

MINUTES
CITY OF FARMINGTON HILLS
CITY COUNCIL SPECIAL BUDGET STUDY SESSION MEETING
MAY 4, 2021 – 6:00PM

The special budget study session meeting of the Farmington Hills City Council was held electronically and called to order by Mayor Barnett at 6:04pm.

During roll call, Council members were asked to state their location from where they are attending the meeting remotely.

Council Members Present: Vicki Barnett, Farmington Hills, Michigan
Jackie Boleware, Farmington Hills, Michigan
Michael Bridges, Farmington Hills, Michigan
Valerie Knol, Farmington Hills, Michigan
Ken Massey, Farmington Hills, Michigan
Mary Newlin, Farmington Hills, Michigan
Matthew Strickfaden, Farmington Hills, Michigan

Council Members Absent: None

Others Present: City Manager Mekjian, City Clerk Smith, Assistant City Manager Valentine, Directors Gardiner, Mondora, Monico, Randle and Skrobola and City Attorney Joppich

The Department Directors and City Manager provided an overview of their budgets and City Council then reviewed the budget with each of the following departments:

Central Services
Human Resources
Planning and Community Development
Public Services
Boards and Commissions - City Council, City Administration
Finance

Central Services highlights/suggestions of Council

- Major IT projects for FY 20/21 include network infrastructure and design at the HAWK Community Center, a full network infrastructure upgrade, installation of an IP based phone system, upgrading network security, implementing new modules software in several departments, completing the upgrade to Windows 10 throughout the city, Phase 1 of Office 365 and GIS enhancements.
- Other projects within the department included the HAWK construction contracting and purchase of fixtures, furnishing and electronics, writing specs and managing the bid process for numerous other city projects, a preliminary website refresh with a more substantial upgrade planned for the next fiscal year and assisting with a city-wide broadband study
- The next FY budget includes a request for an additional full-time IT technician

- The next FY budget also includes funding for the City to become a corporate member of the Michigan Minority Supplier Development Council that would allow the city to better connect with and engage minority suppliers
- Capital projects include Phase 2 of Office 365, updating the audio/visual and streaming needs in the council chamber and other conference rooms, installing internal and external CCTV at the city hall campus, replacing on premise file storage or SAN (Storage Area Network), website upgrades that will include a refresh of the intranet. Staff is suggesting a liaison from City Council on the redevelopment team for this project; enhancing the city's security profile, revising the technology department layout and bid and implement a new ERP system
- City has an agreement with Farmington to provide for computer network support and the city has just completed its 5th year under that agreement that brings in approximately \$44,000 annually
- Planned reduction of costs and efficiencies through competitive bids/purchasing and outreach with the minority diversity council to expand the supplier pool as well as cross-training of staff

Council suggestions

- Include resources such as social services on the home page of the website and review refreshing the intranet site
- Councilmembers Strickfaden and Bridges would serve as liaisons to the website redevelopment team and it was suggested that this team also meet with a representative of the Mayors Youth Council to get their perspective for website needs
- Provide benchmarking suggestions for purchases from minority suppliers at the next City Council goals session

Human Resources highlights/suggestions of Council

- In the last FY, the department hired 44 full-time employees and over 200 part-time and seasonal employees including a part-time Department Aide for Human Resources
- The department received over 1,800 employment applications, processed over 500 payroll changes and conducted over 300 drivers' license background checks
- Collective bargaining agreements have been settled through June 2022
- Employee health and safety has been a challenge this year with COVID positive tests and contact tracing taking up a lot of staff time
- Increased hiring is expected due to retirements and the addition of the HAWK community center; but recruitment has been a challenge, particularly for part-time positions, as the city is competing with attractive unemployment benefits
- The budget includes \$50,000 for a salary survey, which has not been done in over 10 years
- The department goal to increase minorities in the workplace to 15% has been exceeded and the city currently employs 16% minorities
- Outstanding employees from 2019 and 2020 will be recognized on May 24, 2021 and Latoya Edwards is one of the named outstanding employees
- There are current plans to reorganize the Human Resources Department to ensure safety and security, similar to the design of the City Manager's Office

- Expectations for FY 21/22 include a plan to add human resources and consulting services as outlined at a previous study session meeting, maintain a low full-time employee turnover, increased hiring as a result of over 1/3 of the employees being eligible to retire over next 2.5 years. This will result in increased costs for personnel testing and advertising as reflected in the budget
- There are no planned capital projects for the department
- It was noted that workers compensation for public safety personnel for COVID ended as of March 20, 2021
- The advertising budget increased this fiscal year due to the City Manager executive search

Council suggestions

- Providing Council with a breakdown of minority hiring by full-time and part-time employees

Discussion was held on recruitment efforts and postings considering the eligibility of many employees to retire in the next several years and difficulty in finding qualified employees.

