

**MINUTES  
CITY OF FARMINGTON HILLS  
FARMINGTON HILLS CITY COUNCIL  
CITY HALL – COMMUNITY ROOM  
FEBRUARY 12, 2024 – 6:00PM**

The study session meeting of the Farmington Hills City Council was called to order by Mayor Rich at 6:03pm

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

Council Members Absent: None

Others Present: City Manager Mekjian, City Clerk Lindahl, Assistant City Manager Mondora, Finance Director Skrobola, Senior Traffic Engineer Saksewski, City Engineer Cubera, Consultants Tsakoff and Cummings (OHM Advisors), and City Attorney Joppich

The City’s 2014 10-year road millage will be up for renewal soon. In order to have a renewal request on the November ballot, the ballot language must be to the Attorney General’s office May 15<sup>th</sup>.

**UPDATED PASER REPORT**

Per the State website, the Pavement Surface Evaluation and Rating system is a visual survey method for evaluating the condition of roads. Michigan’s Transportation Asset Management Council (TAMC) has adopted [2004] the PASER system for measuring statewide pavement conditions in Michigan.

PASER Score 1-4 = poor condition

PASER Score 5-7 = fair condition

PASER Score 8-10 = good condition

Utilizing a PowerPoint presentation *Road Funding and Pavement Condition Analysis*, Senior Traffic Engineer Saksewski led a discussion that highlighted the following:

I. Overview of City Road Assets

II. Road Condition Assessment

In terms of road jurisdiction,

- MDOT has jurisdiction over 49 miles of State Trunkline roads.
- Road Commission for Oakland County has jurisdiction over 30 miles of County roads.
- Farmington Hills has jurisdiction over 59 miles of City major roads
  - 48% good condition
  - 41% fair condition
  - 11% poor condition
- Farmington Hills has jurisdiction over 241 miles of City local roads
  - 17% good condition
  - 40% fair condition
  - 43% poor condition

Maps and bar graphs show the improvements in City major road condition from 2014 to 2023, and road projects completed during that time. Since the road millage passed in 2014,

- City major roads rated poor had significantly decreased.

- Of the poor major roads that are left, several have already been programmed, including 11 Mile Road from Farmington Road to Orchard Lake (out to bid this summer), Farmington Road between 13 and 14 Mile Roads (2026), and completion of Farmington Freeway Industrial Park Phase 3 (2024).
- In 2014 just about 50% of the major road network was in poor condition, with an average PASER score of 5. Now the average score is 7, with about 50% of the major roads rated as good.
- The improvement of City major roads since 2014 is a true success story.

Maps and bar graphs also show the improvements to City local roads from 2014 to 2023. There was still much work to be done to improve local roads.

- The local road millage was passed in 2018, and work on the local roads began in 2019, although the information provided this evening also compares local road improvements to the state of local roads in 2014.
- Significant improvement had been made, with the PASER scores increasing from less than 4 in 2014 to almost 5 in 2023.
- In 2014 65% of the local road network was in poor condition. This was reduced to about 40% of the local network in 2023.

### III. Historical & Current Road Funding

In 2014:

- No dedicated road millage
- Funding came from: Act 51 Revenues, Federal Programs, General Fund dollars, and Special Assessment Districts (SADs)
- Local roads could only receive up to 20% funding from the City for improvement projects while the rest came from SADs.
- Analysis resulted in first road millage

In 2018:

- City passed second road millage to replace SADs (the local road millage).
- Local road millage includes \$1M per year to convert gravel roads to paved roads where viable.

Regarding future funding considerations:

- Inflationary pressure related to rising prices for materials, equipment and labor pose a continuing challenge to fund road projects.

Example:

- In 2014, \$550K would pave a lane mile (asphalt reconstruction) on a major road. Today the cost is \$1.75M per lane mile.
- In 2014, \$550K would pave a lane mile (asphalt reconstruction) on a local road. Today the cost is \$1.4M.
- The economic climate is continually changing and can dramatically influence road construction costs.

### IV. Model Analysis

- Projections of pavement conditions for City roads were based on various funding levels.
  - Major and Local roads were modeled separately due to different sources of funding.
  - Various funding levels were modeled for a 10-year period based on City's estimated revenues.
  - Model included a mix of pavement treatments.

V. Conclusions

- Current condition of City road network has exceeded previous projections.
- Funding and pavement maintenance strategies have improved overall network condition.
- The City's commitment to a balanced road asset management strategy has proven satisfactory.
- Continuing with this approach along with millage funding will further improve and sustain the system and protect existing assets and previous investments.

Discussion:

- In response to questions, Engineer Saksewski said the City always tried to find the best strategy to cost effectively prolong the life of the roads. For instance, a mill and overlay – when that can be done, depending on the state of the road – can extend the life of a road 10 years or longer. Joint sealing and overbanding are also very effective.
- The City raised about \$9M from the 2014 road millage, which was for 2 mills.
- The City is financially stronger today than in 2014. The 2014 millage was absolutely necessary to repair roads for which there were limited or no funds.
- The 2019 millage replaced special assessment districts for local roads, and the millage lasts into perpetuity. The original rate was 2.75 mills, and funds from that millage are in this year's budget for ~\$11M, and are projected to go up to ~\$12M.
- Under the Headlee rollback, if taxable value goes up, the millage rate generally must be reduced. The 2019 millage started at 2.75 mills, but has been reduced to 2.61 mills. The 2014 millage started at 2 mills and was currently at 1.8635 mills.
- The price of construction varies from project to project, depending upon the bids received.

**OPTIONS FOR ROAD MILLAGE**

Next steps:

- Authorize City Attorney to prepare ballot language for City Council consideration.
- Submit City Council approved resolution of the ballot language to the Attorney General by May 15, 2024, to meet the deadline for the November election.

Discussion:

- Improved road funding provides better roads, and that relates to improved safety for pedestrians and motorists, reduced wear and tear on vehicles, and keeps the City a desirable location to live, work, and do business.
- The last millage passed by roughly 60%/40% vote.
- The ballot request could ask for a renewal of the current rate (1.8635), or a request to return the millage to the original rate (2 mills). The difference to the average homeowner between the current rate and the 2 mills would be about \$17 per household.
- While the City major roads had experienced significant improvement, many local roads were still in very tough shape. Approximately 100 local roads were still in poor condition. The next 10 years should make a significant difference in the PASER rating of local roads.
- The ballot language did not state the percentage of funds that should go to City major or City local roads, thereby allowing for flexibility of distribution. Council appeared to support dedicating a larger percentage of the millage to local roads.
- City oversight of road construction and reconstruction is critical. Clear communication to residents regarding the road maintenance schedule is also critical.

**APPROVED 3/4/24**

Consensus of the Council appeared to support asking for a return to the original millage rate of 2 mills, and to ask for a renewal of the 10-year term, and the City Attorney was directed to draft ballot language to that effect.

Council thanked Engineer Saksewski for the great work he had done since 2014 in securing federal funding for road improvement – over \$30M.

After brief discussion of process for various road projects, including gravel road conversions to paved roads, Mayor Rich adjourned the meeting.

**ADJOURNMENT**

The study session meeting adjourned at 7:04pm.

Respectfully submitted,

Carly Lindahl, City Clerk