

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI**  
**DRAFT – MONDAY, JULY 23, 2007 AT 7:00 P.M.**  
**COUNCIL CHAMBERS – NOVI CIVIC CENTER – 45175 W. TEN MILE ROAD**  
[www.cityofnovi.org](http://www.cityofnovi.org)

Mayor Landry called the meeting to order at 7:00 P.M.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL:** Mayor Landry, Mayor Pro Tem Capello-absent/excused, Council Members Gatt, Margolis, Mutch, Nagy, Paul-absent\*

Member Paul arrived at 7:02 P.M.

**ALSO PRESENT:** Clay Pearson, City Manager  
Pamela Antil, Assistant City Manager  
Tom Schultz, City Attorney  
Kathy Smith-Roy, Finance Director

**APPROVAL OF AGENDA**

Member Mutch added Item #1, Street Lighting at the Grand River and Beck Road Intersection, under Mayor and Council Issues.

**CM-07-07-241 Moved by Gatt, seconded by Margolis; CARRIED UNANIMOUSLY:  
To approve the agenda as amended.**

**Voice vote**

**PRESENTATIONS**

**Novi High School Girl's Soccer State Champions 2007**

Mayor Landry said the seniors on the Novi Wildcats Girls Soccer Team had 70 victories, one defeat and three ties in their three year career, and that was absolutely amazing. He said the Michigan High School Athletic Association certainly knew about Novi, and Novi was very proud to honor the women of the Novi High School Soccer Team this evening. Mayor Landry presented each member of the soccer team with a proclamation. He said this was the third year in a row that the Novi High School Girls Soccer Team had won the Michigan High School championship, and it was an amazing feat. Mayor Landry noted that Emily Esbrook had been named 2007 Miss Soccer by the Michigan High School Athletic Association. Mayor Landry presented Coach Brian O'Leary with a sign that would be at the entrance to the City which said "Three Time State Champions", and a sign to be placed in an appropriate place in the high school.

Coach O'Leary said it was an honor to be present and to be recognized. He said the Michigan High School Athletic Association has had girl's soccer for about 30 years. In Division One he didn't think a team had ever done what they had done. In three years they had won three State championships, scored 372 goals and had only given up 29 goals. In

that time they had played the best of the best, and they challenged themselves to the utmost. He didn't think they would ever see those results again, and at the same time they had represented Novi very well on the field and off the field. Coach O'Leary said the team grade point average this year was 3.66. He thanked them for the sign and said it was a good motivator to get another.

## REPORTS

**SPECIAL/COMMITTEE - None**

**CITY MANAGER - None**

**DEPARTMENTAL - None**

**ATTORNEY - None**

## AUDIENCE PARTICIPATION

**Robyn Veros**, 31135 Wellington Ct., said in December of 2006 she requested that Chapter 20 of the ordinance be changed to allow massage and alternative health practices as a home occupation. She said she recently learned why her request was denied last year, and had also learned there could also be an exemption, if credibility could be shown with her training. In the meantime, she had found a location to do massage and alternative health practices. Unfortunately, the client traffic and the interest that the owner stated was there was not. She said she had since been searching for locations and had lost potential clients in the process. Ms. Veros said this year she had taught at Walled Lake Community Adult Education and her students wanted to set up appointments, which she couldn't do because most of them lived in the area and she couldn't do massage in their homes or hers. She noted she was also involved in Relay for Life to give onsite massage to help her friend and others who were walkers. She donated seven hours of her time to many of the walkers who were mostly from Novi or other areas who commute to work in this area. She said a home office would have been less distance for everyone. Ms. Veros said recently clients from her Farmington Hills business had been calling to ask if she was doing massage therapy again, and they wanted to set up an appointment. She said she would have to charge them more because it was an outgoing call, and for many of them it was too much. She said she was not contributing to her welfare as well as to Michigan's economy, and it had been extremely frustrating. Last week she went to a Novi ball field where several people knew she did massage therapy, but again most of them lived in the Novi area. She said it had been challenging to work this situation out, and she appreciated Council's time, and hoped they would consider allowing her to have a home occupation. She asked that the attorney look into the exemption to make this possible.

**Hugh Crawford**, County Commissioner, said he was present to see the members of the soccer team again, as they had been invited to the Commissioner's Auditorium for recognition. Commissioner Crawford said people didn't realize what a tremendous feat it

was to be the champions three times, and it was almost four times. He congratulated the girls again.

Commissioner Crawford said at the County they were in the midst of the budget sessions, and this year they were bringing in all the departments and having about an hour session with each of them. This was a time for them to request what they needed that wasn't in the budget. He said the department heads submit the budget to Brooks Patterson, and he pares it down. He said some of them are pleading their case but unfortunately it probably won't work because it's a tight year. He said revenues were flat even though Oakland County was one of the richest counties in the nation. He said they were going to recommend a 1% salary increase for all County employees, which was probably below industry standards in the private sector.

Commissioner Crawford said last year they rolled out a discount drug program, and that information was on the County website. If people didn't have prescription drug programs it could be a significant savings, and there's no cost to sign up and forms were around the community at Parks and Recreation, Senior Center, Library, etc. This year they rolled out a discount dental program that would be beneficial to people who had no dental program, which also had significant reductions.

Commissioner Crawford said a resolution had been introduced to form a Women's Commission for Oakland County. He said there was significant interest in doing this and it would probably be happening in the months to come.

#### **CONSENT AGENDA REMOVALS AND APPROVALS (See items A-P)**

Member Paul removed Item K from the Consent Agenda.

