

**SPECIAL MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, APRIL 13, 2023 AT 7:00 P.M.**

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

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Gatt, Mayor Pro Tem Staudt, Council Members Casey, Crawford, Fischer, Smith, Thomas

ALSO PRESENT: Victor Cardenas, Interim City Manager
Carl Johnson, Finance Director/Treasurer/CFO

APPROVAL OF AGENDA:

CM 23-04-043 Moved by Fischer, seconded by Casey; CARRIED UNANIMOUSLY

To approve the Agenda as presented.

Roll call vote on CM 23-04-043 **Yeas: Staudt, Casey, Crawford, Fischer, Smith,
Thomas, Gatt**
Nays: None

AUDIENCE COMMENTS: None

PURPOSE OF SPECIAL MEETING: 2023 - 2024 CITY OF NOVI BUDGET

- 1. Overview**
Introduction to Goals and Projects
2022-2023 Budget Highlights
Multi-Year Budget

Interim City Manager Cardenas commented that he was not going to give a very extensible review. He wanted to let you know that we are all here as staff and he wanted to take this opportunity to thank the fantastic team that we have here and they have put their blood, sweat, and tears every year into such a great document. He said we present to you a balanced budget, and one that does not include any new staff increases. He said all the capital projects have been approved or recommended by the Planning Commission to be included in this budget.

- 2. Proposed Plan**

Interim City Manager Cardenas explained the proposed plan in the agenda is the CIP that was presented to the Planning Commission back in January, it was received, glowingly and then now recommend for your consideration, which is included in the overall budget as well as a whole.

- 3. Proposed 2023-24 Budget**

Finance Director Johnson said this was a cut and dry, vanilla budget. He said we have a lot of big things in the hopper, the Older Adults Needs Committee, and the Public Building Safety Needs Committee, those are huge, huge things that could come out of those committee's and significantly impact the budget. He said what you have before you is everything that you had last year, no new staff. He said cost increases throughout were offset by revenues, which is why we were able to balance it and we continue to substantially invest in capital and technology citywide.

Mayor Gatt said this is cut and dry, he liked it. He said that brings up to number four on the agenda already, which is the City Council discussion and decision regarding the Plan Priorities. He explained they were going to go around the table one at a time and everybody would have an opportunity to speak. He asked that they do not speak just to hear themselves speak, but if you have something to say, and you want to share with us, please do not make motions on the first go around.

4. City Council Discussion and Decisions Regarding the Plan Priorities

Member Casey thanked the staff for pulling together such an excellent budget. She could only imagine how much time it took everyone to pull together the information and do all the math. She thanked everyone for their efforts. She commented on this budget, you might call it vanilla, she called it exactly what they have been talking about and exactly what she was looking for. She had no comments other than her thank you on the budget. She said she wanted to take a moment though, because Director Johnson kind of opened the door. She said she would walk through it a little bit, she wanted to talk about some of the other things that we have in front of us coming up. She mentioned some big initiatives that are either big dollar value, or big scope that we have in front of them that they have been talking about on and off for a handful of years. She thought it was time for us to start diving into them and start prioritizing what it is we should be doing moving forward. So, on the list of her things, the first is the Library, the Library is starting to use Fund Balance to pay for operations. She thought that would not last very long with the Fund Balance that they have. She said we need to be having some conversation about what kind of funding the Library needs and should be receiving from the residents to operate at the excellent level that they continue to operate at today. Second, we still have ARPA Funds in our Fund Balance and we have not talked about how to use what we might do with those funds. She believed that was a conversation we should be having. She said we know from the Roads Committee from a couple years ago that we have been underfunding the local roads, we could spend another \$1.5 million to \$2 million on local road maintenance, and again that number is a couple of years old, so it has probably gone up since then. She said we have not talked about what we want to do from a road funding perspective. She said Director Johnson mentioned previously, we have a Public Safety Needs Committee that is likely to come back with some big initiatives. She mentioned we have an Older Adults Needs Committee that has just started, we are getting into the thick of our work. She said it is likely we might come back with a recommendation for the Council to consider as well. She wanted to put that on the radar for us to start talking about obviously the appropriate time is when we have a city manager so that we can make sure that person is part of the conversation. She did

not want to lose sight of these things because we owe it to ourselves. She said we owe it to the residents to figure out what it is we want to start and then plan to execute against these larger initiatives.

Member Fischer thanked the Mayor, and he thanked all the staff that went above and beyond to put this document together. He thought he had the least number of questions for staff this year out of all the budgets. He thought that was a testament to the level of detail and the information on how it is presented in this current budget. He commented that he heard this budget called vanilla, he has heard people all it the status quo budget, and he had to laugh because he did not know why that is perceived as a bad thing. He thought some people in the public, anyone who has been in a business and understands how capital expenditures go, there is going to be cycles up, there is going to be cycles down. He stated this is a Council who has been very active recently, \$2 million dollars on a Splashpad, \$2 million on Bosco property for the funeral home property, which he has not heard one resident disagree with that. He said they are continuing to acquire wetlands and woodlands to preserve them, Northwest Park, an underserved area of parks in the area and Novi, we have been doing all those things. He thought maybe it was time to take a breather. He said what we are doing here is we are investing may or may not be such exciting projects, but we have done a lot of those. He believed it was time to invest in the parking lots, do the maintenance that needs to be done at those facilities. He said that is not to say that we are not spending money, we are buying another fire engine, the third in three years. He said there are exciting things in here, but it is good to see a budget where we are making sure that we are taking a breath, we are investing, and we are bringing those things we have purchased and acquired up to the standards we have expected. He said this is a budget that really supports the priorities that he had another strong Fund Balance 30%, \$12 million or so and he knew that it is likely to probably go up as rollovers come from this year and underspends from next year. He was proud of the budget. He said if we could vote tonight to approve it, he probably would, as it is, so thank you again to staff and he looked forward to the discussion.

