that this does not happen that often. He commented that the process for large item pick-up will not change with the new recycling system.

Further discussion was held on the items that the single-stream recycling would be eliminating, which included #3 plastics, ceramics and plastic bags; and the addition of wide-mouthed containers (butter, yogurt, etc) and agricultural pots, which residents have been asking for.

Councilmember Bridges complimented Mr. Csapo on his presentation and the program. He inquired if the recycling program would ever be self-sustainable and if collection for condo units would be included in the future.

Mr. Csapo stated that the program should eventually pay for administrative costs, but that there would always be a cost associated with sending out the trucks. This cost would be reduced, however, with this new program.

Mr. Csapo explained that there would not be curbside collection for condominiums, but perhaps in the future they could identify drop off sites as they would for commercial routes.

In response to Councilmembers Oliverio and Lerner, Mr. Csapo explained the new process that would now accommodate wide-mouthed containers and the issues with recycling #3 plastics and plastic bags.

Councilmember Kuiken inquired about the placement of the carts for easier pick up and fuel efficiency with the new trucks.

Mr. Csapo stated that the carts are designed to be picked up with the truck so that the need for the driver to exit the vehicle is limited. He stated that fuel pricing is more stable with the new trucks.

City Manager Pastue stated that they had discussed bringing the RRRASOC contract to the councils for consideration in January or February of 2012 and questioned if that is still the anticipated time frame. Mr. Csapo confirmed that time frame.

Mayor Brickner thanked Mr. Csapo for his presentation.

REGIONAL MASS TRANSIT - SMART

City Manager Brock provided a brief background on the transit system for the communities and how they came to be a part of SMART. He stated that the communities have opted in to the SMART millage system in past years and if either community intended to opt out, that decision would need to be made in January, 2012.

He explained that as property values and revenue sharing have decreased, the system has lost revenue. All communities receive a certain amount of revenue and all opt-in communities receive additional community credits. The Oakland County Public Transit Authority collects the tax money and SMART provides the service.

Mr. Brock stated that Oakland County made an effort to create an all opt-in model, but that died at the county level. He acknowledged that DDOT is also struggling to keep their system viable.

Mr. Brock added that SMART is proposing the elimination of several line haul routes as of December 12, 2011, that would affect the Farmington/Farmington Hills communities and others throughout the system.

Tonight's discussion was to consider the options with regard to the SMART millage and to discuss transportation alternatives should they decide to opt out of SMART.

Mr. Brock introduced John Swatosh and Steve Brown from SMART.

Mr. Swatosh stated that SMART had to cut 21 percent of its services in order to meet their budget. He added that SMART is dedicated to providing the most cost efficient services that it can, but they have lost 24 percent of the millage income and some state and federal revenue. He added that they operate on fixed revenue and are not allowed by law to operate with a deficit.

Mr. Swatosh discussed the line haul routes to be eliminated. He stated that they could not provide figures on affected rider ship by community, but only by route.

Discussion was held on the line haul routes to be eliminated and how that would affect both communities.

Councilmember McShane felt that some of the information being provided this evening contradicted information that was presented to the Farmington Council a couple years ago. She expressed concern with paying for this service when there would no longer be a major route that runs through their community. She empathized with their financial situation, but questioned what the City of Farmington would be getting if they opted to stay in the system.

Mr. Swatosh commented that their budget information is public record and many things have happened since that has affected budget assumptions made at that time.

Steve Brown responded that the communities would maintain the fixed-route service, community credit funding and connector-small bus service.

Councilmember Lerner inquired if there would be cuts to the city's local senior transportation.

City Manager Brock responded that there would be a reduction in the community credits, but the city will make every effort to make up for that revenue loss and maintain the current service levels for senior transportation.

Mr. Swatosh explained that additional community credits are directly related to the millage income and SMART has held off on decreasing those community credits until now even though the millage income had decreased.

Mayor Buck referred to an e-mail he received from a resident inquiring if there is a regional transportation solution.

Mr. Swatosh responded that it is a possibility if regional transit authority legislation is passed. He feels this is the only solution to saving public transportation in Southeast Michigan. SMART is currently working with the federal government to try and bring in more revenue. They want to provide the best service possible, but given the deficit services needed to be cut. He encouraged the support of a regional transportation system as a possible solution. Mr. Swatosh added that funding is a matter of commitment and SMART needs public support in order to be successful.

Councilmember Cowley inquired regarding the difference between County funding levels given Macomb County does not allow communities to opt out.

Mr. Swatosh explained that the proposed service cuts are directly related to the amount of millage revenue so that the percentage of service is the same among the three counties before and after the service cuts.

It was noted that of the 60 communities in Oakland County, 23 are opt-in communities for SMART.

Councilmember Bridges felt there has been a lack of political will on behalf of the City of Detroit to support a regional system and feels the reductions being made now by SMART are necessary. He feels the cost involved is a good investment in order to keep the system going; and although fragmented, it is a system that they can build upon.

Councilmember Galvin inquired how many bus stops were being eliminated.

Steve Brown responded that he did not have those figures with him this evening but agreed to provide that information to both City Managers.

Discussion continued on the line haul cuts being made and how they would impact the communities. It was noted that SMART would be providing service into the City of Detroit, but riders would be forced off at 8 Mile Road and have to take DDOT from that point. SMART does not receive any funding from the City of Detroit.