**CM-07-07-242      Moved by Gatt, seconded by Margolis; CARRIED UNANIMOUSLY:  
To approve the Consent Agenda as amended.**

#### **Voice vote**

- A. Approve Minutes of:
  - 1. July 2, 2007 – Regular meeting
  
- B. Approval of request by E&M, Inc. (Society Hill) for one-year extension, to October 9, 2008, of site plan approval for a 312-unit apartment project developed as a PD-1 option in a multi-family (RM-1) district, located at the southwest corner of Novi Road and 12 ½ Mile Road, previously extended under a consent judgment and subject to annual extension reviews.
  
- C. Approval to purchase two (2) Dodge Charger vehicles for the Police Department Investigative Section from Snethkamp Dodge, of Lansing, Michigan through the State of Michigan cooperative bid purchase program, in the amount of \$35,636.72.

- D. Approval to extend (2<sup>nd</sup> renewal) the calcium chloride contract to South Huron Industrial for an additional twelve (12) months at the same pricing, terms and conditions.
- E. Approval of final payment to Turf Services Inc. for renovation of field number five at Community Sports Park in the amount of \$18,071.60.
- F. Approval of Resolution to approve Amendment to the Agreement between the Michigan Department of Natural Resources and the City of Novi for the Michigan Natural Resources Trust Fund Grant number TF 05-165 (Village Wood Lake/Orchard Hills West Acquisition) to extend Project Agreement to January 31, 2008.
- G. Approval to award bid to Allied Building Service Company of Detroit, the low bidder, in the amount of \$9,060; for bi-annual window cleaning of the Civic Center and Police Headquarters building(s).
- H. Approval to award bid to McNish Sporting Goods, the low bidder for travel soccer uniforms based on unit pricing for a one-year contract with two (2) renewal options in one-year increments.
- I. Approval to award bid to American Silkscreen, the low bidder for clothing and apparel for a one-year contract with two (2) renewal options in one-year increments based on unit pricing.
- J. Approval of the final pay estimate to Galaxy Excavating, Inc. (subcontractor to assignor and prime contractor, Oakland Excavating, Inc.) for the 2003 Neighborhood Road improvement project in the amount of \$28,289.12.
- L. Acceptance of Conservation Easement for Beck North Corporate Park Phase 1, Unit 24, located on the north side of Peary Court, east of Hudson Drive, covering .22 acres of woodlands.
- M. Acceptance of Conservation Easement for Re/Max 100 Office Center, located on the east side of Beck Road, south of Grand River Avenue, covering 2.544 acres of woodlands and wetlands.
- N. Approval to award a contract for design and construction engineering services for the 2007 Traffic Signal Upgrade project (intersections of Thirteen Mile/Meadowbrook, and Fourteen Mile/Novi) to URS Corporation for a not-to-exceed design fee of \$13,851.26 and a construction engineering fee equal to a fixed 5.61% and 4.44% of the estimated construction cost for Thirteen Mile/Meadowbrook and Fourteen Mile/Novi, respectively, (estimated to be \$8,655.50) for a total of \$22,506.76.
- O. Approval of a one-year contract extension with Lukas & Sons Enterprises, Inc., for Debris Removal.

P. Approval of Claims and Accounts – Warrant No. 749

**MATTERS FOR COUNCIL ACTION – Part I**

- 1. Consideration of alternatives related to the process by which City bond proceeds will be expended if the measure to expand the Novi Public Library is approved by the voters on November 6, 2007.**

Mr. Pearson said looking ahead to how the City and the Library might work cooperatively to fulfill a new Library construction he had been scoping out some alternatives so they would all be ready to move expeditiously, if the November bond issue was approved. He said he wanted to take advantage of the time to get good prices. He said they had been considering with legal counsel, the Library Board and keeping Council advised, several alternatives of how the actual construction process might proceed. Mr. Pearson noted there was a memo in Council packets that outlined some variations regarding delegating or keeping all of the responsibilities for award of contracts. He said the Library Board had also recommended a process whereby the Council would consider delegating the day to day approval of contract change orders, reporting of any contractors, and the award of the major contracts for design services and the general contractor to the Building Authority. Mr. Pearson said the logic was the Building Authority had representations of the relevant parties in this, and could focus solely upon this construction project, which would be demanding in terms of time and staff resources. He said if they needed to they could work on a weekly basis, or more as the times warrant. They could stay focused on this whereas the City Council and Library Board had many other operational considerations to deal with.

Mr. Pearson said if Council agreed they could consider reformulating the Building Authority. The Building Authority was composed of four members, two members of the public, the City Manager and the Finance Director. He said they would ask Council to consider adding three members, one being the Library Director, someone from the Community Development Department, most likely Director Steve Rumble, and someone from engineering. They thought it would keep the representations and round out some of the technical expertise of people who would be dealing with reviews and be able to ask the tough questions in a format the Building Authority would allow. Mr. Pearson noted they had outlined the alternatives; there were draft resolutions for Council's consideration to adopt tonight or return for consideration at a future meeting.

Member Mutch asked the City Manager to clarify the number of members and who those positions would be, if the Building Authority were changed to the format discussed.

Mr. Pearson replied they were suggesting seven members, but currently there were two members of the public, Mr. Sturing and Mr. Czekaj who also serve on the Library Board, City Manager and Finance Director. He was suggesting they add the Library Director, Community Development Director and the City Engineer or designee. Mr. Pearson said he had thought of also adding a Council member but after checking with Mr. Schultz found that was prohibited by State Statute.

