

REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
DRAFT – MONDAY, JUNE 4, 2007 AT 7:00 P.M.
COUNCIL CHAMBERS – NOVI CIVIC CENTER – 45175 W. TEN MILE ROAD
www.cityofnovi.org

Mayor Landry called the meeting to order at 7:10 P.M.

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Landry, Mayor Pro Tem Capello, Council Members Gatt, Margolis, Mutch, Nagy, Paul

ALSO PRESENT: Clay Pearson, City Manager
Pamela Antil, Assistant City Manager
Tom Schultz, City Attorney
Benny McCusker, Director of Public Works
Kathy Smith-Roy, Finance Director

APPROVAL OF AGENDA

CM-07-06-106 Moved by Gatt, seconded by Margolis; **CARRIED UNANIMOUSLY:**
To approve the agenda as presented.

Voice vote

PRESENTATIONS - None

REPORTS

SPECIAL/COMMITTEE - None

CITY MANAGER

Mr. Pearson introduced Asan Imamov and Dimitar Petrushev, interns from the Republic of Bulgaria, who were spending three weeks in Novi as interns but both had graduate degrees and were economic development professionals in their home communities. Mr. Pearson said they had enjoyed hosting them and they had been working and job shadowing some of the staff and working closely with the EDC. He thanked Singh Development for providing their apartment and the Novi EDC for providing their transportation.

Mr. Petrushev said he was pleased to be present and that his municipality was about 40,000 sq. miles with about 70,000 people. He said they were in the beginning of their economic development and during these three weeks they would learn many things about the EDC in the USA. He hoped to do the same things when he went back to Bulgaria. He said they wanted to help their local businesses to grow and were looking for core investors. They also wanted to have marketing power, international fairs and to help their private companies work with European Union which had many programs and gave money for many things. He said they had received \$15 billion over the last 5 years and they worked very hard to get that money. He said he looked for very good things and hoped that this was not their last visit to the USA, and he would like to come

back every year because they needed to be good at EDC like America. Mayor Landry said Novi was very pleased they were in Novi and were very happy to host them. He advised them that the Council meeting would be broadcast on the World Wide Web and gave them the opportunity to speak in their native tongue to their families at home. Mr. Petrushev declined and thanked the Council for the opportunity.

Mr. Imamov was also from a small municipality and had a Master Degree in Economic Management from Southwest University in Bulgaria. As a part of his obligation he was to attract new investment and to create a positive image for his municipality as a good place for business. He said their membership in the European Union was very important because they expected a lot of money and he knew that with the money they could prepare good projects. He hoped their visit to Novi would help them be more inventive and help them in their beginning.

DEPARTMENTAL

Moose completes K-9 training – Officer Penzak, handler

Chief Molloy introduced Officer Sean Penzak and the department's second canine, Moose. He said they were very proud of everything that Officer Penzak had done. He noted Officer Penzak was a three year veteran of the Novi Police Department and last year he purchased Moose on his own and had spent over 900 hours of training in the past year. Chief Molloy said Moose was certified in canine tracking where he could track missing children and suspects and also in age tracking where he could determine a 10, 20, or 60 minute old track. Moose was also trained and certified in the detection of Marijuana, Heroin, cocaine, and other controlled substances.

Chief Molloy said most importantly he was also certified and trained in "Handler Protection." In the event Officer Penzak was ever in danger or needed assistance, Moose was trained to assist him.

Chief Molloy said the dogs also provided a wonderful community relations benefit by performing K-9 demonstrations at local schools and community events. He thanked Officer Penzak for all the work he had put into this and welcomed Moose to the Novi Police Department.

Leader's Academy

Mr. Pearson said they were halfway through the Leader's Academy, which was something that the Business and Neighborhood Affairs group had put together. He said it was a series of community lectures, and orientations and this Thursday, June 7th at 6:30 P.M., Dr. Mike Montico would be conducting "Nutrition for a Healthy Summer and Beyond" in Council Chambers. Dr. Montico was a community resident and a doctor on staff at Providence Hospital. Mr. Pearson said this program didn't require pre-registration, was free and was part of a continuing community education awareness of different facets of Novi life.

ATTORNEY – None

AUDIENCE PARTICIPATION - None

CONSENT AGENDA REMOVALS AND APPROVALS (See items A-M)

Mayor Pro Tem Capello removed Item I from the Consent Agenda.

CM-07-06-107 Moved by Margolis, seconded by Nagy; CARRIED UNANIMOUSLY: To approve the Consent Agenda as presented.