Member Smith thanked the Mayor and wanted to add his thanks to the staff. He said thought it was a solid document. He found it very readable, and he thought if someone out in the public had any questions about what is going on with the city budget, he thought this was a good place to start. He commented that it does a very good job of explaining what the different funds are, how things are moved around, and how we fund the city. He also agreed with Member Casey and Member Fischer, he thought we are doing a good job at getting parkland. He said we are doing a good job at maintaining things. He said there are a couple of projects, he is an environmentalist, he would like to pull forward, as far as solar. He said the reason we are not doing that this year is that if you look at the budget, they are out in the future. He said the reason we are not doing it is prudent because we are doing roof projects later and that is where solar goes. He thought we were doing a good job and thanks to the staff.

Member Thomas thought they did a great job, as you have heard with the budget, it was very easy to understand, it was very clear. She thought everything made sense, there

were no surprises. It was exactly what she was expecting. She echoed Member Fischer, if they were voting that evening, she would approve it..

Member Crawford said he had no additional comments other than what has already been made, other than to thank the City Manager and staff all your hard work.

Mayor Pro Tem Staudt thanked the Mayor. He wanted to point out a few things. He said ARPA dollars were mentioned earlier, a lot of governmental units seem to think that because they have them, they need to budget them now and spend them. He thought that we are being very prudent to look at what the opportunities are and not necessarily budget that right now in this time frame. Second, in the last few days, he has heard about some businesses that have closed shop after many years in Novi and either consolidated or moved their employee's home. He said there are some storm clouds on the horizon. He said we as a City Council have always acted proactively to be very cautious with our dollars. He thought this was a perfect example of a budget that does that. He said we have money out there that we can use for the future. He stated that is the way of budgets these days, we do not spend all our money in budgets like we used to. He said we do as we get opportunities. He said they did not know about the Bosco property spoken about earlier, that was a couple of million \$1.5 for the splash pad. He said these are things that we can put in as the year goes on. He did not have a lot of things to critique the budget on. He said we have worked out this budget for a week after we get the budget book, this budget has been the work of a lot of people for many, many, many, months. He stated because you do not see the work, does not mean that it is not happening. He said you go out on social media, and people want you to go line by line and go over every budget item. He said that's our professionals, those are the people we hire, and ultimately, the City Manager, who is our employee presents us with something to approve, that is what he is doing that evening. He said that is what he would expect that we are going to ask which forward. On a final note, he thought we needed to prepare, and we are going to go down the road to have to spend some more money on Economic Development, retention, and recruitment, especially in buildings that are now empty. He said we have three or four significant buildings empty in the city, not counting the Mall. He thought that is something, while it is not in the budget right now, we are going to have to consider that for the future. He said that was all he had there now. Thank you. Mayor Gatt said he would go last, and when you go last, it is easy, because everybody has said pretty much everything. He wanted to thank the staff, the department heads who were there that evening. He said having been a staff member for almost 30 years, he knew that the bulk of the work is done by the staff that were not there that evening. He hoped that our department heads would say thank you to them on the Council's behalf. He echoed Mayor Pro Tem Staudt, he knew that his budget started right after the first of the year, and here we are in the middle of April. He commented that there was a lot of hard work that went into it. He said a lot of hard work went into prepping that book that they all got. He said it is professional, it looks great. He said it is much appreciated by the seven of them up here, so thank you to everybody. He mentioned many years ago they started doing a three-year budget and the purpose of that three-year budget is to plan for and predict what is coming. He said if they see something ahead of them that does not look good, then they start making changes in that budget now so that in two

years from now, three years from now, it is not a devastating effect on them. He said Oakland County was the innovators of that. He said it worked and still works very well up in Pontiac, and it works well for us also. He wanted to say to Carl what the Mayor Pro Tem said, there are storm clouds out there. He asked that the administrators keep a close look on those storm clouds, because businesses are closing all around the country, some big businesses are going out of business, chain stores. He said he did not mean mom and pop stores, he was talking chain stores, they are closing and ceasing to exist. He did not think we were in dire straights here, because just the opposite is true. He said we are the envy of most municipalities in the area, we hear it all the time. He said he heard it six times today, he was at meetings all day in Pontiac, and he heard how great Novi is doing from different people. He said we are, but that does not mean it cannot change. He wanted to keep a close lookout and come to Council when we want to make some changes. So, with that, he was going to do the motion round. He reminded his colleagues that it takes four votes to put something in a budget or remove something that is there. He said it does take five votes when the day comes and that will not happen this evening. When the day comes that we vote on a budget, it takes five votes to pass.

Member Casey noted that she had nothing to say at the time.