Member Mutch asked if that also controlled the process of amending the Building Authority and adding new members. Mr. Schultz said the Statute controlled that process. He said it would be a little different as it was not the Building Authority acting to contract on behalf of the Authority and owned the property. He said it was a body they were using to act on behalf of the City itself. Member Mutch said with this change in the Constitution of the Building Authority would the same group still be involved in the management of the Senior Center, etc. Mr. Schultz replied it would be the new Building Authority with all of the obligations and responsibilities of the Building Authority. Member Mutch asked if the Council could create a Building Committee, appoint members, possibly a Council member, and delegate the same authority; they would do essentially the same thing and avoid some of the restrictions they had with the Building Authority. Mr. Schultz said that was an option. However, one of the benefits of having a formally established body was they had a track record, some actual independent authority and the ability for the City to say they were delegating authority to a formal body of the City. Member Mutch asked if the Building Authority acted under the Open Meetings Act. Mr. Schultz said it did.

Member Mutch said one of his concerns about changing the composition of the Building Authority was that this was the Library building project and would be the primary focus of this group. He said Library representatives being potentially two members of the board would be a minority of the body. He commented he made some inquiries of people who had worked on building projects, and he had been involved with two different library building projects, and neither had used a Building Authority. He had talked with people who had worked on library building projects and went through a Building Authority, and he had mixed feedback on that. Some had successful building projects and others who worked through that process felt that it was too convoluted or the people who worked for the Library felt they didn't have adequate input or control in the process. He said the Library Board and staff had to live with the building, so he thought it was important for them to have adequate representation on the board. He didn't think a minority position on the board would represent adequate representation. Another concern Member Mutch had was Council maintaining control of this process. It was a huge project and he recognized the benefits of allowing the Building Authority to handle a lot of the day to day operations, and he didn't want the Council to be directly involved in that, but he thought it was important for Council to have the ability to have some say in the process. He thought there probably were some alternatives. A suggestion given to him that worked for one library was instead of going through the Building Authority Council could create a Building Committee that would be specifically for this purpose, and when the project was done it could be disbanded. One of the things with reconstituting the Building Authority was it would still have responsibility for other activities that would not be appropriate for the Library Director to be a regular part of. He said he would rather maintain the division between the two bodies and allow the Building Authority to do what it did. Member Mutch noted he didn't have a problem with Building Authority members being on a Building Committee. He thought the cross over between the Library Board and the Building Committee was important. He thought they could have a better structure, and it would give Council the ability to add a Council member to that process, if they chose to. He said he was not volunteering or looking to be on any kind of Building Committee but thought if the Council wanted to have someone sit on the committee, it would provide the opportunity to do so.

He thought creating a Building Committee that had more library representation on it as well as a little more flexibility in terms of how they constitute it would be the approach to go. Member Mutch stated he would be interested in seeing the City Attorney look at what had to be done to create that. He thought they were fortunate there was no rush to have this created today; they had time to get the right framework in place for the building far in advance of ever having to use this committee in any kind of official capacity.

Member Margolis said the responsibility of the Building Authority now was the ice arena and the senior apartments. Mr. Pearson said the Building Authority had not met in a year or two and that their responsibility was the construction. He said they were supposed to meet annually to look at the bonds and the payment of the revenue bonds, which was very easy, and there weren't any ongoing operational responsibilities on the part of the Building Authority. So, they could genuinely focus on this project, which would take the better part of the next year. They would have that flexibility and it would not be a distraction or extra burden on the additional members. Member Margolis said that was her understanding after talking to a member of the Building Authority. She said it sounded like if they had not met in a year or two those responsibilities were not all encompassing, and probably not a huge responsibility.

Member Margolis said one of the things that struck her about the information provided was that Council was given a number of options in terms of how this process could go forward. She said the bottom line was that the City and the City Council specifically had fiduciary responsibility for this project. She said State Law said the money that came in from the bonds came to the City and therefore the City would be responsible. So, for that reason, she was very comfortable with the fact that the City had four members on the suggested reconstituted Building Authority. She understood about mixed feedback with Building Authorities or different processes' and they would see that no matter what. The reality was that they had evidence that this Building Authority as it was constituted now had an excellent track record, and the projects that they oversaw were really executed well. She was very comfortable with that. She thought the reconstitution of the Building Authority including the Library Director, including the two members who had direct responsibility in other projects and also the Library Board made a great deal of sense. She said one of the things made clear in the packet materials was the importance of time in this process, not only now, but in the future. She said having this go through multiple bodies made her think about how long it would take to put together a committee and make decisions on funding each aspect of this project. She said this Building Authority needed to solicit feedback from the staff, and chose a professional architect based on their expertise in building library buildings. Member Margolis said they were talking about people that Council would designate to oversee, and she would be very comfortable with the suggestion that Council do that.

Member Margolis asked if two resolutions had to be made tonight. Mr. Schultz said yes, the drafts to approve the Articles of Incorporation, which had a couple of blanks because staff needed to determine what the terms of each of the members would be. The other resolution had to do with the actual delegation to the Building Authority, which had two particular things that needed to be spelled out. One of which was whether or not the

contracts would be signed by the Chair of the Building Authority or the City Manager, and whether or not Council would do this before the ballot proposal was submitted to the voters or not.

Member Margolis asked if there were any guidelines regarding whether the City Manager and the Chair of the Building Authority signed contracts. Mr. Schultz said it was six of one and half a dozen of another. Member Margolis asked for the pros and cons of those options. Mr. Schultz believed it was typically the Chair who signed the agreements. He said there was no ordinance that directed it but the City Manager often signed contracts at a certain dollar limit. He said either one would work as long as it was spelled out in a resolution. She asked if in terms of reconstituting the Building Authority, could they make that resolution tonight because those were the two blank spaces that were in the resolution. Mr. Schultz yes.