Further discussion was held on the impact of the loss of community credits and the need for Farmington Hills to make up that revenue in order to maintain its level of service for local senior transportation.

Councilmember Massey concurred that there was some contradiction to the information provided a couple years ago and that being provided now.

City Manager Brock inquired if the Councils felt they had sufficient information to make their decision in January with regard to participation in the SMART millage.

Mayor Brickner stated that he would like more information on where all of the routes end in order to understand the total impact of eliminating these routes.

Discussion was held on alternative plans. City Manager Brock stated that some information was included in the materials provided this evening, but to let him know if further information is needed.

Councilmember Massey expressed the desire to hear from other private transportation companies.

Councilmember Bruce inquired when service would end if the City decided to opt out of SMART. It was noted that service would end as of December, 2012.

Mayor Brickner thanked Mr. Swatosh and Mr. Brown for their time.

SHARED SERVICES UPDATE

City Manager Pastue explained that a Task Force was established that included members of both communities and Farmington Public Schools in 2010 in order to review the potential for shared services. He added that by the end of the year, each municipality will have to submit a plan to the Michigan Department of Treasury regarding shared services discussions.

Mr. Pastue and Assistant City Manager Whinnery reviewed the areas identified, which included:

- Public Safety Dispatch/Inmate Housing
- Informational Technology Services
- Medical Self-Insurance
- Assessing Services

Mr. Pastue stated that Farmington Hills would assume responsibility for providing the services if implemented, with costs to be shared by the City of Farmington.

Mayor Buck stated that the conversation amongst the Task Force members was genuine and sincere and did not limit discussions to one particular area. He feels there are certainly more opportunities for shared services and that the Task Force did a great job.

Councilmember Bruce added that the Task Force will hopefully continue to review ideas for shared services.

Mr. Whinnery stated that going forward; the cities hope to finalize details associated with public safety dispatch/inmate housing and for informational technology services. A shared services agreement would be presented to both Councils for approval.

Councilmember Cowley inquired if EMS was discussed. Mr. Pastue responded that the cities deliver those types of services differently and it was felt that there were other items that could more easily be addressed at this time. There is the possibility to look into shared services with regard to EMS in the future.

Councilmember Bridges felt this was a cooperative step in the right direction and that the financial climate was not going to change substantially in the near future. He would like to see the Task Force ongoing.

Councilmember Brickner inquired how much the communities could gain in revenue sharing through these joint services. Mr. Whinnery responded that the City at this point is protecting what it has. More ideas will certainly be discussed, but the items identified were things that were feasible to do now.

GRAND RIVER CORRIDOR IMPROVEMENT AUTHORITY

Management Assistant Geinzer reviewed the history of the Corridor Improvement Authority (CIA) and explained that in late 2009, Farmington/Farmington Hills was awarded a grant to redevelop the Grand River Corridor. Six stakeholder meetings were held since that time and both communities have approved the establishment of a CIA.

Mr. Geinzer went on to discuss the terms of the Interlocal Agreement that is required to be approved by both communities.

In response to Councilmember Galvin, Mr. Geinzer clarified that if either Authority were to terminate the agreement, it would not preclude either Authority from operating on its own. Attorney Joppich confirmed that only the joint efforts between the cities would terminate.

Councilmember Kuiken inquired if the CIA had to be outside of the limits of the DDA. Mr. Geinzer confirmed that they would. The CIA could surround areas of the DDA as long as it met all requirements with regard to distance, etc.

Mr. Geinzer discussed the next steps in the process that included:

- Appointments to the Authority
- Adoption of the Interlocal Agreement
- Convening of the Authority Boards
- Permit/Zoning review
- Development of plans/TIF plans
- Coordinating with taxing jurisdictions
- Engaging MDOT in the process

Councilmember Massey inquired at what point the two Planning Commissions are involved.

Mr. Geinzer stated that a plan has to be submitted by July, 2013. The Planning Commissions would have to be involved in meetings prior to that time. He is assuming that a study session meeting would be set at some point.

Attorney Joppich added that some required changes may not be known until down the road when the planning process begins.

Councilmember Galvin inquired about business awareness. Mr. Geinzer reported that the businesses have been involved in the process since the beginning and multiple notices were mailed and posted in the designated areas for each Authority. The stakeholders meetings included anywhere from 6 to 30 people in attendance from the areas involved. Mr. Geinzer added that there was heavy interest in the concept and redevelopment of the area.

Councilmember McShane commented that given the financial situation, it makes good business sense to look at these joint efforts.

SHOP LOCAL INITIATIVE

City Manager Pastue mentioned that the Farmington DDA has developed a Shop Local program that will run through December 19th, where shoppers can be entered into a drawing for shopping at the local businesses. The program was developed to encourage residents to shop locally downtown.

Councilmember Massey felt this was a great concept as the local businesses need help from the community. He believes this is something that Farmington Hills could replicate to support the local businesses in their community.

Mayor Buck believes the communities should be the best they can be for the residents and businesses, and he feels there is room for improvement and that Farmington and Farmington Hills can be the place where people want to work and live.

Mayor Brickner thanked everyone for attending the meeting. He appreciates the cooperative efforts between the communities.

The meeting adjourned at 9:55 p.m.

Respectfully submitted,

Pamela B. Smith, Farmington Hills City Clerk
Susan Halberstadt, Farmington City Clerk

J.T. (Tom) Buck, Mayor

Susan K. Halberstadt, City Clerk

APPROVED: December 19, 2011