**Roll call vote on CM-07-06-107 Yeas: Landry, Capello, Gatt, Margolis, Mutch, Nagy, Paul
Nays: None**

- A. Approve Minutes of:
 - 1. May 14, 2007 – Regular meeting
- B. Enter Executive Session immediately following the regular meeting of June 4, 2007 in the Council Annex for the purpose of discussing pending litigation and privileged correspondence from legal counsel.
- C. Approval of resolution vacating City interests, including any highway or right-of-way interests, in property at the intersection of West Lake Drive and South Lake Court.
- D. Approval of a Resolution adopting the National Incident Management System (NIMS) as the City standard for Incident Management.
- E. Approval to extend the Towing Contract for one (1) twelve (12) month period, 2nd renewal, at the current pricing under the same terms and conditions with Keford Collision and Varsity Towing.
- F. Approval of the Right of Access to Maintain Private Sanitary Sewer System Agreement as part of the privately funded Cottisford Drive sanitary sewer extension project.
- G. Adoption of license agreement forms for placement of signage or other structures in City rights-of-way, for use by the City Engineer pursuant to Ordinance 06-157.03 authorizing administrative approval of such agreements.
- H. Approval of the final balancing change order and final payment to Commercial Contracting Corporation for the Eleven Mile Road Pathways Phase II project (north side of Eleven Mile between Beck and Wixom Roads, and gaps east of Beck Road on the south side of Eleven Mile) in the amount of \$13,637.62.
- J. Award contract for cross-training of Community Development Department staff (planning and building) to Management Partners, Inc. in the amount of \$24,250.
- K. Approval of the request from Sean Hurwitz, D&S Construction, LLC, applicant for Brockdale Estates, for a variance from Section 11-276(a) that requires a sidewalk on both sides of public and private streets in unplatted areas of the City. The applicant is proposing a six-

unit attached single family residential condominium using the City's One-Family Clustering Option to be located on the west side of Novi Road between Thirteen Mile and Fourteen Mile Roads.

- L. Approval to purchase "loose" accessory equipment from R & R Fire Truck Repair for the new fire engine in the amount of \$34,816.45.
- M. Approval of Claims and Accounts – Warrant No. 746

MATTERS FOR COUNCIL ACTION – PART I

1. Approval of Resolution for Library Bond Construction (cost of replacing the existing library building) proposal; set ballot proposal for November 6, 2007 General Election.

Mark Sturing was present representing the Library Board, and said the item on the agenda pertaining to the Novi Library Bond was a request to be placed on the November 6, 2007 ballot, and would authorize the City of Novi to issue bonds not to exceed \$16 million to build a new library building on the existing library property. He said this request and recommendation was unanimously adopted by the Library Board on May 16, 2007.

Mr. Sturing said on May 16, 2007 the Library Board voted to proceed with the plans for the following reasons. 1) It would enable the building to achieve some level of lead recognition. 2) It would allow and improve the site lines between the Novi High School and the Library recognizing the common goals and users of the Library and the Novi schools. 3) To save the cost of an additional temporary move which could have exceeded a half million dollars and to use those savings for more critical items within the new building. 4) Improve the traffic flow and the parking between the Library, High School and City Hall. 5) A new Library building would be more efficiently designed, last longer and permit an improved drive up book drop off. 6) The most important reason that this was an improved plan was because during construction the existing Library building would be able to continue normal operations with normal staff and without major disruption. It would provide the same high level of services that the residents and library users were used to. Mr. Sturing said by building a new library at a cost no greater than the renovated Library on the existing property the library and the Novi tax payers avoid the significant cost of relocating to a temporary facility or moving around the library in staged moves, which was also very costly. Mr. Sturing said by building a new library at a cost no greater than the renovated library on the existing property the Library and the Novi taxpayers avoided the significant cost and disruption.

Mr. Sturing said the improved plans would continue to improve and become more detailed as they proceeded through a very public process with input from the public, Novi School Board, Planning Commission, City Council and others. They believed, at the Library Board, that they should spend limited funds before the election to fully educate and inform the public on exactly what was being proposed but not to spend significant funds for full and final plans and specifications until the voters had spoken on this issue. He said they believed that these improved plans would address their mission of growing with the community. When a brief survey was taken of the community earlier this year approximately 72% of the respondents indicated that the existing Library facility

should be replaced. When asked whether they would pay for it 78% of the respondents indicated they would financially support the replacement of the existing library facilities with a modest tax increase of approximately \$34.00 for a home valued at \$220,000 or .33 of a mil. Mr. Sturing said he was happy to report tonight that when the number crunchers, like Kathy Smith-Roy and Bob Bendzinski, took into consideration a bond amount of \$16 million currently projected interest rates and tax growth rates the above millage increase for a new library would only average .26 of a mil. The proposed average millage increase on the proposed ballot was only .26 of a mil and a new survey would probably indicate even greater support.

Mr. Sturing noted that the Council had the ability to lower other millages such as the Drainage Bonds so that if the voters approved this ballot there would be no overall increase in property taxes. He said this would be wonderful and it would be highly encouraged if there could be some offsetting decrease in other millages, so that the overall millage to the taxpayers for all City and Library services did not exceed 10.5416 mils, if the proposal was adopted and approved.

Mr. Sturing thanked the Walker family, residents of Novi, and donors to the Walker Fund that had enabled the Library to fund some of the design and preliminary cost incurred to date, and further modified the Walker Fund agreement to add support for a ballot and bond proposal of the type presented tonight. Mr. Sturing said the Library Board respectfully recommended and requested that Council approve the ballot language proposal.