**CM-07-07-243      Moved by Margolis, seconded by Gatt; MOTION FAILED:  
To approve the two resolutions; one to reconstitute the Building Authority with the addition of the three members that were Identified, with the proviso that the Chair of the Building Authority would sign documents. Second, to delegate the authority of the City Council to the Building Authority with the authority to approve contracts for the construction of the Library building. Also, that the City staff be directed, for the amendment to the Articles of Incorporation, to insert in the resolution the terms based on the requirements of the statute.**

## **DISCUSSION**

Member Nagy said she was concerned because some of the members of the Library Board were on the Building Authority and some of them were part of the Get Out the Vote Committee, and that made her uncomfortable. The other thing she was concerned about was that the Library Board had not hired a Director and she thought it was crucial for a Director to be involved in the construction, architectural drawings, etc. Member Nagy said the meetings were open meetings and she liked the idea of creating a Building Committee. She thought it would be beneficial because there were people in Novi who were in that profession and could add a lot to it, and the current members of the Building Authority were attorneys. She felt that a couple of people were playing too many roles in this and she would like to see more diversity. Member Nagy said her biggest concern was the Library Director and their input, and a staff member or two. She felt it was important to not just have the Director but also the Director's right hand person, as she felt the Director had not always had enough input.

Member Gatt said he supported the motion fully and had no problem with establishing a Building Authority, and believed it had worked very well in the past. He also had no problem with the two members of the public, City Manager, Finance Director and the others that had been named. Member Gatt said as far as the Library Director, the Library Board was in the process of hiring a full time Director and when the process was completed the



Director would be put in place. In the meantime, the Acting Director would take charge and make decisions, and he was sure the Acting Director was not going to work in a vacuum but would consult with their staff on every issue. He thought it would be difficult to appoint an architect to the committee and have him/her conflict with the architect that would be chosen to build the library.

Member Paul said when the ice arena was built it had a sand bottom instead of a concrete bottom so it could only be used for a portion of the year instead of year round. She said her understanding was if concrete was put in place, then they could have inline skating, basketball, indoor soccer, etc. She asked if that was accurate information. Mr. Pearson said it was before his time with the City but it was his understanding that it was a conscious choice at the time. He said he didn't know what the trade offs were and couldn't tell her more than that.

Member Paul said she talked with another municipality with a skating arena and it was used for other uses in the off season. She was concerned and asked when there was a group of people who might or might not have a lot of understanding of actual library usage, would they get all the information that was needed so there wasn't a large problem like the ice arena. In the past, they looked at correcting the problem at the ice arena and found it would cost \$1 million to put the concrete in place. She said her second concern regarded the Senior Center and they said if every member came from their residence into the Senior Center it would be too small. She asked if that was true. Mr. Pearson said, again, any construction projects would have trade offs. He said if she was talking about the assembly area, that was a conscious choice that was made, and he knew that from discussions about the current senior facility and its limitations. He said he didn't know that the idea was ever to have a facility big enough for every single person to gather for those few times, and noted there were other facilities in town. He said that must have been another choice that was made for the space they would get with the budget they had. Member Paul commented the Building Authority was responsible for both of those being built. Mr. Pearson said they were given a budget with parameters to build within, and that was what they did and would do. Member Paul said she remembered the Senior Center water problem where there was no water pressure and no generator; so they had to purchase a generator. Mr. Pearson said after the blackout they had found several City facilities that again the choice was made to retro fit that. He said they don't have a generator dedicated to the Meadowbrook Center now but they did add a box so a portable generator could be added to it. He said there were a lot of facilities built with the assumption that power would be available, and the blackout changed that dynamic for a lot of places.

Member Paul said she was looking at both scenarios that could be put in place, and she was not opposed to all the people that were being recommended. She asked if they had the ability to incorporate someone who was working in the Library on the Building Authority, and not just the Library Director. Mr. Pearson said they had suggested expanding it to seven and he would recommend that the Council and the City retain a majority because it was the City's \$16 million on the line. He reminded Member Paul that the Library Board and Director had endorsed the expanded group they had outlined. He said every member on the Building Authority would be responsible for keeping their constituency informed

throughout, staff members would be responsible for making sure the Council was updated throughout, the Library Director would be responsible for going back to the staff and listening and the same with the board. Mr. Pearson said there was a trade off to keep things moving, expediency, and that was what they had been hearing loud and clear from the Library Board and staff as they were very anxious to move expeditiously assuming it would be approved in November. Member Paul said then this really needed to be in place for the November Election, so if it passed they could move forward. Mr. Pearson said there was a desire to start doing some of the legwork, and that the pre-qualification of the architect had already begun. It was the desire of the Library Board to get a process in place pre November so some of that legwork would be done with no commitment for any large expenditure. He said the Library Board was in a position to do some of that before November.

Member Paul said if they had a recommendation of having the Library Director as well as two people, Library Board members Mark Sturing and Larry Czekaj, on the Building Authority, what happened after the Library was built. Mr. Pearson said after 18 months when the Library was up and they had all been to the ribbon cutting, they could reconstitute the Building Authority to reduce their size or maybe there would be another project that they would charge them with.

Mayor Landry said the issue before Council was the result of the manner in which the money was proposed to be raised to build a library. The money was proposed to be raised with a bond issue using the City's full faith and credit to back the bonds. The money was not being raised by the Library but was being raised by the City. He said it was not General Fund money; the voters would specify to agree to pay this to build a library, it would be earmarked for the Library and could not be used for any other purpose. However, it was City money and the City would be responsible to back those bonds, not the Library. Therefore, usually the task of spending the money or overseeing the spending of the money would fall to City Council. He said because it was such an onerous task and time consuming it was proposed that Council delegate it to someone, which he thought was a fine idea. Mayor Landry said there had been discussion at the Council table about creating a committee the majority of which would be library people. Mayor Landry said he was not in favor of that, particularly because it was the City's full faith and credit that had to stand behind the bonds. He thought having library people on the committee was a wonderful idea but the majority, in his opinion, should be City people because it was the City's full faith and credit and responsibility to repay the money. He thought the proposal was excellent. There would be seven members and three would be library people. He thought having the Director of the Library and two members of the Library Board was a great idea, and with the City Manager, Finance Director and City Engineer it would make a wonderful committee. He had full faith that committee could do a great job. Then after the Library was built the Building Authority could be reconstituted at a later time. He said the Library Board had endorsed this proposal, and he would be in full support of it.