Member Fischer said there was just one item he wanted to bring up for consideration by City Council. He said it stems from the tree and tree limb pickup program that we did recently that was kind of spearheaded by and the idea was given by Mayor Pro Tem Staudt, and obviously all City Council supported doing that. He said it was his understanding that we have spent several thousands of dollars, we agreed with doing that for the benefit of our residents, but it is going to probably come from our General Fund Balance. He suggested a prudent thing to do would be to go ahead and start and establish a Fund Balance range for the rubbish collection fund, he proposed a 15% to 20% Fund balance with a 15% minimum, and 20% maximum Fund Balance recommendation for that fund. He recommended we go ahead and get there right now, households pay about \$138 dollars a year for trash pickup and condominiums spend \$118 he believed, correct him if he was wrong, anyone from staff. He proposed that we incurred that by 4% which would be about \$5.50 on households per year and \$4.5 dollars on condos per year. He said of the approximately 15,000 households, that would raise about \$80,000 per year. He said in about four to five years, we would have that cushion in that Fund that the Council could use to help in emergencies like we saw. He said his motion is to go ahead and establish a Fund Balance at 15% to 20%, in the Rubbish Collection Fund. He said to accomplish that Fund by increasing the fee by about 4% or \$5.50 dollars for households, \$4.50 for condominiums per year.

CM 23-04-044 Moved by Fischer, seconded by Casey; MOTION FAILED 3-4

To establish a Rubbish Collection Fund and approve a Fund Balance of 15% to 20% and to accomplish that by increasing the fee by 4%.

Member Smith said it sounded like a good idea to him. He wondered what would happen if we fortunately did not have any emergencies and we hit the 20%. Do we then just take that off? Member Fischer said yes.

Mayor Gatt reminded the Councilmembers to address their questions to the City Manager or something, it was against Council Rules to address your question to another Councilmember.

Member Crawford commented that he was proposing an additional tax on residents that may not partake of that service. He said if everybody has garbage, and they pay for it, or trash, not everybody has their limbs and brush picked up. Interim City Manager Cardenas replied to Member Crawford's concern. He believed that was the intention. He said condo owners do not have regular yard waste pickup, but they do have a yard. They do have trees in their yards and whatnot He thought they were also utilizing those services during the big storm where the ice storm we experienced. He guessed the thought is that an extra percentage would then create that Fund Balance and create that dollar amount for future ice storms or storm damages. Member Crawford said this would be imposed on people that do not use that service the way he saw it, and he did not agree with that. He did not think that was proper, maybe assess some, if you want to offset how we have paid for it, maybe assess a fee to people that use that service after an emergency, but he was not in favor of assessing things citywide for people that may not use that service.

Mayor Pro Tem Staudt said he understood the point, we just went through a period where we spent a lot of money out of the Fund Balance. He would like us to postpone this vote to when we get to the public hearing on this because he wanted to do a little research. He could have sworn there was a commitment made by Councilmembers. He said to some of us that we would not do this. He said if he was correct, we are charging the fee that is in the contract, is that correct. Interim City Manager Cardenas said that was correct. He said now we are adding an additional fee to what the vendors are providing, he was not ready to say that he agreed to that, because he thought there was some conversation back when we went to a single hauler that we would agree not to do that. He said he wanted to do some research before he committed to doing it, but he understood the concept. He said this is why we have a Fund Balance as a city that the city should pick it up, the residents are already paying taxes, businesses are paying taxes. He said this is entirely on residents, is that correct. Interim City Manager replied that was correct. Mayor Pro Tem Staudt said before he could support it, he needed to do a little research and go back and look at what we promised the taxpayers.

Mayor Gatt said this was the first time he had heard of this, and he was not in favor of adding taxes to our residents. He remembered distinctly when we did switch over from one to another, we did so because of the price because the other company wanted to raise their fees. He said it was not a huge amount of money, it was only \$5.00 or \$6.00 dollars a month, but it was a huge percentage. He loved the concept, but he thought the City should fund it. He said he would be all in favor of the motion that said, from this point forward, the city is going to carve out "X" amount of dollars and put it into a

restricted fund that could only be used during an emergency for something like that, because that is what cities do. He stated we are here to protect the people; we are here to serve the people. He thought we are in a fortunate position where we have the money, and the means to do that. He said to tell the residents who are not there that evening and not voting that we are going to raise your taxes because something might happen in the future, he could not support them.

Member Fischer commented, by default, taxes are completely borne by people who do not exactly use the services. He was not sure where some of the previous sparkers were going with that concept. He also mentioned this is not just about an ice storm or picking up limbs. He said if you recall, in that contract, we have many different add on services that we can provide through our provider. He said if the summer runs long, and want to add a week of leaf pickup, we can do that at a cost. He said we can do that though the General Fund, but he thought it was more prudent to do it in the fund that is collecting the revenue. He said if he recalled as well, we could have some sort of bins at City Hall for large drop offs. He said there is a plethora of services that we could buy into whether it be emergency or not, or comment he wanted to make the intent of what this was not just about one situation of picking up limbs in an ice storm. He understood the comments and looked forward to the vote.

Member Crawford wondered if it was appropriate to take a small percentage of the Tree Fund and set that aside for an emergency. He said it is tree removal. He asked if that would be something we should consider. He mentioned he would be in favor of doing something like that rather than assessing additional funds for the residents. Interim City Manager Cardenas said that is a possible option we could explore. He said Finance Director Johnson seemed to think that is something that is permissible in our creation of the Tree Fund, so that is a possible avenue we can explore.

Mayor Pro Tem Staudt agreed that the Tree Fund would be a good option. He was hearing what the previous speakers said about some of the additional services that we can provide, and we are eating those services. He gave an example, if we wanted to extend the season from November to December, that would fall on the city whereas it should be falling on the residents who are getting the service, so you know, to some support this, he needed to see some supporting information through the city, but at this moment, he did not have enough information to support it.