Mr. Sturing, private citizen, said no taxpayer dollars could or would be spent on a campaign to vote in favor of a ballot proposal. However, a number of private individuals and businesses had come together to support the ballot proposal, if placed on the ballot in November. He said they had formed a committee called the Novi Library 2007 and everyone would be hearing and seeing more from them. He commented they would seek private donations which could be sent to Novi Library 2007, 22631 Foxmoor Dr., Novi, Michigan 48374. Mr. Sturing thanked everyone for their past, present and future support.

**CM-07-06-108 Moved by Nagy, seconded by Margolis; CARRIED UNANIMOUSLY:
To approve Resolution for Library Bond Construction (cost of
replacing the existing library building) proposal; set ballot
proposal for November 6, 2007 General Election.**

DISCUSSION

Member Mutch asked Mr. Schultz to outline what would take place between this motion and the actual vote.

Mr. Schultz said at this point it became a matter of enhancing the drawings, and getting an educational campaign going. The actual work to make sure everything was in place for the November Ballet Proposal would be done through Miller Canfield.

Mr. McGow, Miller Canfield, was present as Bond Counsel to the City on the project. He said the Library had taken its actions and deliberations related to the recommendation, and the action item tonight would be the final action by the City Council in connection with placing it on the ballot. Mr.

McGow said the resolution would direct the City Clerk to take the necessary actions to publish the appropriate notices of election and last day of registration. He said if approved by the voters in November, the necessary contracts would be drawn up related to design, plan, specs and documents related to the official statement for the bonds. Then it would come back to the Council next year if approved by the voters, to actually adopt a resolution authorizing the issuance of the bonds, and moving forward with the project.

Mr. Schultz said what Council had already done through the hiring of the Bendzinski firm and Mr. McGow's firm went along with what the Library Board had done, and was all that was needed to get it before the voters. If it passed, there would be a number of things that would happen after that including the letting of construction contracts, determining whether or not there would be a construction manager and who would shepherd the project through to actual construction.

Member Mutch asked if the language on the resolution was the language that would appear on the ballot. Mr. McGow said yes, they drafted the language based on discussions with the Library Board as to the project. He said it also included all the required items according to Michigan Law that needed to be in a ballot issue of this type. This resolution was how it would appear on the ballot and contained the estimated millage impact as required by Michigan Law.

Member Mutch said timing in terms of the issuance of the bonds, assuming this was approved in November, would that occur within a timeframe that the millage to start paying for those bonds would actually be levied on the 2008-2009 City millage? Mr. McGow said exactly, it was expected that if approved by voters in November, they would have until June 2008 to issue the bonds in order for it to be put on the July 2008 tax bill that would go out to the voters. He said the projection was May 1st but the timing on that could vary depending on when numbers were available, etc. Member Mutch asked if the cost related to issuing the bonds, and some of the work Mr. McGow would do prior to that happening would come out of the proceeds of the bonds. Mr. McGow said the bond proceeds were expected to pay for all issuance costs related to the bonds, preliminary architectural, legal and other costs incurred prior to the issuance of the bonds.

Member Mutch said one of the items discussed at previous meetings was the size of the building. He said they were still requesting the \$16 million amount but were taking a different approach; instead of adding on they would build new. He asked what size building they would be able to build with this amount. Mr. Sturing said they were still estimating a building that would be approximately 60,000 sq. ft. He said if a brand new building was built as opposed to renovating a building there was some efficiency that could be built in because they would not be in a forced layout. He said perhaps a brand new building of 57,000 or 58,000 sq. ft. would deliver the same amount of library usable space in a more efficient way. He said they were setting the \$16 million amount and would try to be as close to 60,000 sq. ft. as possible but it might be a little more or less. He said the architects had not done that work yet. Member Mutch said there had been discussion about it being a single story building with the ability to go up in the future. He asked what the plan was with a new building. Mr. McGow said the plan was exactly the same. It was 60,000 sq. ft. single story, however when building completely new it really made it easier to design it for a second story later on if it needed to be larger.

Member Mutch asked what had changed from when they were before Council last time and talking about the renovation versus this proposal. Mr. McGow said they have had very positive discussions with the school administration in terms of whether they would work with them and allow some access to parking, and those discussions had led to these changes in the plan. He said discussions with the school administration would continue with the school board. He commented that they believed that the discussions with the school administration had given them some flexibility in regard to parking they didn't have otherwise. Member Mutch questioned the language that the board approved in that they specifically limited the building to the existing site. He asked for their thoughts on why they did that versus a more general statement that if they had to build at a different location, they would have that option. Mr. McGow said they took it because they wanted the language to be general enough that it would give them whatever flexibility they wanted, but at the same time they wanted it to be specific enough so that when the voters voted they knew exactly what they were talking about. They didn't want any confusion with the voters that it was a building located somewhere else. It would be located on the existing Library property.

Mayor Pro Tem Capello asked when the board would ask for proposals to hire an architectural firm. Mr. McGow said they had asked Plante Moran to put together a bid proposal package that architects could bid on, and they had begun that process with existing library and Walker funds. He said hiring an architect would ultimately be funded out of bond proceeds so the Council would have to be involved in that process. Mayor Pro Tem Capello asked if anyone from the board contacted the City of Wyoming to get some referrals. Mr. McGow replied they had all that information and they were on the list of architects to be considered and to solicit that information from.

