

**SPECIAL MEETING OF THE COUNCIL OF THE CITY OF NOVI
SATURDAY, JANUARY 12, 2019 AT 7:00 P.M.
POLICE TRAINING CENTER – 45125 TEN MILE ROAD**

Mayor Gatt called the meeting to order at 8:33 A.M.

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Gatt, Mayor Pro Tem Staudt, Council Members Breen, Casey, Mutch, Poupard, Verma

ALSO PRESENT: Pete Auger, City Manager
Victor Cardenas, Assistant City Manager
Cortney Hanson, City Clerk

APPROVAL OF AGENDA:

CM 19-01-006 Moved by Breen, seconded by Casey; CARRIED UNANIMOUSLY

**Roll call vote on CM 19-01-006 Yeas: Staudt, Breen, Casey, Mutch, Poupard,
Verma, Gatt
Nays: None**

AUDIENCE COMMENT: NONE

PURPOSE OF THE MEETING

1. Appointment to Library Board

Mayor Gatt nominated Katherine Dooley to the Library Board.

CM 19-01-007 Moved by Casey, seconded by Mutch; CARRIED UNANIMOUSLY

To appoint Katherine Dooley to the Library Board.

**Roll call votes on CM 19-01-007 Yeas: Breen, Casey, Mutch, Verma, Gatt,
Staudt
Nays: None**

2. Initial City Council Member Roundtable Thoughts

Mayor Gatt said this section of the meeting was so Council Members can voice their thoughts on what they want to see in the City, keeping in mind budget restraints.

Member Breen said overall Novi is heading in a great direction. Her concerns were traffic and roads. She said all departments have long term strategies, but Fire hasn't had one done in some time. She wants the department to get direction. She mentioned that the Auto Show was around the corner and she was concerned about human trafficking. She thought they should have a community action plan to address human trafficking.

Member Verma said traffic was a priority. He wanted to look at accident prone crossings like Novi Road and Grand River, as well as others. He wanted to discuss the senior citizen housing complex and whether we should expand on what we have.

Member Casey said most often the goals they set do have a budget impact, but sometimes they don't. It was an opportunity for Council to provide insight to administration on what other things are of interest to them. Novi is getting praise for being a wonderful place to live. We have had in the last couple months residents indicate interest in getting engaged. She was looking forward to those conversations to take advantage of resident interest. She mentioned they have been spot on in the multi-year budget. She said they used to anticipate maintenance costs and note it at the time of the motion what those anticipated maintenance costs. This year, one of the things they have done was list many long term goals. She wants to ensure administration looks at a way to come back and tell us what actions have been taken. She suggested a high level project plan that would tell them what actions would occur in what year in order to keep an eye on those. She wanted it to include this year's goals and wants to make sure there are things on the long term plan they keep putting on. She wants to see forward progress on the long term goals.

Member Poupard commended the communications team for the calendar and book for the 50th anniversary. She stated that she read the National Citizen Survey and commend them for doing well with that. She agreed with Member Casey. She said the Library and Fox Run are assets to the community and wondered how they could utilize and integrate our assets. The library is a leader on inclusion and diversity and outreach to various pockets within the community. She didn't know how government could do that. The library has had a stellar with relationship with the school districts as well as pockets including children and early literacy. She wondered how we can support that. She said she was very concerned with sustainability. She wants to learn more about what we have already done. She wants to see if there are incentives to bring businesses and residents into the issues of sustainability through education and incentives.

Member Mutch said this was his 15th goal setting and it's been an interesting journey watching the process evolve to what it is today. He thanked administration, specifically Victor Cardenas, for setting up the system they use for goal setting. He also thanked Pete Auger for taking input from these sessions and making sure they are reflected in the budget. He said one reason the budget meetings have gone so smoothly is the fact that administration is capturing what Council says are their priorities and including them in the budget. He reminded Council that they need to have concrete, actionable goals. He said he has looked at the National Citizen Survey, because that's an opportunity to look at feedback from the community and what they need to focus their attention on. He mentioned that he asked residents for input on what they thought should be goals for the City. He felt it reflect what they are hearing from residents. Number one was the challenge with infrastructure. Residents feel like the growth in community is outpacing the ability of our infrastructure to support it. Council knows the City is working on it, but he wants a goal to be to create a comprehensive

plan to address the traffic needs. He said they had a comprehensive traffic plan years ago, and recently had one done for the Grand River and Novi Road area. He said those plans have different highlights they focused on. He wants to look at all work that's been done over the past couple years and put together a plan of all major road improvements, then prioritize and figure out how to pay for them. They should have conversations with the road commission and MDOT. He wants that so Council has a grasp of what they need to accomplish in terms of roads and traffic, how much that will cost and how we will pay for it. He said we have a non-motorized plan that is broken down in detail and he wants to see that with major roads. Another issue that residents voiced concern is with parks and open spaces and continuing to strike a balance between growth and development and preserving natural spaces. Residents also wanted to see improvements to parks. Over the last year the City has focused on major parks like Lakeshore and Bosco fields. He wants to shift to neighborhood park improvements and using the CIP millage to accomplish that. He said he knew the Parks staff have a lot of projects with major park improvements but residents need to see improvement at the neighborhood level. He said residents also talked about the importance of bike paths and sidewalks. He said he keeps hearing about residents being excited for the ITC trail opening but they don't see how they can reach that in a safe way, specifically along Ten Mile Road. He said while we may be making improvement to Ten Mile, they need to locate a sidewalk connection where it can be put in place and not be disrupted by future improvements. He said they will have forward looking ideas that recognize needs in the community that they haven't reached yet in terms of the City being able to reach those needs.