Roll call vote on CM 23-04-044

Yeas: Casey, Fischer, Smith

Nays: Crawford, Thomas, Gatt, Staudt

Mayor Pro Tem Staudt mentioned we are in the process of working on the senior program and possibly having a full-blown Senior Department. He wanted to see us add to the budget an amount not to exceed \$250,000, that would begin the funding of a specific senior director position and additional staffing. He said if we do not do it, we will not spend it. He said we can put it back towards next year back to our Fund Balance. He thought that decision would probably happen during the next five to six months. He said he thought a long time ago that we had as a Council thought that this was a good idea

that we move in this direction. He thought that it was appropriate to give our new city manager, whomever that may be in the future, some input on that. He said he would like to see us add \$250,000 to the budget as a placeholder for a standalone Senior Department.

CM 23-04-045 Moved by Staudt, seconded by Crawford; MOTION CARRIED: 4-3

To approve adding \$250,000 to the budget as a placeholder to fund a Senior Department, Senior Director, and Staff.

Mayor Gatt said we had a motion and support. He said he supported this. He knew that there was a committee out there right now studying our older adults' needs. He did not know where that committee was going to fall when they were done. He was not sure. He said he would be very interested in seeing what their conclusions are. He stated Councilmembers have said for years now that this is the direction, we should go in. He said this is not a knock on anybody or any department. He believed and he thought several others on Council over the years have said they believed that the senior adult community needs their own specialized department for a myriad of reasons. He said today, they are under the governance of the Parks, Recreation and Cultural Services Department. He said everybody knows that the young population is growing by leaps and bounds along with the older adults. He thought it was hard to serve two different factions of society in a fashion that they both deserve. He said he looked forward to this regardless of what the committee comes up with. He said they may come up with the same conclusion, they may come up with a different conclusion. He believed that this Council should do exactly what the Mayor Pro Tem said, give our new City Manager, whoever that may be the idea that tis council expects more attention given to the senior adult community and that we are prepared to pay for that service in forming a new department. He thought the \$250,000 should go a long way towards opening that door. He supported this 100%.

Interim City Manager Cardenas wanted to clarify that with this \$250,000 will come from Fund Balance in some kind of capacity. He stated earlier, it is a balanced budget. Mayor Gatt said he would have the maker of the motion answer that question. Mayor Pro Tem Staudt replied Fund Balance.

Member Casey understood where this was coming from, but there is a committee. She stated the Older Adult Needs Committee has just started their work. She said we have a good couple of months ahead of us to really understand what the needs are for our senior residents. She said we do not have that at this table. She said this is not a request that is coming from staff. She said this is a request that is coming from this table to define a department to put a seemingly arbitrary number for what it would take to operate this department on top of the \$170,000 we are already paying in permanent salaries for the existing staff, focused on older adult services, we are letting our feelings help us drive a decision that we do not have any data to support. She noted that we are also defining an organizational structure in advance of even hiring a City Manager. She thought if we want to give the City Manager a chance to decide and design the organization where

that person wants to design the organization, we have just taken that away from them by saying, we are going to give you money, we are going to tell you how we think you are going to spend it. She stated we are putting \$250,000 on top of all the money we are already spending right now without knowing what we need to know what the needs are. She understood that we do not have to spend it, but let's understand what the needs really are before we start throwing money into a budget that we cannot substantiate what we are going to do with it. She asked the maker of the motion, much as we did moments ago, to consider postponing or tabling this motion.

Member Thomas echoed the previous speaker, we have just started our work, there is a lot to be done. She said if you look at the existing department, they have eleven people, three of them are already devoted to Senior Services. She said she did not know what they were going to determine as necessary, but perhaps we do need more money in Senior Services. She said maybe it is not in people, maybe the staff there can handle it. She thought that we need to be able to finish our work to be able to determine if we are spending money in the appropriate way. Is it more staff that we need? Or is it more resources so that here is a place for senior staff to be? Is it both? She did not know. She believed that arbitrarily coming up with a number and say, let's move forward? She thought it was premature to her. She commented that we make budget amendments all the time, should it be necessary to come back with recommendations and new changes. She thought we could do that when we find that it is necessary. She said we already have more than 25% of the staff that is in Parks and Recreation that is devoted to Senior Services today. She said people who are 65 and older, that is 14% of the population, she knew they look at 55% off the top of her head, she did not know. She said it is accurate that seniors likely need more services than everyone else, but she would like the opportunity to complete their work to be able to have some real numbers and a real idea of where the money should be spent, before we make any decisions, and to make some of those decisions available to the new City Manager. She said looking at the Parks and Recreation Department, there are 11 people, we have a director and a deputy director already. She believed, as mentioned, to make sure to make room for another director. She felt that was very top heavy as well. She was not saying that we do not need it, she was saying that she thought we need to do the work first.

Member Fischer directed his question to whomever could answer it, but it was specifically for the motion maker. He wondered if the motion was specific to how the money would be spent as far as directing staff to be hired. He wondered if this is a \$250,000 placeholder in the anticipation of future expenses to be determined. He said if it is specific to staff, he did not know if he could go ahead and approve it that evening, but if it is a placeholder, he thought it was appropriate. He stated much of the budget process is putting estimates whether you know exactly what it is or if you are taking a shot in the dark. He said it was a clear indication that he will need confirmation from the motion maker to make his decision if he will support this or not. Mayor Gatt said he will have a chance to respond.

Member Smith agreed with Member Thomas and Member Casey. He said he is also on the Older Adult Needs Committee. He thought they were in the process of determining what those needs are. He said they are also trying to figure out how the City fits in with

what the State, the County, and the Federal governments do. He said every time he comes out of those meetings, it feels like it is a bigger group of things that need to happen. He thought that it was premature to have any money in the budget yet for something we do not know exactly what they are going to be asking someone to do. He said he was not in support of this motion.