Planning and Community Development highlights/suggestions of Council

- Building used a remote inspection process including real-time inspections during the pandemic and more recently instituted on-line permitting
- Community Development figures were down last fiscal year but figures have increased in both the block grant applications and rental inspections.
- The rental inspection program was suspended for a period during the height of the pandemic but has been reactivated
- Planning and Zoning both had reduced figures last fiscal year but all are rising recently with new projects coming on board and code enforcement inspectors being out the road more and in neighborhoods
- The State requires a permit to be issued within 16 business days from the time of application although the department typically issues permits in less time when fully staffed
- The department recently went out for an RFP for a building official and plan review services
- The increase in contractual services includes an agreement with West Bloomfield for shared building inspection services as needed

Council suggestions

- Having more than one individual on staff licensed to issue certificates of occupancy

Community Development Block Grant Budget

It was noted that CDBG funds were previously presented and expenditures approved by Council at previous public hearing meetings. Both budgets were briefly reviewed and Council had no questions.

Public Services highlights/suggestions of Council

- Operational budget is flat with very few changes
- The proposed budget increase in education and training is due to staff turnover and limited training and education opportunities during the pandemic
- Significant investments continue to be made to roads as a result of the road millages
- A federal grant was received for a 14 Mile Road resurfacing project for 2022 and is identified in the major road budget
- Capital Improvement Projects and equipment were discussed
- Recycling for apartment complexes and condominiums concern with diversion rate and reducing carbon footprint
- With regard to maintaining culverts, it was noted that DPW services were suspended for 7 weeks through the pandemic and had equipment down so now that they are fully staffed and have new equipment, the department is catching up on the backlog of culvert maintenance.
- Regarding a question on riparian homeowners and maintaining the storm water system, if it is private property the department will focus on education and rely on Friends of the Rouge, Water Resources Commission, the zoning department etc. as resources. If it is an established county drain, we notify WRC and they have jurisdiction.
- The department works with the Alliance of Rouge Communities and they have a collaborative public education plan and initiatives related to pollutants such as vehicle fluids, fertilizer, etc. Riparian homeowners receive direct mailings from Alliance of Rouge Communities and a Kids Clean Calendar was mailed out by WRC. Additional information is included in the FOCUS newsletter that it mailed to every household
- Sidewalks are funded through the CIP budget and funds are limited so they are prioritized where funding can be extended.
- The department is reviewing the expansion of sidewalks along Farmington Road with federal funding
- Staff will be bringing additional information to Council in the future regarding bonding infrastructure projects so that there is less impact on the general fund

Council suggestions

- Review specific areas of the city where sidewalks are needed, particularly where children are walking to schools or bus stops.
- Request for a memo to Council regarding a review of the 2014 millage proposal and the resolution adopted relating to the millage proposal and Act 51 funding to make sure the city is abiding by the terms of that resolution

Boards and Commissions/City Council and City Administration highlights and suggestions of Council

- Funding for the 47th District court is split between the cities of Farmington and Farmington Hills based on an approved formula
- The Corridor Improvement Authority has funding to expend from TIF capture and needs to reactivate their meetings to make some decision on how to utilize that funding

- The Brownfield Redevelopment Authority has been generating fund and this year put forth 1.56 million to support the HAWK project

Council Suggestions

- Reactivate the Commission on Energy and Environmental Sustainability
- Broader discussion on boards/commissions in conjunction with the June 14, 2021 joint study session with the Planning Commission and Zoning Board of Appeals
- Farmington Hills to serve as an automated vehicle site and research the installation of electric vehicle charging stations; both potential topics for the Commission on Energy and Environmental Sustainability
- Incorporating virtual outreach options for boards and commissions when reviewing technology and website upgrades