Member Margolis said she was thrilled and pleased to be able to vote yes on the proposal; she felt this was the time for a new library. She said the polls and surveys that had been done really spoke to the community and the consensus that she heard when talking to residents that this really was the time for Novi to have a library that reflected the community. She said she had been following this whole process and the idea that they could build a new building on that site in about the same square footage and the cost really attested to the work of the board in working through this process. She also wanted to thank the school district for their flexibility in allowing the parking because that was part of the issue. She said they could sign her up as a private citizen for that committee and she would be happy to be a part of it. Member Margolis said she had a question regarding the issue of the bond funds and the City's and the Library Board's responsibility for oversight of those bond funds in this whole building process. She suggested they ask the staff to do more research on this whole process and come back to Council with a little more in depth information regarding what some of the steps were they could take in terms of moving forward with the request for proposals should the bond pass. Member Margolis said they had background information that talked about this interrelationship. The City was putting their full faith behind these bonds and assuring that the City had some fiduciary responsibility and they had to be sure that the City was following up and using due process in what happened with the building. She also thought the City really had a great deal of expertise, staff and processes that could be put behind this process as they moved forward with construction. She asked the staff to provide the information on how to move forward with that process in advance of the November election.

Mr. Pearson thought that was appropriate and it might be a little sooner than that. He said the Library Board wanted to be in a position to move quickly and take advantage of prices and so forth. He said it sounded like there was consensus they had dedicated themselves to work with the board and staff to drop the option. He said it was Council's money but it could be delegated out in any number of ways. Member Margolis said she would be looking at what they could do to cover the fiduciary responsibility because it was money the City was collecting. Yet, she said, using the expertise of the Library Board and staff to really be a part of that whole design process. She said she was not suggesting that the City take over that but that they use the processes in the City to make sure things were done appropriately.

Member Paul asked why they wanted to wait until November to hire a director. Mr. Sturing said they had a search firm and committee and the search firm had recommended three qualified candidates. He was happy to say that one of those candidates was operating the library as the acting director. He said two of the candidates recommended withdrew for personal reasons. He noted it would take about 6 to 8 weeks to re-advertise in the Library magazines and to go back out and would bring them to just about the time of the election. He said also, some of the candidates might make a decision one way or the other depending on whether the ballot passed or not in terms of their interest in coming to Novi. He said they might have that best candidate in their midst now but they were a public body and felt to do their fiduciary duty they needed to interview at least three candidates. Member Paul was concerned that it wasn't accomplished as she felt it helped to have and announce a director. She said then that person would help spearhead the library. She said she was very much in support of the new library but was very concerned that the director would be someone the public would want to address their questions and concerns to. Although, there were many people in the Library who were very qualified and hard working to answer those questions, especially the acting director. However, just the image of not having that decision made was a concern to her. She hoped it wouldn't affect people's trust and what would happen with the ballot and the \$16 million.

Member Paul asked if this would be publicized so that they would be interviewing right after the election. Mr. Sturing said that would be ready to go as reasonably soon as possible after the election.

Member Gatt thanked Mr. Sturing and the Library Board for their hard work. He said he was very pleased to learn that they would be building new and thought it was a better use of taxpayer funds. He asked what the opening day of the new library would be. Mr. Sturing said they were trying to do some preliminary work before the election, and hoped to make those final selections shortly after the election, assuming it was a favorable result. He commented they hoped to have their building permit in the summer of next year as they believed if they could have the summer of 2008 and 2009 and the winter months in between, they should be able to have the grand opening before the end of 2009.

Mayor Pro Tem Capello thought Member Margolis had a good idea when she asked the administration to start to figure out the process of the bonding, construction and the approval process. He thought that the administration should contact the Library Board and get some input from them because he didn't see them having a difference of opinion on how that would be handled.

Mayor Landry thought it was a wonderful proposal and that the prospect of the new library was very exciting and sorely needed. He thought it was one of the most exciting things on the horizon for Novi. Mayor Landry commented that he had read something in the materials and heard something tonight that he thought was huge and thought the public needed to understand. He asked if it was possible if the bond passed that because of the fiscal position of the City, the millage rate of 10.5416 would remain the same and it would not mean an increase in taxes. Ms. Smith-Roy said he was correct, and she couldn't speak for City Council who would be approving the resolution next May, but the City was in a position financially and administratively to make that recommendation. Mayor Landry said then that was a possibility, and she responded it was.

Roll call vote on CM-07-06-108 **Yeas: Capello, Gatt, Margolis, Mutch, Nagy, Paul, Landry**
Nays: None

2. **Consideration of request from Nordstrom, Inc. to transfer ownership of 2007 Class C Licensed Business, located in escrow at 2869 N. Pontiac Trail, Walled Lake, MI 48390, Commerce Township, Oakland County, from Eldorado #1, Inc. to Nordstrom, Inc. (a Washington Corporation); transfer location (governmental unit) (MCL 436.1531(1) to Twelve Oaks Mall, 27640 Novi Road, Novi, MI 48375, Oakland County; and transfer classification to a tavern license.**

CM-07-06-109 **Moved by Nagy, seconded by Gatt; CARRIED UNANIMOUSLY:**
To approve request from Nordstrom, Inc. to transfer ownership of Class C Licensed Business, located in escrow at 2869 N. Pontiac Trail, Walled Lake, MI 48390, Commerce Township, Oakland County, from Eldorado #1, Inc. to Nordstrom, Inc. (a Washington Corporation); transfer location (governmental unit) (MCL 436.1531(1) to Twelve Oaks Mall, 27640 Novi Road, Novi, MI 48375, Oakland County; and transfer classification to a tavern license.