Mayor Pro Tem said to be a great City we need great ambition, goals, and vision. He said that we can't be afraid to stick our neck out and do things that might not be politically good for all of them. He referenced Ten Mile Road and how that should have been widened 20 years ago but political and pressure from resident made that not happen and we are paying the cost today. A lot of times staff is afraid to come forward with bold ideas because sometimes Council members says that will never happen. He said if you don't bring your bold ideas forward, they definitely won't be achieved. He wants staff to be visionary, bold, and don' be discouraged. He spoke about the roads needing to be addressed, including 12 Mile, 10 Mile, Beck Road, extending Taft Road over the freeway, and the Ring Road. They will have to find the money and prioritize. He said they need to rebuild ITC Park because it's not state of the art and it is heavily used. He said they need to put a plan together for that and figure out how they will phase it in. He said another goal is to think about having own recreation facility. Signature Park came at the worst time and didn't pass. This is an amenity that world class cities have and we need one. He said he didn't know what to do regarding transit. To opt into SMART is one mill; potentially roughly \$4 million. If the RTA gets passed, that is another 1.5 mills, roughly \$6 million. We are looking at going from \$0 to \$10 million in several years if we go all the way. He advised they be extremely cautious and figure out the best options. We do have a responsibility to bring employees into the City and move people around, but no one is willing to spend \$10 million on transit today. He said he has spent his time on Council making sure we have strong and growing fund balance. A successful City operates under its operating

revenue and puts remaining balance into fund balance. We are in good place and we cannot spend our way out of a good place. He said it is important that they be diligent and watch what's happening around us.

Mayor Gatt thanked his colleagues for preparing for the meeting. He said some things he would have said were mentioned by previous speakers. He agreed that there are dark clouds revolving around economic scope. In the past several years he always asked for additions to the work force, especially in public safety. He said he would not ask for that this year and would oppose adding full time staff. He felt it would be prudent to hold line this year and see what happens. He said that transit was his idea to bring SMART in to give a presentation but they haven't discussed it since. He is of the opinion they have to do something to address transit, but wasn't sure SMART was the solution. SMART is something the voters will have a say in. The RTA is something the taxpayers have a small say in but not really because the region could pass it. He believed a RTA ballot proposal will most likely pass and Novi taxpayers will be stuck with a millage for 20 years. He said City administration still has to do something to address the transit issue. There has to be a better way than people walking along Twelve Mile Road from Haggerty. We have the money and wherewithal to provide something like that, but we need it for our residents too. Our senior transit system is terrific. They have worked on that and it is now free for seniors to move within the City and that's a tremendous benefit to them. He wants to see that continue. He would be hesitant to move into a one mill SMART system knowing the RTA is on the horizon. He said it was time for a recreation center. We would need land, money to build and to operate and maintain. He wanted management to begin looking and planning for. He suggested it include swimming pools, basketball courts and such. He said he didn't disagree that we need to look at the infrastructure that goes along with development, but they can't stop development. That would make us stagnant and not be a great City. We need to keep developing, promoting, and attracting new development. They need to look at roads. We have money to spend on roads. Ten Mile and Twelve Mile are County roads but there are methods to address the immediate needs by fronting the money and getting paid back. Twelve Mile between Beck Road and Novi Road is such an important road because of the economic development attached to it. They talked about assets, like library, parks, schools, police and fire, DPS and the biggest asset is the residents. They are engaged and involved. They represent thousands of people who are involved at other levels and lending their thoughts and ideas on subjects. He said they have to be cognizant of the fact there could be dark economic clouds on the horizon. HE thought the RTA will happen and they should plan for and expect it. He agreed with maintaining the fund balance for operations only.

3. Early Budget Input Work Session

Mr. Auger said in the past they have budgeted well for a three-year period. Staff is ready to adjust as needed. The general fund revenue is projected to be \$375,000 less than projected. Some projects stalled or didn't come to fruition. Staff has done a good job of off-setting the revenue projection. There have been reductions in OPEB, the retiree healthcare contribution, of about \$270,000 down annually. That's offset by the

increases into the defined benefit of about \$300,000 annually. They plan on adding more than that, like we have in the past couple years. Employee healthcare insurance increased by 4% and are expected to continue to rise. Staff has been exploring self-funding in health care programs. They are still planning on spending \$12 to \$13 million annually on roads over the next three years. He spoke about relief points and how they want to focus on how we move traffic around Novi. Including the Ring Road, Taft Road bridge, and an extension of Lee BeGole Drive to Crescent Boulevard. They think it's important to work with RCOC and MDOT regarding traffic on Twelve Mile, Ten Mile and I-96. The Water and Sewer fund has \$20 million in projects starting next year along with projects in 2021. Rate increases are expected to be minimal. The CIP fund has \$15 million in projects we are starting or completing in next year. A major expenditure in 2021 is the new ladder truck estimated to cost \$1.8 million. The Corridor Improvement fund will fund projects such as the Ring Road.

Mr. Cardenas said they will be using Group Map to identify short and long term goals. Council had the ability to anonymously enter goals in ahead of time. He explained they will have one more opportunity to add goals, and then they will vote. They consider short term to be one to two years and long term to be three to seven years.

There was discussion of both long and short term goals for each of the four categories. Council then ranked the top goals (see attached).

Mayor Gatt said they gave management enough to take back and work on a budget. This doesn't preclude anything from being brought up at the Council table; changes can be made at any time.

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 10:34 A.M.

Cortney Hanson, City Clerk

Robert J. Gatt, Mayor

Transcribed by Cortney Hanson, City Clerk

Date approved: February 11, 2019