City Council Budget

- Decrease in budget amount due to COVID and Council's inability to take advantage of trainings

Council suggestions

- Reviewing City Council compensation and recovery of expenses at a future study session
- A city attorney opinion memo on council use of personal cell phones as it relates to the Freedom of Information Act

City Administration Budget

- The City Administration budget was increased due to personnel and consultant costs that includes a position for an Assistant to the City Manager to address Diversity, Equity and Inclusion
- Joseph Valentine was hired as the new Assistant City Manager
- Staff is currently reviewing applications for an Economic Development Director, which duties have been turned over to a consulting firm until that position is filled

Discussion on a Diversity, Equity and Inclusion position

It was noted that upon a review of the goals session minutes, there was consensus to review the need for hiring a Diversity, Equity and Inclusion Director, which is why the position of an Assistant to the City Manager has been included in the budget.

City Manager Mekjian explained that an RFP was issued for human resources consulting services to provide for a comprehensive salary study and develop best practices specific to Farmington Hills as it relates to diversity, equity and inclusion (DEI). He added that the city manager's office is committed to building the most diverse and equitable community where everyone feels heard and understood.

Councilmember Bridges stated that he could support the hiring of a consulting firm to review the scope of employment as it relates to a DEI position if that process proceeds quickly and the position is included in the budget.

Mayor Barnett clarified the timeline for hiring a consultant, reviewing the scope of the position and hiring someone into the position and that it could be January or February before someone is hired.

City Manager Mekjian stated the goal is to bring a consulting firm contract before City Council for consideration in June.

Councilmember Knol clarified that based on the City Council goals session minutes there was a consensus to continue studying the issue of hiring a DEI Director and not a consensus to necessarily hire someone for that position. The budget includes an Assistant to the City Manager and the purpose for hiring a consultant firm for that study is to identify the needs of the city and for Council to review that data to determine how the position for an Assistant to the City Manager would be utilized.

Mayor Pro-Tem Boleware stated that while there was not a consensus of the entire Council at the goals session, four members were in favor of hiring a DEI Officer at that time. While she agreed with the study, it is her expectation that the city would hire a full-time DEI Officer with or without a consultant report. She referenced letters received by Council from several community leaders in support of this position. She added that she feels the position is needed at this time and perhaps in the future the role for that position may change.

Councilmember Bridges stated that the goals session minutes did not reflect all his comments or the urgency of the issue and did not include information and numbers he provided to Council at that goals session meeting regarding hiring a DEI Director; and that this could have muddled the interpretation of Council's intent at that time.

Mayor Barnett summarized where this matter stands at this time as follows:

- A position for an Assistant to the City Manager has been included in the budget (DEI and whatever other scope of the job description may be needed)
- The city is proposing to hire HR consultants to review the strengths and weaknesses relating to staffing levels, recruitment efforts and asking for them to provide a report on the needs of the city including DEI strengths and weaknesses that will be part of the City Council discussion on the scope of the DEI duties and responsibilities.
- There was a majority of Council members in favor of moving forward and at the last meeting Council agreed that hiring the consultants would better position the city to move forward with hiring a DEI Officer.

Councilmember Bridges would like to have someone hired for the position sooner than January or February. Mayor Barnett responded that if the city can do so, it will.

Mayor Pro-Tem Boleware stated that she agreed with the broad scope as proposed by Mayor Barnett at the goals session as to what the position would include such as race, hearing, blind and other special needs.

Mayor Barnett added that the scope could also include searching for grants for minority owned businesses and might consider the city's needs for incubator and maker space at the HAWK. She commented that the inclusion is as important as diversity and the desire is for all to live their best and purposeful life. She added that she would try to put something in writing relating to this broader scope of this position.

Councilmember Massey stated that the minutes did reflect a consensus to study the issue but the push to move forward and state that there are 4 members in favor of hiring someone does not show respect to other members of Council. He wants to understand the issues and move forward in a logical progression as suggested. He believes that all the department directors during their budget reviews understand the

need for diversity when filling positions. He commented on the difficulties mentioned by staff in recruiting the best people for the job and the fact that there may not be a diverse candidate for a position and he doesn't feel that will change overnight but will with time. He stated that the city needs to have the assessment by the consultants and the city has a fiduciary responsibility to spend money appropriately and not hire someone for an ideological role. The city needs to articulate what is needed and create a job description with measurable goals to affect real change. Dr. Massey also expressed the desire to engage the Multi-Cultural/Multi-Racial (MCMR) committee and the community and is not sure there is a need for this position at this time. Council would be remiss if it hired someone without the study because 4 members of Council wanted it and it undercut that individual's ability to do the right job for the community. He wants to receive the data and develop a job description that could be unanimously supported.

Mayor Barnett summarized that the city is currently putting a place holder in the budget for a position and moving forward with consultants to determine the city's needs and to create a better scope for the position. She believes as Council goes through this process, they will see a need for this position.

City Clerk Smith acknowledged letters and emails received from the following in support of a Diversity, Equity and Inclusion position:

Angie Smith	Kyaha Davidson
Ann Bergeman	Mable Fox
Becky Burns	Mary Simmons
Caroline Nancy	Roopa Kline
David Bergeman	Russell Johnson
Donald Walker	Sreela Datta
Jess Pacionek	Kellie and Evan Carpenter-Crawford
Jordan Scrimger	Michelle and Steven Artt
Katie Hayes	Robert Goldfarb
Kelly Goldberg	Tia Marie Sanders (read into the record as requested)
	Karen Bolsen (read into the record as requested)

The two letters read have been inserted at the end of the minutes as part of the permanent record.

Kelly Carpenter-Crawford, resident, read a portion of her letter into the record in support of a DEI position.

Councilmember Newlin inquired if City Council would have a say as to which consulting firm(s) are hired. City Manager Mekjian explained that the review process for all contracts is handled administratively but the proposed contact will appear before City Council for consideration. He reiterated that it is staff's goal to put this before City Council for consideration by the end of June.

Councilmember Newlin commented that the Economic Development Director is another vital position and she is concerned with finding the best candidate. City Manager Mekjian stated that staff is in the process of reviewing applications for this position and they have reached out through various avenues to get qualified candidates.

Council suggestions

- Future discussion on the need of a part-time position or restructuring an existing position to assist with dissemination of public information and highlighting community stories

Finance highlights/suggestions of Council

- RFP for a new ERP will go out soon and goal is to have it in place by July 1, 2022
- Exploring time-keeping software and software for business intelligence budgeting and transparency and performance management to help produce the budget, track and benchmark performance and help push information relating to performance management and finances out on the website in real time.
- Proposed cash management platform upgrade

Post Employment Benefits

- Retiree healthcare contributions have decreased as the healthcare system is closed
- Pension contributions have increased and is reflective of growth and normal costs
- Funded percentage for assets versus liability for retiree healthcare is 107.9% and for pension it is 74.5% funded

Inter-fund Transfers

- The City does not maintain large reserves in capital improvement funds and it is preferred that the necessary funding is going in and out of accounts based on capital project needs

Debt Funds

- There is no planned new debt
- This budget reflects the city's commitment to the interest and principal for the 2019 geo-limited bonds for the HAWK.
- City is considering debt financing options for capital needs including storm water
- Debt service for the District Court is dropping off after this year

Council suggestions

- The city coalesces several projects into one bond and leverage the city's AAA bond rating to take advantage of low interest rates and come back to council with suggested projects

Final Budget Comments:

Councilmember Newlin questioned how some of the projects that were postponed due to the pandemic for the capital improvement plan got back into the plan for this fiscal year.

Mayor Barnett commented that some projects were postponed during the pandemic to determine the impact on the budget. Now that the city has this information, the projects already budgeted were included back in the plan.

Councilmember Bridges commented that he wished there was the same level of concern regarding the DEI position and suggested having consistency across the board with job descriptions.

Mayor Barnett commented that the budget reviews displayed the competency of staff and she thanked Council for intelligent, emotional and kind conversation on how to approach issues brought before Council.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT:

MOTION by Massey, support by Bridges, to adjourn the special budget study session meeting at 10:32pm

Roll Call Vote:

Yeas: BARNETT, BOLEWARE, BRIDGES, KNOL, MASSEY, NEWLIN AND
STRICKFADEN

Nays: NONE

Absent: NONE

Abstentions: NONE

MOTION CARRIED 7-0.

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