Roll call vote on CM-07-06-109 **Yeas: Gatt, Margolis, Mutch, Nagy, Paul, Landry, Capello**
Nays: None

3. **Consideration of the request of HHT Devco, LLC for Preliminary Site Plan Phase 3 approval for modifications to allow a new driveway entrance on Donelson Drive at the existing Twelve Mile Crossing at Fountain Walk shopping center. The property is located west of Novi Road between I-96 and Twelve Mile Road in Section 15 in the RC, Regional Center District. The plan adds an entrance from Donelson Drive, modifies the parking lot and landscaping, adds three entrance structures and provides a pedestrian connection to Donelson Drive.**

Bruce Reid of Arthur Hill and Company was present. He said the City staff reviewed a proposal and engineering drawings for an entrance to be created where one would have been expected, which was where West Oaks presently T junctioned with the east boundary of Twelve Mile

Crossing at Fountain Walk. The plans that were submitted and had been reviewed would allow them to bring a road into Twelve Mile Crossing at that point. He said there was already a signal there and it would be reprogrammed and the turning motions, etc. had been reviewed by traffic engineers. Mr. Reid said this seemed to be a fairly obvious change to make to the infrastructure of the project to make it more inviting, easier to get into and out of. He said West Oaks was a thoroughfare for retail from Novi Road to their project and would make it easier for people to get in and out.

Mr. Reid said there were a fair amount of grade changes that had been addressed and were being resolved. He said it was a fairly expensive undertaking because there were utilities that run in the area of the east boundary. Mr. Reid showed Council, on the overhead, the boulevard that would exist on their property as it's entered from Donelson Drive. The colors were exaggerated to show the differences in materials because they were trying to tone down the festival color scheme, so these were not the real life colors but were to show a treatment to the entry driveway. He said the drive bent to the north because there was a building due west of the entrance so this road needed to curve to pass by the front of the building, which would then lead to an intersection at the point where the south drive would meet the new east/west road. Mr. Reid said they would end up with sort of a cruciform land use in the project. Mr. Reid said the engineers were present to answer any questions they had and he asked for Council's consent to proceed with the work.

CM-07-06-110 **Moved by Capello, seconded by Nagy; CARRIED UNANIMOUSLY:**
To approve request of HHT Devco, LLC for Preliminary Site Plan Phase 3 approval for modifications to allow a new driveway entrance on Donelson Drive at the existing Twelve Mile Crossing at Fountain Walk shopping center. The property is located west of Novi Road between I-96 and Twelve Mile Road in Section 15 in the RC, Regional Center District. The plan adds an entrance from Donelson Drive, modifies the parking lot and landscaping, adds three entrance structures and provides a pedestrian connection to Donelson Drive.

Roll call vote on CM-07-06-110 **Yeas: Margolis, Mutch, Nagy, Paul, Landry, Capello, Gatt**
Nays: None

Mayor Landry asked Mr. Reid what the anticipated completion date was for the construction going on now, the fountains being removed and the roadway going through. Mr. Reid said towards the latter part of June. The heavy rain storms occurred each day they had a concrete pour scheduled so they had been thrown off schedule by about a week.

AUDIENCE PARTICIPATION – None

MATTERS FOR COUNCIL ACTION – Part II

- 4. Consideration of referral of proposed amendments to the temporary outdoor sales provisions of the Zoning Ordinance to the Planning Commission for review and recommendation.**

**CM-07-06-111 Moved by Nagy, seconded by Paul; CARRIED UNANIMOUSLY:
To approve referral of proposed amendments to the temporary
outdoor sales provisions of the Zoning Ordinance to the Planning
Commission for review and recommendation.**

DISCUSSION

Mayor Pro Tem Capello asked if it was anticipated that home offices and home businesses were covered. Mr. Schultz replied certainly not contemplated in this proposed amendment. If the broader question was would a home office be required under the Business Registration, he would think they would read the ordinance that way. Mayor Pro Tem Capello asked if there was a way to clarify that, as he would assume so also. Mr. Schultz said OK. Mayor Pro Tem Capello asked why they had business, and then particularly spelled out manufacturing business. Mr. Schultz said they would be happy to look at the whole provision as there were a number of definitions that weren't fully included and they would be glad to look at the whole thing.

Member Mutch commented that he had raised this question at Mayor and Council and the changes brought forward were exactly what he was looking for. The language, until they find the next loophole, would take care of a lot of the issues they had been discussing.

**Roll call vote on CM-07-06-111 Yeas: Mutch, Nagy, Paul, Landry, Capello,
Gatt, Margolis
Nays: None**

- 5. Approval to award a contract for design and construction engineering services for the Hudson Sanitary Pump Station Improvement project to Stantec, Inc. for a not-to-exceed design fee of \$9,000 and a construction engineering fee equal to a fixed 14.5% of construction cost (estimated to be \$19,575) for a total of \$28,575.**

**CM-07-06-112 Moved by Nagy, seconded by Margolis; CARRIED UNANIMOUSLY:
To approve award of a contract for design and construction
engineering services for the Hudson Sanitary Pump Station
Improvement project to Stantec, Inc. for a not-to-exceed design fee
of \$9,000 and a construction engineering fee equal to a fixed 14.5%
of construction cost (estimated to be \$19,575) for a total of \$28,575.**

DISCUSSION

Mayor Pro Tem Capello said since, in this economy, engineers were suffering for work why were they still paying a 14.5% fee for construction costs. He assumed it should be much lower. He

asked if in the future, they could write in the RFP's that their proposed fees shall not be greater than 11.5% or 12%.

Mr. Pearson thought they would have to look at each case. He said some of the firms were building in a higher proportion of their costs on the front end with the construction versus the construction management on the back end. Therefore, when those two were totaled they would be able to see how closely those were arrayed. He suggested they would have to look at them together rather than just pick out the construction management portion of it.

Mayor Pro Tem Capello said he remembered when they went through that before that there was a different variance, but 14.5% seemed high.

Member Paul asked why Stantec was picked at 14.5% when there were companies that were far lower and were fixed construction costs. Mr. Pearson responded they had to look at the total estimated fee because totaled together Stantec was definitely in the same range as they were all very tightly arrayed. He said they had to look at the projects as a whole and make sure the companies were putting in the design effort on the front end so they were not suffering on the construction end. He said the percentage would be what it would be in terms of what the actual construction was. This method was trying to judge and score the firms based on both the design effort at the front and the construction management. Mr. Pearson said if they looked at the total estimated fees, they would see they were so closely arrayed that they had to look at the qualifications, availability and experience, and that was why they came with a recommendation for Stantec on this particular project.

Member Paul believed Mayor Pro Tem Capello had a good point that engineering companies were hurting for business. She suggested there might be a way to look at decreasing the fixed cost even comparing with the other numbers they had looked at.

Roll call vote on CM-07-06-112 **Yeas: Nagy, Paul, Landry, Capello, Gatt,
Margolis, Mutch**
Nays: None

6. Approval to purchase Hot Asphalt from Cadillac Asphalt in the amount of \$126,360.80 for paving work on Novi Road between Twelve and Thirteen Mile Roads (\$76,787.10), portions of Donelson Drive (\$29,573.70) and miscellaneous locations needing repairs (\$20,000.00).

CM-07-06-113 **Moved by Paul, seconded by Nagy; CARRIED UNANIMOUSLY:
To approve to purchase Hot Asphalt from Cadillac Asphalt in the amount of \$126,360.80 for paving work on Novi Road between Twelve and Thirteen Mile Roads (\$76,787.10), portions of Donelson Drive (\$29,573.70) and miscellaneous locations needing repairs (\$20,000.00).**

DISCUSSION

Member Mutch asked why this kind of work wasn't bid out as a project and why this was done by the City. Mr. Pearson said they have had good experience with this, and used Beck Road as an example. He said the City was able to do it and they could get a year or two worth of life out of this method as it was not a total reconstruction. He said they could look at doing that but with the workload and other things they definitely felt they could take this on. He said they would probably have to pay a premium for a small amount of work even though it was a large amount of material. He commented it didn't fall into the same scale as neighborhood road reconstruction.

Member Mutch appreciated the fact that City employees could do this and obviously there were small projects that it wouldn't make sense for someone to bid on it. However, 9,000 feet on Novi Road sounded like a significant project to him with an expenditure of \$76,000. He said if City employees, with the cost built in, could do it cheaper that's great but in the future he thought projects like this should be built into larger paving contracts. He suggested having an amount set aside for smaller projects so they could be included where this could be bid out. If for nothing else, just to see that it was cheaper to do it in house. He said he had to approve this without having a good comparison of whether this was the best price, the best way to do it, and the best way to utilize staff during a time of day that was pretty intense in terms of work that needed to be done.

Mr. Pearson said Member Mutch's point was well taken. However, they did get competitive quotes for the materials that anyone else would have to use. He said there would have to be a value judgment of having staff oversee the work, design the specs so it could be bid, and all of those things were factored in. He said they definitely felt comfortable on this scale, it would not be one entire stretch of Novi road; it was scattered locations where the failures had been. He said that was the recommendation of the department. In this case, they forwarded and supported it using those same competitive bids for the materials the City could do the labor to apply it.

Member Nagy asked how they determined the scattered locations for repair. She said there was a gigantic hole in the asphalt on Village Wood Road west of Haggerty, and the residents wanted to know if that would be a part of the miscellaneous repairs. Mr. McCusker said most of these areas were not areas that would be covered by the road programs because there wasn't enough money to extend that far. He said cold patch was probably three times more costly than hot asphalt. He said they spend so much time sending trucks out to individually to do pot holes it was cheaper to mill it out, put hot asphalt down, and roll it into place. He said they knew Novi Road was not scheduled for another two years and would probably be a \$2 million project, if funds were available. He noted they did Beck Road 2 ½ years ago but spent so much time out there that they would probably spend half the amount of time on equipment, time going out there, and the cost of cold versus hot patch once they do a simple overlay on it. He said there was a genuine savings for them to go out and do an overlay and let it hold up for 2 to 4 years waiting for the larger dollars to come in on a capital project.