Member Mutch asked for clarification on the appointments to the board. He asked if all the appointments were for the actual person, or how many of these were potentially designees.

Mr. Pearson said they had talked about the City Engineer being the engineer or designee. Mr. Schultz said he didn't see anything in the statute that talked about an individual or his/her designee. He thought they needed to name the individual and office. If there was a staff person that member relied on, there was certainly nothing that prevented any of these from being attended by Library staff, City staff, and the Construction Engineer from the City. However, the voting member would be the person through the office designated. Mr. Schultz requested that City staff be directed, for the amendment to the Articles of Incorporation, to insert the terms based on the staggering requirements of the statute be added to the motion. He said right now the resolution Council had was blank but could be filled in on what they know the existing terms to be. The motion maker and seconder accepted the amendment to the motion.

Member Mutch asked what the thought process was in adding the Community Development Director to the board. Mr. Pearson felt very confident and comfortable that Steve Rumble as the Community Development Director was in an excellent position to provide his expertise as a professional planner. He said he was also the person that would be responsible that this project went through a site plan review process, building inspections, etc.

Member Mutch reiterated that he didn't have a problem with the delegation of the Building Authority but would like to have a board with more Library input. He understood the Mayor's point that this was a City project and it was the City Council who would be ultimately responsible for the tax dollars being spent. However, in response to that he would say the Council always had the ability to exercise that authority. Council would not be handing off that authority with no ability to take control of the process, if necessary. He said looking at the proposed members to be added to the process he would say, based on his experience and input received from library professionals, it was important to have adequate representation by the Library in this process for a building that they would be using. He said library representation was important because they had the expertise on how libraries function and the best use of the resources that would go into the facility. Member Mutch stated he would be interested in looking at a committee that had that kind of representation on it. Member Mutch commented he couldn't support how this was currently proposed because he didn't think it would allow the input that he thought would be necessary for a facility of this magnitude.

Member Paul agreed with Member Mutch. She said it was not that they didn't have the Library Director there but they had a person who was appointed as Library Director and that might change. She said they didn't have a permanent Library Director. She said what if they hire someone from outside, and that person left in the middle of the project. She suggested assigning two people from the Library staff, whoever the current Library Director appointed, as well as Mr. Pearson's approval so there would be nine members. Then they would have the Library Director, two staff members, two people from the community that were on the Library Board, Ms. Smith-Roy, Mr. Pearson, a City Engineer and an architect. She thought that would be a good representation and then they could meet both groups of people at the Council table. She said if they had a permanent Library Director, she would feel more comfortable.

Member Margolis noted she understood the concern but could not support it. She thought as the Director of the Library, whether acting or a new Director really brought that perspective of the staff to the process. She said adding two staff members, and they had not talked about how they would be chosen, concerned her. She truly believed the City itself needed to have the majority on the Building Authority because it was the City's responsibility. She thought the Library staff needed to be involved but did not have to be a voting member of the Building Authority.

Member Nagy appreciated the comments by Members Paul and Mutch especially since Member Mutch was in that profession himself. She thought the Library Director would know who the people were he wanted on the Building Authority. Obviously, it would be the Assistant Director and whomever else. She thought it was a very difficult position for people when they were on a board and then the Library Director was beholden to the board, and the board changed, etc. Member Nagy said she would be willing to support the motion with the addition of two more members, and without that she could not support the motion.

Mayor Landry stated the Library Board supported this proposal, and he didn't understand why people were concerned about the Library when the Library supported this proposal.

**Roll call vote on CM-07-07-243**

**Yeas: Gatt, Margolis, Landry**

**Nays: Mutch, Nagy, Paul**

**Absent: Capello**

## **2. Approval of Policy Resolution Regarding Maintenance of Current City Millage Rate**

Mr. Pearson said this was a Policy Resolution that was drafted in June. The Council directed the Administration to look at it as they went into future financial planning, and to document and put on the record the Council's intention to proceed into the future with a total City millage rate not to exceed 10.5416. He said this had been achieved over the last 7 or 8 years. Also, the motivation built into this resolution was the \$16 million for the Library construction millage, which would be on average .2616. The Finance Director had gone through this and based on conservative assumptions in the future felt they could recommend to Council and live within future budgets that the City operations would fit within the 10.5416 plus the debt service on the Library construction. Mr. Pearson said because of other millages that were falling off there would be no increase in the City rates with the planned construction of the Library and the \$16 million.

Member Margolis said one of the things talked about in their goals was the idea of keeping the millage rate at a flat rate of 10.54 to keep that consistent, and there had been quite a bit of discussion during the budget process about it. She said it was important to do that for the City's bond rating as one of the things that municipal bond rating agencies looked at was consistency in millage rates. She noted this affected how much it cost the City to borrow money, which directly affected tax rates. The other thing that came out in that process was the idea that through some reductions in other millage rates they could absorb

the coming Library bond, if passed, and still keep the 10.54 millage rate. Member Margolis said it was very clear that the resolution was not binding on future Councils, but signified their intention to keep the millage rate at the same rate throughout this process, and to give the public an idea of what the Library Bond issue meant in the future. Also, to give the City staff direction in terms of what kind of budget Council would be looking for them to stay within. She thought the resolution was a great idea.