Mayor Pro Tem Staudt explained this motion is to have a placeholder for potential personnel if this is decided. He understood the comments that are coming in. He said some of them are, because of being on the committee, all three of the folks, which is fair. He stated he has been sitting here for a long time, we have had these discussions for a very long time. He said he did not need a committee, what he needed a committee for is to tell him how to structure this new department in his world, we need a new department. He stated this is the first step in creating a new Senior Services Department, it is to allow a City Manager that comes down the road to hire a director, hire staff members and begin the process, this \$250,000 is not going to go a long way, because we are going to have to fund this to more significant amounts. He said he thought this was his message, let's move forward. He said he is not on that committee, he does not know what the recommendation is going to be, he had no idea what they are going through. He said he certainly knew what he felt, and that is that we need to take Senior Services and Novi a big next step.

Mayor Gatt wanted to leave some parting comments. He said there was some talk from some of the Councilmembers about this is our job. He said this is the City Council's job to do this, we are the people who tell the City Manager what to do. He stated this, that is what we do. He said we do not tell the rest of the staff what to do. He said we tell the City Manager what to do. He said then he or she then does it or they start looking for a new job. He said what the Mayor Pro Tem said is correct, we have sat up here at this table for several years saying the same thing. He said yes, we have a committee right now, and just like the Mayor Pro Tem said earlier, he was not sure where they were going. He believed that we need in this City a department focused on only the older adult community now. He said he was hearing 14%, if that is the number of older adult people in the community, he would hope that number is going to grow by the way, all over America, and certainly Novi is part of America. He hoped that we would direct some good attention and resources to that 14% number and grow accordingly. He said if this is just a placeholder, we are not spending any money. He was sure we were going to wait and see what the committee's results are, but he absolutely believed that this was a strong message from the City Council. He said if this passed that evening, that this is the direction the majority of the City Council are moving in. He stated again, we have talked about it for years now.

Roll call vote on CM 23-04-045

Yeas: Crawford, Fischer, Gatt, Staudt

Nays: Smith, Thomas, Casey

CM 23-04-046

Moved by Staudt, seconded by Gatt; CARRIED UNANIMOUSLY

To approve a Public Hearing on the recommended 2023-2024 Budget for May 8, 2023, and to cancel the Budget meeting scheduled for April 26, 2023.

Roll call vote on CM 23-04-046

**Yeas: Fischer, Smith, Thomas, Gatt, Staudt
Casey, Crawford
Nays: None**

AUDIENCE COMMENT: None

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 7:40 P.M.

Cortney Hanson, City Clerk

Robert J. Gatt, Mayor

Transcribed by Deborah S. Aubry

Date approved: May 8, 2023

you and your staff do. He asked that she display the Proclamation in a prominent place. He said the microphone was hers.

Library Director Farkas said she was joined by their Vice President Kat Dooley; she thanked her for joining them that evening. She invited Mayor Gatt and Councilmembers to some of the festivities that are going on at the Library beginning April 23. She asked if you could join them this Sunday, which will be a kickoff for a concert at 2:00 P.M. She noted that the Friends of the Library will be unveiling a beautiful Giving Tree, which is an opportunity not only for art, but also for you to donate to the Library and support the Library. She said they will also have a tiny Art Show. She said they have two display cases on the first and second floor. She stated this is artwork that has been done by many community members, right in Novi and you will get a chance to view the art through the month of April. She commented that their theme is "There's More to the Story". She said there are so many amazing stories in our collection, to meet the needs and wants of our community. She hoped people continue to want to use and visit the Library. She appreciated the support from the Mayor and City Council that they have received over the years. She said they truly enjoyed serving the community of Novi. She gave a huge shout out to the Library Staff, the Library Board and the Friends of the Novi Library who are just without them, we would not be who we are. She thanked everyone for their time that evening.

Mayor Gatt commented without them, you would not be who you are. He said without the Library, Novi would not be what it is. He stated the Novi Library is a claim that wherever he goes, people want to talk about lots of things about Novi, but the Library is always one of the first things that come up. He thanked her for all her hard work. Thank you for what you do and what your Board does. He let her know that they were there to help them.

MANAGER/STAFF REPORT: None

ATTORNEY REPORT: None

AUDIENCE COMMENTS:

Joe Bertera, 130 Rexton, Novi in Lake Wall Subdivision. He was there to talk about the Lakefront Protection Ordinance that is trying to be enforced on their subdivision. He wanted to talk about himself that evening and why he moved to Novi 25 years ago. He said when he was looking for his first house, he had a boat and he wanted to live in a subdivision where he could put his boat on the water. He thought Lake Wall Subdivision was the perfect location. He said it was close to where he worked at the time, and where he grew up in Livonia. He said Novi is a great location and he felt he was 20 minutes from everywhere. He thought Novi was a great city from an aspect as far as location and all those kinds of things. He settled here, bought his first little house, a 900 square foot on Rexton Street. He got married, had a bigger family, and bought the house directly across the street at 130 Rexton Street. He lives across the street from his old house where he originally moved here, and enjoyed his boat, his neighbors, and the neighborhood for all these years. He commented that his son is 14 years old, and he wants to get his boater safety card and learn now to drive the boat. He stated the problem they have now is

after 37 years of this Lakefront Protection Ordinance existing, the City wants to tear out the fabric of their neighborhood by making them take this dock out and enforcing an ordinance that has not been enforced for almost 40 years. He believed it was never meant for their subdivision which he displayed in previous exhibits that he presented to City Council. He thought what the City was doing here was unfair. He believed there is a way to work this out in a different manner than extensive litigation and costing the taxpayers hundreds of thousands of dollars. He said if this was happening in any one of your neighborhoods, you could easily make a motion, and easily put it on the Agenda, like you put Moe's on the Agenda last week Mayor Gatt, because the business is down, or when the tree limbs came down, then you had the cleanup on the trees, and he read back in 2019 when the power was going out, you directed the city manager at the time to investigate DTE and why the power kept going out. He believed Council had the power to control what is happening in your neighborhood.