Member Nagy asked if she needed to report to him personally about the mentioned pot hole. Mr. McCusker said it was on the list and there were a number of locations that they knew were so far

out that they probably wouldn't get taken care of for 2 or 3 years. He said they would stay in place for the 2 or 3 years waiting for the road programs to catch up to them.

Roll call vote on CM-07-06-113

**Yeas: Paul, Landry, Capello, Gatt, Margolis,
Mutch, Nagy**

Nays: None

7. Consideration of Zoning Ordinance Text Amendment 18.216, the request of Jonathan Brateman, 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 9, NCC, Non Center Commercial, to permit instructional facilities. First Reading

Jonathan Brateman said there were three issues to consider when making a text amendment change. They were what was the original intent and spirit of the ordinance and was the change consistent with that. What was the impact of the change on the community in terms of its scope and what was the impact on the community going to be in terms of content. He said they were talking about a small area in the community from Karim Blvd. west of Haggerty to Meadowbrook. He said there were dance studios allowed in the original ordinance and an instructional center teaching math or a foreign language was not that far of a stretch. He said if looking in the office section of the ordinance, having a sales office involved in instruction about stocks to promote, etc., it wasn't a big change from that to teaching language, etc. He said the ordinance provided for uses similar to the above so he thought they were acting within the spirit of the ordinance. He said regarding the impact, he had shown Council that there were very few parcels involved, and regarding the content they were looking to increase the educational level of the community. He felt it was consistent with the original intent and spirit of the ordinance and the impact was small and good because they were promoting education. He appreciated the support to change the ordinance from City staff. He said they had looked at other items that dealt with limited daycare but it was not of primary interest to them now. He said they wanted to be consistent with what the City was recommending and would appreciate Council's support.

Member Gatt said he noticed that they would be approving a daycare operation of fewer than 30 children at any given time with no child staying more than 4.5 hours. Mr. Brateman said that was something they had requested but the City staff felt it was something they didn't want to change because it would cover the whole corridor. He said they would prefer, if they did need to address that type of change, to come in for Special Land Use just for that individual site. He said traditional daycare was allowed in the NCC in which case there would have to be an accessory facility to this. He said what they were looking for was limited daycare with an accessory facility, and they were withdrawing that request.

CM-07-06-114

**Moved by Gatt, seconded by Capello; CARRIED UNANIMOUSLY:
Zoning Ordinance Text Amendment 18.216, the request of
Jonathan Brateman, to amend Appendix A of the City of Novi Code
ordinances, Ordinance 97-18, as amended, known as the City of
Novi Zoning Ordinance, at Article 9, NCC, Non Center Commercial, to
permit instructional facilities. First Reading**

Member Gatt asked the City staff to send him information in an off week packet regarding why they wouldn't honor Mr. Brateman's request for a limited daycare center. He didn't see it as being far off of any of the restrictions presently in place.

Mayor Pro Tem Capello asked Member Gatt if what he was approving was the administration's recommendation of the reading which had the Subsection 7 Instructional Centers, etc. Member Gatt said he was.

Mayor Landry said he was also asking for an off week packet update on what the daycare ordinances were and how they affected this property.

Mayor Pro Tem Capello asked Mr. Schultz if there was any reason a first and second reading couldn't be done at the same time, if they could agree on the language.

Mr. Schultz said they had to be done at two different meetings unless it was an emergency and this would not fit that criterion. Mayor Pro Tem Capello thought they had done this in the past, and Mr. Schultz said just for an emergency and not for a text amendment.

Member Nagy said she was on the Implementation Committee and they had worked on this ordinance for months and Ms. McBeth had compared it to other cities. She said she would support the motion but thought Ms. McBeth might want to indicate some of the reasons this ordinance was written the way it was.

Roll call vote on CM-07-06-114 **Yeas: Landry, Capello, Gatt, Margolis, Mutch, Nagy, Paul**
Nays: None

8. Approval of Proposed Water & Sewer Rate Resolutions for 2007-2008.

CM-07-06-115 **Moved by Nagy, seconded by Margolis; CARRIED NANIMOUSLY:**
To approve Proposed Water & Sewer Rate Resolutions for 2007-2008.

DISCUSSION

Mayor Landry said Council didn't have a lot of choice in this matter. Mr. Pearson said Mayor Landry was correct. He said they had extensive background to illustrate that this was a pass through. The City bought its water services at a bulk rate from Detroit Water and Sewer and they were passing that through. He said it would not make sense to try and absorb it any other way. He said although the percentage was higher than typically seen with the cost of living, they had their own rate structure and formulas. Mr. Pearson said for the basic commodity of water this total increase, both water and sewer, would amount to about \$10.00 a quarter for a typical user.

Member Mutch said keeping the previous comment in mind, one of the questions residents had was when looking at the rates they were charged for water and sewer usage by the providers and then what the City actually charged, what made up that difference. Mr. Pearson said the City bought the water in bulk but the City was responsible for transmitting that throughout the system.

He said it had its system of water mains and sanitary sewer they were responsible for operating, maintaining, testing and etc. and that was a part of it. He commented there was some administration targeted to that, and he thought if they compared their administrative overhead to a lot of other jurisdictions, they would find Novi was in the low end of things. He said the bulk rate was set by Detroit Water and Sewer based upon where Novi was in the system, peaks, etc. and that went into another realm of the formula and how that was being talked about in terms of the water model contract that was under continuous discussion with DWSD.

Member Mutch said regarding the rate structure, there were different rates in terms of installation for public streets versus private streets and there was a higher cost for public streets. He asked for clarification on why those were different. Mr. Pearson asked if he was talking about connection fees, and Member Mutch said yes. Mr. Pearson said just like the City had different standards of inspection for streets on private versus public there was more exposure and more interest in work that went on within the public R.O.W.'s. He said that was part of what was built into the discrepancy. Member Mutch said in terms of the pipes that were installed, whether public or private streets, that whole system was dedicated to the City, wasn't it? Member Pearson said the transmissions, yes, from the main to the laterals to the properties would be a private thing. Member Mutch said these costs would then be from the street itself to the individual buildings. Mr. Pearson said he was correct. Member Mutch said residents had asked him about the option of the City offering a second meter for outside watering, and he had inquired about that before and got a negative reaction but he knew other communities offered it. He asked administration to write something that explained the rationale for that.

Member Nagy said it would be nice for someone to send an article to the Novi News explaining why the water rates were going up including the cost of things.

Mayor Pro Tem Capello said he had City of Detroit water and had a septic system and still paid a sewage fee even though he didn't use the sanitary sewer system at all, correct? Ms. Smith-Roy said he did not pay a sewer fee. He said the sewer fee for non metered water was \$77.00 a quarter with the Huron Rouge. Ms. Smith-Roy said it was a small section in the north end of the community that paid a flat rate calculated by Oakland County and they just passed that through. He asked if it was against City Ordinance to allow residences to have on site wells for lawn watering and landscaping purposes only. Mr. Schultz responded any kind of well would need to be permitted through the Oakland County Health Department. He didn't know that the ordinance would prohibit it but it might not necessarily permit it either. He said he would look into that.

Roll call vote on CM-07-06-115

**Yeas: Capello, Gatt, Margolis, Mutch, Nagy,
Paul, Landry**

Nays: None

9. Approval of Resolution to authorize Budget Amendment #2007-6.

CM-07-06-116

**Moved by Margolis, seconded by Capello; CARRIED UNANIMOUSLY:
To approve Resolution to authorize Budget Amendment #2007-6.**

Roll call vote on CM-07-06-116

Yeas: Gatt, Margolis, Mutch, Nagy, Paul, Landry,
Capello
Nays: None

CONSENT AGENDA REMOVALS FOR COUNCIL ACTION

I. Approval of Brand Identity & Graphic Standards contract with Ford & Earl Associates, Inc. for \$24,850 – Mayor Pro Tem Capello

Mayor Pro Tem Capello asked after the firm was hired what the process would be and what input Council would have to give direction to the firm.

Ms. Walsh said she and Mr. Pearson have had preliminary discussions about community stakeholders. The first thing that would happen would be a visioning session would be scheduled with key stakeholders including staff, Council, members from EDC and Planning Commission and business leaders. She said about 15 people would be invited and there would be a four hour visioning session, which would be very similar to Council's strategic goal setting sessions. She said they would gather information about the City and where these community leaders and stakeholders felt the City should be in 5, 10, 15, and 20 years from now.

CM-07-06-117 Moved by Capello, seconded by Nagy; CARRIED UNANIMOUSLY: To approve the Brand Identity & Graphic Standards contract with Ford & Earl Associates, Inc. for \$24,850.

Roll call vote on CM-07-06-117

Yeas: Margolis, Mutch, Nagy, Paul, Landry,
Capello, Gatt
Nays: None

MAYOR AND COUNCIL ISSUES - None

AUDIENCE PARTICIPATION - None

Mayor Landry said they would move into Executive Session for the purpose of discussing pending litigation and privileged correspondence from legal Counsel.

CM-07-06-118 Moved by Paul, seconded by Nagy; CARRIED UNANIMOUSLY: To adjourn to Executive Session.

Voice vote

Mr. Schultz said they might be coming back into open session at the end of the closed session. Council entered into Executive Session and the open session was reconvened at 9:17 P.M.

CM-07-06-119 Moved by Gatt, seconded by Paul; CARRIED UNANIMOUSLY: To direct the City Manager and City Attorney to make good faith offers to acquire right-of-way land on the corner of Ten Mile and Beck Road based on closed session discussion.

Roll call vote on CM-07-06-119

Yeas: Landry, Capello, Gatt, Margolis, Mutch,
Nagy, Paul
Nays: None

ADJOURNMENT

There being no further business to come before Council the meeting adjourned at 9:20 P.M.

David Landry, Mayor

Maryanne Cornelius, City Clerk

Transcribed by Charlene Mc Lean

Date approved: