

MINUTES
CITY OF FARMINGTON HILLS
FARMINGTON HILLS CITY COUNCIL
CITY HALL - COMMUNITY ROOM
NOVEMBER 14, 2022 – 6:00PM

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

Council Members Present: Boleware, Bridges, Bruce, Massey and Newlin

Council Members Absent: Barnett and Knol

Others Present: City Manager Mekjian, City Clerk Smith, Assistant City
Manager Valentine and Director Mondora

PRESENTATION BY GREAT LAKES WATER AUTHORITY

Karen Mondora, Director of Public Services, introduced Suzanne Coffey and Jody Caldwell from the Great Lakes Water Authority (GLWA) to make a presentation.

Suzanne Coffey, Chief Executive Officer, introduced the rest of her team present and provided the history behind the Great Lakes Water Authority that was formed in 2016. She noted that the GLWA consists of 5 treatment plants and one water resource recovery and they service 3.8 million customers on the water side and approximately 2.8 million customers for wastewater. She pointed out that resiliency and unquestionable water quality are of importance to GLWA. Impacts include inflation and their priorities include climate resiliency and elected official outreach.

Jody Caldwell, Chief Planning Officer, discussed assets servicing Farmington Hills and contingency planning, condition assessment and renewal particularly for the 14 Mile Road transmission main and emergency preparedness.

Nicolette Bateson, Chief Financial Officer and Treasurer, discussed how GLWA improves the cost of borrowing and leverages rates. She mentioned goals set and met included: acquiring capital funding at favorable levels, continuing strong financial results and expanding the investor base for GLASS credits, securing continued positive rating trend, enhancing GLWA's financial flexibility and capture available debt service savings. She provided examples of information provided to the Board and how they handle financial management and touched on outlook upgrades achieved and their comprehensive marketing outreach.

Randal Brown, General Counsel, provided an update on the Highland Park debt noting that for the 2014 case, the Michigan Court of Appeals reinstated the \$21 million judgment against Highland Park and Highland Park has appealed this decision to the Michigan Supreme Court. For the 2020 case, a Wayne County Circuit Court Judge ordered Highland Park to resume paying at least 65% of its water and sewer receipts to GLWA and ordered the parties to a confidential mediation. Attorney Brown mentioned that a leak detection study was conducted that showed there were leaks in that system.

Council inquired about the diversity and inclusion program for contractors. Ms. Bateson explained how GLWA works with Michigan Minority Suppliers and other similar groups on vendor outreach and that their main contractors are required to submit a plan on how they will diversify their subcontractors. She added that she could forward a copy of the annual report to the city.

Council questioned what the dispute was regarding Highland Park and what they owed GLWA and how much is owed and who is responsible for fixing the leaks in the system. Attorney Brown responded that the leak detection study was an eye-opener for all and water usage leaks create larger sewer bills so GLWA now has affirmation of those amounts. He noted that Highland Park owes over \$55 million and a judgment levy is their only recourse. He added that the local system is responsible for fixing any leaks and there has been a lack of investment in the district's aging system.

Discussion was held on the WRAP program available to assist water and sewer customers with paying their bill. Ms. Bateson noted that the assistance programs are underutilized. Council suggested outreach to customers that may qualify and to utilize organizations such as CARES to distribute information.

Discussion was held on preventative measures taken to maintain transmission lines before an incident occurs. Mr. Caldwell explained the process used that is fairly new and innovative and that GLWA hopes to review 10% of the pipes per year in the system to ensure maintenance.

The 14 Mile Road loop project and transmission main and valve review programs were discussed.

PRESENTATION BY OAKLAND COUNTY WATER RESOURCES COMMISSIONER'S OFFICE

Kelsey Cook, Water Resources Commission, discussed the path of the city water/sewer bill and how that is collected. She noted that the balance due data that shows at least 2 penalties provides an idea of how many customers may be in need. She stated that 5800 households in Farmington Hills are at or below 200% of poverty level. She reviewed the various assistance programs available to customers noting that only 24 Farmington Hills customers were currently enrolled in the WRAP program.

Ms. Cook stated that grants were received to establish affordability plans for Pontiac and Royal Oak Twp and what they learned could be applied to any city. The goal is to provide bills to residents they can pay and to avoid the cycle of unaffordability. She commented on the need to have a long-term plan for affordability for the State of Michigan and that they have asked Lansing for a policy and funding source.

Council questioned having minimum billing or a fixed bill for customers on a well.

Jim Nash, Water Resources Commissioner, stated that such billing is set by city ordinance but the practices currently in place are industry standards.

Council appreciated the comprehensive approach on assistance programs and again expressed the need to get this information out to residents.

ADJOURNMENT:

The study session meeting adjourned at 7:26pm.

Respectfully submitted,



Pamela B. Smith, City Clerk