Karyn Chopjan, 23991 Seminole Ct., Novi thanked the Mayor and City Council for giving her this opportunity to speak. She stated for the past two years per the Armenian community's request, the City of Novi has been issuing a Proclamation to mark April 24 as Armenian Genocide Remembrance Day in Novi, and she wanted to thank you for that. She noted that she was aware that the community requested such a Proclamation this year as well, but the City of Novi did not issue it yet. She wanted to inquire about that reason. She stated this Proclamation is important for their community considering current events in Armenia, and Artsakh, where the ethnic cleansing of the Armenian's is still going on. She stated it has been more than four months that Azerbaijan is completely blockaded the only road that connects Artsakh to Armenia, and the rest of the world where 120,000 Armenians are held hostage by Azerbaijan, facing another threat of genocide. She said the humanitarian crisis is worsening every day as the shortage of food and life saving medication is increasing. She said for this reason, it is important to acknowledge the past crimes to prevent it from happening again. She proclaimed this is a human rights issue that affects everyone. She stated many descendants of the 1915 Armenian Genocide are residents of Novi and now are watching their brothers and sisters facing another genocide. She said we need our city to stand up by our community in Novi during this difficult time for the Armenians in Novi and all over the world. She emphasized this proclamation is important, it is a reminder for all of us a calamity like this can happen anywhere.

CONSENT AGENDA REMOVALS AND APPROVALS:

CM 23-04-048 Moved by Casey, seconded by Thomas; MOTION CARRIED: 6-0

To approve the Consent Agenda as presented.

- A. Approve Minutes of:
 April 3, 2023 - Regular Meeting

- B. Approval of a Resolution to close Ten Mile Road from the Civic Center to Taft Road, and Taft Road from 10 Mile to south of Grand River Ave (26233 Taft Rd) for the Festival of Chariots from 11:30AM to 1:30PM on Sunday, July 23, 2023.
- C. Approval to award a sixty-three-month lease for multi-function copy equipment to Canon Solutions America through the OMNIA Partners National IPA cooperative purchasing agreement for \$17,410.92 annually. Subject to final review and approval of the contract form by the City Manager's Office and City Attorney.
- D. Approval of request for Pyrotechnics Display Permit by Brightmoor Christian Church to be operated by James Herr, on Tuesday, April 25 through Friday, April 28, 2023.
- E. Approval of Introduction of Ordinance 23-64.04, an ordinance to amend Chapter 2, Administration, Article V, Boards and Commissions, Division 2, Beautification Advisory Commission, Section 2-172., Composition. **SECOND READING.**
- F. Approval of a Resolution requesting that the State of Michigan Legislature/Governor include funding In the 2023 Budget for communities following pension best practices established by the State.
- G. Approval of a Resolution to close Meadowbrook Road from 25075 Meadowbrook to Ten Mile and close 10 Mile Road from Meadowbrook to Taft Rd for the 2023 Memorial Day Parade from 10:00 AM to 12 PM on Monday, May 29, 2023.
- H. Approval of claims and warrants – Warrant 1130

Roll call vote on CM 23-04-048

**Yeas: Casey, Fischer, Smith, Thomas, Gatt,
Staudt
Nays: None
Absent: Crawford**

MATTERS FOR COUNCIL ACTION:

- 1. Consideration of a request from Maples Hospitality, LLC for a new Class C quota license to be located at 31260 Wakefield Dr, Novi, MI 48377, and Agreement on the Prohibition on Profiteering by Class C Liquor License Holders.**

Interim City Manager Cardenas recalled that this applicant came before City Council back in December. He stated at that point, they were not ready yet for this request. They have been working with our City Staff diligently and Staff is recommending it now for approval as they have made significant progress with the County Health Department and other inspectors to get that in place for them to make a proper request as they are

right now. He believed the petitioner was present that evening and could answer any questions the City Council may have.

Mayor Gatt asked the petitioners to come down to the podium and mentioned if they wanted to address City Council they could, or they could just stand by for questions.

Member Fischer asked City Staff if they recalled the last time, we discussed this it did not feel like we were very far along in the planning stages, he asked Interim City Manager Cardenas if he or someone from Staff could come down and give a brief overview of what has transpired, for our consideration. Mr. Cardenas said Director Boulard was coming down to give an overview, as he mentioned earlier, due to the progress with the County and with the City Inspector, he said Director Boulard could explain it more eloquently. Member Fischer said where he was going with his question, as you know, we wanted to see some progress to make sure that the investments were being made, these liquor licenses we do not pick them off a tree, we get very few of them. He said we wanted to be very protective of them. He said we want to make sure that the license will stay in the community and that the investments are being made. He asked if he could address some of the concerns, they had the last time.

Community Development Director Boulard explained since these gentlemen were before you the last time, they have completed the design drawings for the kitchen fit out. He said those permit applications have been submitted and reviewed by the City and that work is underway. He stated they are currently working with our Planning team to address the rooftop screening, for the new rooftop unit that is being put on to feed the kitchen makeup air. He said they have gone through and gotten their approvals from the County Health Department and like the Community Development Department, the County would be ready to issue the approval as soon as the work is completed. He said they have made a lot of progress. Member Fischer thanked Mr. Boulard for the update. He asked if we were to approve this and given the process you are going through with the Building Department, when would you plan on opening. The petitioner responded that he hoped to open July 1st, if the liquor license transfers in time, July 1st was his opening day.

Member Fischer said his last question was for City Attorney Schultz. He felt like a broken record with this question. He said when we had in the past, an issuance of a liquor license, he recalled we wanted to rescind it when the Certificate of Occupancy never came through. He said this was on Novi Road in the downtown area. He asked if he could recall which liquor license he was talking about, and to help him understand what we can do to protect ourselves, if anything possible, in the instance where if something were to happen where they were not able to pen, in a year, six months, or 18 months, whatever condition we wanted to put on it if that is something we are able to do or not. City Attorney Schultz stated we are not able to put that kind of condition on it, we can avail ourselves of the State Lottery, you know, opportunities to ask the State to revoke the license and we can pass a motion to do so here at the local level. He said we do require this anti profiteering agreement in case you know that the applicant wants to turn around

and sell the license to someone else. He stated you must take a leap of faith with the applicant when you grant that in a Class C Liquor License a little different than a transfer.

Member Fischer said the process that we went through last time of trying to go through the State and doing that, it would be the same thing we would have to do here. Okay, he said he was very happy to see the investment being made. He stated there has been a lot of resident concern about what was going to go into that area, there were other potential uses being considered and brought forward before Council. He mentioned the residents in that area wanted it to remain a restaurant and golf course area. He was impressed with what has transpired since our last meeting, and he said he would be in support of this approval that evening.

Mayor Pro Tem Staudt said he has been getting reports from their friends at the Maples. He said you fixed the pool up nicely; they were happy with that. He commented that it sounds like you are getting ready, or you have already blacktopped your parking lot. The petitioner said they are getting ready for that, we just cleaned it up right now, but they are getting ready for the blacktop in the parking lot. Mayor Pro Tem Staudt said he what he has heard from City Staff, and residents there has all been positive, which meant most importantly that you took our message to heart and did the things that they asked, so he was going to recommend approval of the request.

CM 23-04-049 Moved by Staudt, seconded by Fischer; MOTION CARRIED: 6-0

Approval of the request from Maples Hospitality, LLC for a new Class C quota license to be located at 31260 Wakefield Dr, Novi, MI 48377 and Agreement on the Prohibition on Profiteering by Class C Liquor License Holders because the premises was previously occupied by a similar business licensed to sell alcohol and such use is not incompatible with other uses in the area, the existing use will continue and has not adversely affected surrounding uses, because the use provides for a unique dining experience not otherwise available in the immediate area which includes a public golf course and a pool, and because the applicant appears to qualify for a license under the City's ordinance.

Roll call vote on CM 23-04-049

**Yeas: Fischer Smith, Thomas, Gatt, Staudt,
Casey
Nays: None
Absent: Crawford**

- 2. Consideration of approval to award Garland/DBS, Inc. \$284,882 for the roof restoration at Fire Station 4 using a competitively bid contract pricing under the Master Intergovernmental Cooperative Purchasing Agreements and Omnia Partners Public Sector Agreements and amend the budget.**

CM 23-04-050 Moved by Casey, seconded by Thomas; MOTION CARRIED: 6-0

Approval to award Garland/DBS, Inc. \$284,882 for the roof restoration at Fire Station 4 using a competitively bid contract pricing under the Master Intergovernmental Cooperative Purchasing Agreements and Omnia Partners Public Sector Agreements and amend the budget.

Roll call vote on CM 23-04-050 **Yeas: Smith, Thomas, Gatt, Staudt, Casey, Fischer**
Nays: None
Absent: Crawford

- 3. Consideration of approval to award the construction contract to Cadillac Asphalt, LLC, the low bidder, for the Industrial Road Rehabilitation project, in the amount of \$2,223,748.76, and amend the budget.**

CM 23-04-051 **Moved by Casey, seconded by Thomas; MOTION CARRIED: 6-0**

Approval to award the construction contract to Cadillac Asphalt, LLC, the low bidder, for the Industrial Road Rehabilitation project, in the amount of \$2,223,748.76, and amend the budget.

Roll call vote on CM 23-04-051 **Yeas: Thomas, Gatt, Staudt, Casey, Fischer, Smith**
Nays: None
Absent: Crawford

- 4. Consideration of Zoning Ordinance Text Amendment 18.300 to update the Novi Site Plan and Development Manual in its entirety and to amend the Zoning Ordinance at Section 6, "General Provisions," Section 6.1, "Site Plan Review (All Districts)" to reference the updated 2023 version of the Site Plan and Development Manual. FIRST READING.**

CM 23-04-052 **Moved by Casey, seconded by Smith; MOTION CARRIED: 6-0**

Approval of Zoning Ordinance Text Amendment 18.300 to update the Novi Site Plan and Development Manual in its entirety and to amend the Zoning Ordinance at Section 6, "General Provisions," Section 6.1, "Site Plan Review (All Districts)" to reference the updated 2023 version of the Site Plan and Development Manual. FIRST READING

Roll call vote on CM 23-04-052 **Yeas: Gatt, Staudt, Casey, Fischer, Smith, Thomas**
Nays: None
Absent: Crawford

- 5. Consideration of approval of the final balancing change order and the final payment to D.V.M. Utilities, Inc. for the Nine Mile Sanitary Relief Sewer project, in the amount of \$113,204.29 and \$303,009.74, respectively, plus interest earned on retainage.**

Interim City Manager Cardenas commented that this is the final pay and then we are done.

CM 23-04-053 Moved by Thomas, seconded by Smith; MOTION CARRIED: 6-0

Approval of the final balancing change order and the final payment to D.V.M. Utilities, Inc. for the Nine Mile Sanitary Relief Sewer project, in the amount of \$113,204.29 and \$303,009.74, respectively, plus interest earned on retainage.

Roll call vote on CM 23-04-053 **Yeas: Staudt, Casey, Fischer, Smith, Thomas, Gatt,**
Nays: None
Absent: Crawford

- 6. Approval of resolution to authorize Budget Amendment #2023-4.**

Interim City Manager Cardenas said as he communicated with the Council that this has been revised to denote the expenditures for the storm limp pickup is now under the General Fund Balance instead of the Tree Fund as we sent out earlier last week.

CM 23-04-054 Moved by Smith, seconded by Fischer; MOTION CARRIED: 6-0

Approval of resolution to authorize Budget Amendment #2023-4

Roll call vote on CM 23-04-054 **Yeas: Casey, Fischer, Smith, Thomas, Gatt, Staudt**
Nays: None
Absent: Crawford

CONSENT AGENDA REMOVALS FOR COUNCIL ACTION: None

AUDIENCE COMMENT:

Joe Bertera, 130 Rexton, Novi in the Lake Wall Subdivision said he was there to talk about the Lakefront Protection Ordinance again. He said it was perfect that they were here talking about putting in a bar over at the Maples of Novi because that was part of his preparation for that evening. He stated the Lakefront Protection Ordinance, perhaps there was a day when this ordinance was needed in Novi. He said in 1986 when this new ordinance was written the City of Novi had 22,000 residents. He commented that it was not fully developed around Walled Lake. Now we are 37 years later, and 66,000 residents and everything is fully developed around Walled Lake at this point. He said maybe then

the ordinance was needed, but now, not so much due to the development that has happened. He said now the ordinance is trying to be used for something against our subdivision that it was not meant to be used for. He stated let's not forget history, there was a time in the United States where they passed prohibition in 1919, which was the same time our subdivision was platted. He said that eliminated all liquor sales in the United States. He said currently half of Novi is now bars, restaurants, and everything else that sells liquor, and that is part of what brings money into Novi, right. He said he was sure any one of you enjoy a glass of wine during dinner or drink with friends or whatever the case may be. He said eventually, the United States realized that the prohibition law was wrong, correct. He said it lasted for 13 or 14 years. He said all it did was bring in bootleggers and illegal sales and everything else. He said they repealed prohibition in the early 1930's. He said what they are asking for is for Council to repeal the Lakefront Protection Ordinance, or at least an amendment to grandfather in our 104-year-old subdivision, it just doesn't serve the purpose that it was supposed to, the City is fully developed. He said let's not forget the other history of the City of Novi, back in the early 2000's anybody who lived here, you would remember Sandstone. He said what a debacle that was where the City Council made a bunch of decisions. He said it ended costing the City \$70 million dollars and almost bankrupt this entire city in the early 2000's. He said it was based on decisions that the City Council made blocking roads, not getting it done. He stated they ended up giving 95 acres of land to satisfy this \$70 million dollar settlement. He said what he was saying is there needs to be an amendment to this ordinance to save our subdivision this to save their property values. He said you know, there are times for certain things in history, and there are times for them to be taken away, just like prohibition was taken away. He said this ordinance needs to be amended or repealed for residents that have been here this long.

COMMITTEE REPORTS: None

MAYOR AND COUNCIL ISSUES:

Member Fischer added "Residential Zoning Ordinance" to Mayor and Council Issues. He said he would keep it brief or try too anyway. He mentioned he has been contacted by a resident who has had some issues in their subdivision where it appears that there are businesses being run out of homes, and it appears that there are quite a few cars being parked in the area. He said you know, as usual, he turns those types of requests over to the City Staff as they are the best to handle those. He thought that process is still ongoing, but he thought that the time is prudent for in this situation for this to be referred to the Ordinance Review Committee, jut to take a look at, you know, what does our current ordinance talk about as far as businesses and what can be allowed in a residential area, as well as some of the parking, maybe benchmark some of the other cities and see what they do in these similar regards.

CM 23-04-055 Moved by Fischer, seconded by Casey; MOTION CARRIED: 6-0

To direct City Staff and the City Attorney to review businesses operating from residential homes and have the Ordinance Review

Committee review the topic to determine if any ordinances needed to be amended.

Mayor Pro Tem Staudt commented that one of the things as a Homeowners Association officer is that many of the Homeowners Associations have covenants that also deal with these issues. He said one of them is the one he was most familiar with was Village Oaks, where he lives. He stated there are specific prohibitions about having commercial vehicles parked for any period. He said it may be a combination of things, not only what we can do as a city, but also what Homeowners Associations can do and letting them know what the process to do that is, so he was very interested in hearing this discussion.

Roll call vote on CM 23-04-055

**Yeas: Fischer, Smith, Thomas, Gatt, Staudt,
Casey
Nays: None
Absent: Crawford**

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 7:33 P.M.

Cortney Hanson, City Clerk

Robert J. Gatt, Mayor

Transcribed by Deborah S. Aubry

Date approved: May 8, 2023