**CM-07-07-244 Moved by Margolis, seconded by Gatt; MOTION CARRIED:  
To approve Policy Resolution regarding maintenance of current  
City millage rate.**

## **DISCUSSION**

Member Gatt said if he was on the Library Board he would be elated. This would allow the Library Board to go to the public and sell their bond proposal and to tell the taxpayers the truth, and that was to vote for the new Library in November and their taxes would not go up. He said this was a very well thought out idea and he commended the City staff for bringing this forward and all the Council members who had their input. He said he would support the motion.

Member Nagy thought the Library and the building of the Library was important to this City. She thought the ultimate decision as to whether it should be built or not really didn't lie with Council or the Library Board, but rather with the residents. She was concerned about reducing the Drain Fund millage and had expressed that concern previously. She noted while discussing this at a budget meeting Member Mutch talked about reducing the millage, and there were concerns about that, and a comment was made that it might affect the bond rating. Member Nagy stated she was not sure how that had changed. She said this was all based on assumptions that the Library's first payment would be due on 10-1-08, the projected interest rate would be 5%, that the growth and taxable value was 3.52%, that there was no Headlee reduction through 2010, and that the General Fund would reach capacity in 2010. She said while she appreciated the efforts of everyone she believed that, in some regards, they were trying to take too much control of this. Member Nagy said while Council supported the building of a new Library, she didn't feel that in order for this bond to be passed that Council should be making changes in the millage. She said there was the 2000 Road Bond and she was a member of the committee to get out the vote. She said Mayor Clark and the Council at that time backed off, didn't try to change the millage, didn't attend any of the meetings, and there was no Council participation for those who were trying to get the vote out. She was concerned that Council was trying to manipulate the millage in order to have an outcome, and a lot of things come out of the Drain Revenue Fund, and when it was brought up previously there were a lot of comments on why not to do it. She said suddenly, because this was supported by the majority of Council, now that manipulation of millage was OK. In her mind she still thought it was robbing Peter to pay Paul, and she couldn't support this.

Member Gatt said he didn't like the word manipulation because that sent a message to the public that Council or the City was trying to pull a fast one on them and trying to say

something that wasn't true. He said there was nothing manipulating here. He asked Ms. Smith-Roy if the figures were being manipulated at all. Ms. Smith-Roy said their position was that they were doing some financial planning into the future to be able to manage the City and keep the level of service at the high level maintained today. The way they were able to do that was through the strong fiscal responsibility that the Council had taken during the budget process. She said without the actions taken over the last 5 or 6 years they would not be in the position to do this. Member Gatt noted it was good fiscal, prudent planning and actions that put the City in this position, and she agreed. He said there was no manipulation going on and the figures she provided Council that were being projected to the public were accurate. Ms. Smith-Roy said they were and it provided a variety of approaches; they were not making one approach. She said as they entered into each budget process the goals and strategies of Council would be reviewed and they would make sure they were addressing those and adjusting the expenditures according to those goals. Member Gatt said he fully supported this motion.

Member Mutch said he would support the motion. However, he said he didn't have any particular problems with the language of the resolution but when this was discussed previously he was contemplating having a simple, easy to understand statement of their intent. He felt this was 5 or 6 "WHERE AS" too long for the average voter to wade through, and a lot of the language was not language that someone not familiar with the municipal budget would have an understanding of. He said that was not a criticism of the voter, it just had a lot of terminology they would not be familiar with. Member Mutch said he would like to see a simple statement, following the resolution, which would explain the intent of the Council, which was to adjust the millages upon the approval of the Library Bond to maintain a millage rate at no more than 10.5416 mills. He wanted something that could be explained to the voters in a paragraph, because he couldn't present this to people and say "this is what we are going to do as a Council". He said this was good direction for City Administration, it's following a standard format, but in terms of explaining to voters what the Council's goal was with this resolution; he didn't think it would be clear to most people. He asked that something be brought back to Council, for approval, in the order of a simple statement that would do the same but in a plain English format.

Member Mutch said in terms of the resolution itself, it really wasn't a binding resolution and obviously it was Council's intent to maintain the millage rate. He would hope that any Council member who voted for this going forward who was here at the next budget session would continue to support it. However, to the degree that Council could have a say in the process they were. Member Mutch said he disagreed with one of the fellow Council members. If Council was going to support this project as they had stated they wanted to through Council goals and placing a bond proposal on the ballot, he thought it was entirely appropriate as a Council to say that this was important and a priority. He said to the degree that they were handling the finances to reflect that, he thought it was entirely appropriate. If it was a situation where City resources were being used to campaign that would be another question, but this was really a statement of intent and priorities by Council. He noted he was glad to see that some of the issues he raised at budget time were validated as being possible that they could reduce some of the other funds without damaging the City's financial position. The one thing he was concerned about was the

assumption of no Headlee reductions through 2010, but he would look at the resolution as being based on those assumptions. If there was a significant change, like a Headlee rollback, they would have to deal with it then. Member Mutch said knowing what they know today with these assumptions, he was fully willing to support the resolution as presented.

Member Paul said she also had a problem with the language and thought it was a lot of information to absorb. She said she wanted people who were reading the information and talking about what they would do in relation to their vote for the Library to have an understanding of what the current City millage rate was, and to understand the whole policy behind it. She thought the policy was very verbose.

Mayor Landry said this was not going to be on the ballot. Member Paul said she understood but before they got to the polls they had to read the information to make a decision. Mayor Landry said if it were to pass, it would be a resolution and could be disseminated however the Library Board or anyone chose to disseminate it, and give an explanation. He said that Member Mutch had proposed that perhaps at another meeting Council could have a plain English version of this, but he didn't think that anyone would be forced to read it. Mr. Schultz said he knew this followed the Library Item #1 on the Council Agenda but this was much broader than the Library. This was essentially the resolution Council asked for a long time ago in addition to Member Margolis' request a few meetings ago during goal setting sessions. He said this was a broad policy document. It directed the Administration to do things when it presented a budget that the Library Board or some committee, that was not actually the Library Board, would want to use in their discussions about how the vote ought to go, and that's fine. However, there are many other issues addressed here, and it was not specifically aimed at the Library millage question. He said this was a much broader document, hence the language being probably a little less clear than some would like it, but people could do with it what they would like to do with it. He said it was a broad document.

Member Paul stated she thought this was going to be a document the Library would use to share with people to educate them about the millage, and she thought it was very complicated to understand. She said if she had to explain each little phrase to people, it was more verbose than it needed to be. She supported the information that they were going to be making a resolution on tonight; she was just trying to share her thoughts on this proposal.

Member Mutch said he appreciated Mr. Schultz's point and thought it was a good clarification that this was more of a policy statement. If the Library Bond proposal didn't pass this policy statement would still be in effect, and what would be guiding the City budget process. The one concern he had was the comment made by Mr. Schultz in terms of other groups could be using this however they wanted, and that was why a plain English version of this was needed. He didn't want someone presenting their interpretation of what this Council thought of it. He wanted Council to present their interpretation of it and then people would be free to use it and attribute it to Council as they needed to. He said whether that came from the Council itself or the City Administration wanted put together the

plain English version of something that voters could understand more clearly, he thought it would be in the best interest of Council.

**Roll call vote on CM-07-07-244**            **Yeas: Margolis, Mutch, Paul, Landry, Gatt**  
    **Nays: Nagy**  
    **Absent: Capello**

3.     **Consideration of request from Benedetto's Steakhouse, LLC to transfer ownership of 2006 B-Hotel licensed business with dance permit, entertainment permit, from Novi Hotel Fund Limited Partnership (an Oklahoma Limited Partnership), (Gary Kosten, receiver), located at 27000 Sheraton, Novi, Michigan, 48377, Oakland County.**

**CM-07-07-245**            **Moved by Nagy, seconded by Paul; CARRIED UNANIMOUSLY:**  
    **To approve request from Benedetto's Steakhouse, LLC to transfer ownership of 2006 B-Hotel licensed business with dance permit, entertainment permit, from Novi Hotel Fund Limited Partnership (an Oklahoma Limited Partnership), (Gary Kosten, receiver), located at 27000 Sheraton, Novi, Michigan, 48377, Oakland County.**

**Roll call vote on CM-07-07-245**            **Yeas: Mutch, Nagy, Paul, Landry, Gatt,**  
    **Margolis**  
    **Nays: None**  
    **Absent: Capello**

**AUDIENCE PARTICIPATION – None**

**MATTERS FOR COUNCIL ACTION – Part II**

4.     **Approval to award a contract for General Contractor services for construction of an Indoor Gun Range at the Department of Public Works Field Services Complex to Garrison for a not-to-exceed fee of \$963,800.**

Mr. Pearson said this went through a competitive bid process and it was the first of two major contracts to realize this by the end of the year.

**CM-07-07-246**            **Moved by Gatt, seconded by Margolis; MOTION CARRIED:**  
    **To approve award of contract for General Contractor services for construction of an Indoor Gun Range at the Department of Public Works Field Services Complex to Garrison for a not-to-exceed fee of \$963,800.**



## DISCUSSION

Member Mutch said two of the concerns he had with awarding the proposal as presented was the fact that the interior portion of the gun range was still outstanding with the contract to be awarded in about three weeks. He said the question, at that point, would be what amounts the bids came in at, that were due at the end of this week, and whether there would be enough money to cover those. He asked if there was any urgency to award this bid today, instead of waiting until they had the bids for the interior work to see whether they could actually meet that budget, understanding that there was some anticipation that some savings would be achieved on the interior portion.

Mr. Pearson thought there was some urgency, and that was primarily to get the construction going. The pre-construction meeting had already been scheduled with the anticipation that this would be approved tonight. He said the longer they wait, the three weeks, not being able to do any of the site work or mobilize, they would be running into weather and potential increased costs for winter work. He said there would be a whole new realm of costs involved with that apart from the time. He said there was some urgency, they had always had this budget and had known they would have the two contracts. This had been reviewed exhaustively with the architects, staff and the professionals from Cresa, etc. so this was the package they were given to deliver and they would be charged with getting the interior within the budget allowed. He thought they needed to get going with the site work and the shell of the building, if Council allowed. Member Mutch asked if the major item being removed from this bid was the brick veneer façade for this facility. Mr. Pearson said for the purposes of the award and for maximum flexibility, it was the way they would suggest to award it with the idea to be able to come back and do it. He said worst case was if they had to go back and get some sort of waiver, they would look at other options before they got into that position. He commented that it could be revisited because adding the brick veneer was one of the final touches, but they could get going on the rest of it in the meantime.

Member Mutch thought the removal of that item from the project would trigger the requirement that they would have to go back and request a variance from the Zoning Ordinance. He said having been familiar with a lot of these requests from developers; he didn't think they had ever granted one on the basis that they couldn't afford it. He thought there might be other issues they could bring up in terms of its location, but it would set a bad precedent and would be a bad statement for a City project to say the primary reason for not doing it was because the City couldn't afford it. Member Mutch felt it was not consistent with what they had talked about for the gun range, which was to have a world class facility. He said the façade of the building might not be of primary importance and he could understand wanting to save that money for the interior items, but how it presented itself was an important part of the project as well. It needed to look good and function well. He said he was willing to support this tonight to move it forward so they didn't incur additional costs, because he didn't want to run over budget and have to dip into other funds to pay for it. However, he would support it only with the understanding that if they continue to exceed the budget projections, they would look at the remaining Forfeiture Funds to cover those costs. He said there was \$60,000 left over after the budget deliberations of the

spring, and he would be looking at targeting those towards this project. Member Mutch said he had been consistent about not supporting the gun range but the last thing he wanted was a building that didn't present itself well or function well. If these costs continue to move in that direction, that was the solution he would be looking for before touching any other funds the City might have to complete this project. He said if the interior phase comes in under budget, it would solve the problem.

**Roll call vote on CM-07-07-246**                      **Yeas: Paul, Landry, Gatt, Margolis, Mutch**  
**Nays: Nagy**  
**Absent: Capello**

- 5. Consideration of Zoning Ordinance Text Amendment 18.218, to amend Appendix A of the City of Novi Code of Ordinances, Ordinance 97-18, as amended, known as the City of Novi Zoning Ordinance, at Article 10, EXPO, Exposition District, to clarify the intent and permitted uses within the District. Second Reading**

**CM-07-07-247**    **Moved by Nagy, seconded by Margolis; CARRIED UNANIMOUSLY: To approve Zoning Ordinance Text Amendment 18.218, to amend Appendix A of the City of Novi Code of Ordinances, Ordinance 97-18, as amended, known as the City of Novi Zoning Ordinance, at Article 10, EXPO, Exposition District, to clarify the intent and permitted uses within the District. Second Reading**

**Roll call vote on CM-07-07-247**                      **Yeas: Paul, Landry, Gatt, Margolis, Mutch,**  
**Nagy**  
**Nays: None**  
**Absent: Capello**

**CONSENT AGENDA REMOVALS FOR COUNCIL ACTION**

- K. Approval of Change Order Nos. 3 and 4 to Deangelis Contractors, Inc. for the Dunbarton Regional Stormwater Detention Basin project in the amounts of \$62,800.00 and \$34,127.55, respectively, to implement the drainage and restoration improvements approved by the project's grant administrator (Rouge Project Office).**

Member Paul said many residents had come forward over the past two years talking about the Dunbarton Basin not being completed. The City Engineers had to work a long time to try to resolve the planting issues as well as the drainage. She asked Mr. Pearson if that had been resolved. Mr. Pearson said as of today the project was 97% complete and it had to be completed by the grant by July 31<sup>st</sup>. He said everyone was under the gun to get this going and the Construction Manager had been out himself to water the planting materials. The remaining items dealt with the plant materials to be sure they were established, some minor grading, etc. so action on these change orders would help to get all of that done. Mr. Pearson said they were still holding the actual payouts and this just provides the ability paperwork to get that done. He apologized for

it not moving along as expeditiously as they would have liked but thought they were on the final stretch.

**CM-07-07-248**      **Moved by Paul, seconded by Margolis; CARRIED UNANIMOUSLY:**  
**To approve Change Order Nos. 3 and 4 to Deangelis Contractors, Inc. for the Dunbarton Regional Stormwater Detention Basin project in the amounts of \$62,800.00 and \$34,127.55, respectively, to implement the drainage and restoration improvements approved by the project's grant administrator (Rouge Project Office).**

Voice vote

## **MAYOR AND COUNCIL ISSUES**

### **1. Street Lighting at the Grand River and Beck Road Intersection - Member Mutch**

Member Mutch said Council received correspondence from City Administration regarding the reconfiguration of the signals at Grand River Avenue and Beck Road. The intent of that, which had been supported by staff and various agencies, was to try to eliminate some of the problems with safety at that intersection. He said for the first time he had seen people running through the intersection while he had a green light, and could vouch that it was definitely a problem. However, the issue he wanted to raise was that he thought part of the problem at that intersection was lack of street lighting. He said the decorative mast arms were there but there was no lighting. He thought the idea of that was that those giant light poles at the Beck Road Interchange would provide sufficient illumination. However, if you had been through that intersection, you would know the intersection was really dark at night. He said a lot of people going to Providence Hospital or the Rock Financial Show Place used that intersection and were not familiar with how it was configured. He thought the lack of lighting was probably contributing to the safety problem. Member Mutch requested that the City Administration, in association with the work being done to move the light poles, also look at bringing the street lighting that was at all the other intersection to this location. He thought the additional lighting along with the change would make a significant difference to the safety of the intersection. Mr. Pearson said he would be happy to look at that.

Member Paul said most of the running of that light had been in broad daylight. She said a complete stranger approached her at a baseball field to tell her that they were hit in that intersection for the same reason she had brought forward. The mast arm was on the same side and instead of the opposite side of the road when going through the intersection. She said she had seen a lot of near misses and was sure there had been more accidents. The County Commissioner was helpful in trying to move that forward at the County but she didn't get support from Council to look at the accident incidents in this area. Member Paul thought this was problematic because the intersection was different from all others in the State of Michigan, the lighting was poor, and the mast arms were on the opposite side of the road than they normally were.

Mr. Pearson said they had worked with the Oakland County Road Commission and had an agreement and those mast arms would be moved in the spring.

**AUDIENCE PARTICIPATION - None**

**ADJOURNMENT**

There being no further business to come before Council, the meeting was adjourned at 8:26 P.M.

\_\_\_\_\_  
David Landry, Mayor

\_\_\_\_\_  
Maryanne Cornelius, City Clerk

\_\_\_\_\_  
Transcribed by Charlene Mc Lean

Date approved: