

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI  
MONDAY, DECEMBER 17, 2012 AT 7:00 P.M.  
COUNCIL CHAMBERS – NOVI CIVIC CENTER – 45175 W. TEN MILE ROAD**

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, Fischer, Margolis, Mutch (absent, excused), Wrobel

**ALSO PRESENT:** Clay Pearson, City Manager  
Victor Cardenas, Assistant City Manager  
Thomas Schultz, City Attorney  
Julie Farkas, Library Director

**APPROVAL OF AGENDA:**

**CM-12-12-200 Moved by Wrobel, seconded by Casey; CARRIED UNANIMOUSLY:**

**To approve the Agenda as presented.**

**Roll call vote on CM-12-12-200**                      **Yeas: Staudt, Casey, Fischer, Margolis, Wrobel, Gatt**  
**Nays: None**

**PUBLIC HEARING - None**

**PRESENTATIONS**

1. James Farrell Award of Excellence, to the City of Novi for ASA National Championship Tournament 2012, by Stuart Alderman - Metro Detroit Amateur Softball Association Commissioner.

Denny Troshak, Junior Olympic Commissioner for Metro Detroit and Great Lakes Regional presented the James Farrell Award of Excellence to the City of Novi for ASA National Championship Tournament 2012. The Award is given out to the highest ranking tournaments that are held in the Amateur Softball Association throughout the year. There were only three out of the 96 tournaments that received a 100% rating in 2012. Novi was one of them. He thanked the City of Novi, Parks, Recreation and Cultural Services Department, Jason Mangum, Scott Pratt, and Matt Ostermeyer for hosting the tournament.

2. Tri-Party Funding Update – Kathy Crawford, Oakland County Commissioner, Greg Jamian, Vice-Chair, Board of Commissioners, Road Commission for Oakland County and Eric Wilson, Road Commission for Oakland County

Kathy Crawford, Oakland County Commissioner and Eric Wilson, Vice-Chair, Board of Commissioners of Oakland County Road Commission, presented Mayor Gatt with a check from the Tri-Party Funding. Ms. Crawford explained the Tri-Party Road Fund assists Oakland County communities. Oakland County puts approved monies into the fund and the Road Commission matches one-third and the Cities, Villages, and Townships put in one-third to the fund. The Cities and Townships apply for the Tri-Party Funding. They are approved for funding according to a formula consisting of the number of County road miles within the City and with the number of accidents. In 2012, the County Board was notified by the Road Commission that a number of municipalities were sitting on thousands of dollars for several years and many of them could not complete their projects, often because they could not come up with the matched monies. She knew that Novi had a number of projects and could come up with the required match. She was adamant that Commissioners should notify their municipalities that they needed to utilize those monies or they would take steps to reallocate those dollars. It wasn't a popular thing to do but she notified Novi that the monies were going back into the Fund to be reallocated as long as Novi had a project that could be completed by 2013-14. Novi was among the first to apply for funds to resurface Eight Mile Road to Napier. The total amount could not be approved because so many applied for the reallocated monies; however, the Road Commission did approve \$205,438 for Novi's project. Mr. Wilson recognized Ms. Crawford does a great job as County Commissioner. He says the cooperation with the Commissioners shows why Oakland County is the economic engine for the State and Novi is the economic engine for the County. Greg Jamian, Vice-Chair, Board of Commissioners, Road Commission for Oakland County, said the Road Commission is a new place. They like to listen and work things out with our partners.

3. Novi Public Library Strategic Plan 2013-2018 and Annual Report – Julie Farkas, Library Director

Director Farkas said it is a five year plan. They started the process last January in 2012 with a Committee of approximately 20 people from the community, staff members, and City administration. The process started with working in the Community by doing focus groups to determine what is next for our library. We have a beautiful building but we need to look at what we can do for resources, programs and services that we want to improve on or bring to the Library and to the Community. The Plan was approved by the Library Board at the November 28, 2012 meeting. There were a lot of great ideas. The focus groups from the summer generated a "Teen Space" that began October 1<sup>st</sup>. It is a partnership between Youth Assistance, Library, and Parks, Recreation and Cultural Services Department. They are ahead of themselves by starting it ahead of time. It has proven to be a success. They will be instituting in January a Library App. They have already started the process by way of fundraising last fall. They will be holding their budget sessions in February.

4. 2013 Property Tax Base Projections – D. Glenn Lemmon, City Assessor

City Assessor Lemmon explained the Inflation Rate Multiplier (IRM) for 2013 will be 2.4%. Last year it was 2.7%. It applies to every property in the State. The City of Novi will be

employing the 24 month study due to appreciating values with a move of less than 4%. The Commercial properties are looking at a -4% this year compared to a -10% last year. Industrial properties are a -7% for 2013 compared to a -16% last year. In 2012, Novi was one of 18 communities to use the 24 month study compared to one of 39 communities in 2013. Oakland County, in general, is starting to recoup some of their value. Last year's move on the 24 month was 1.2%. This year will be slightly under 4%. The result of the Residential move and the Commercial-Industrial declines will be our first time since 2007 that we will be in a positive position on our SEV and Taxable Value. The Assessing Department is expecting approximately 500 petitions this year for Board of Review. New Construction permits increased for 2012 from 2011. The new homes being built in 2012 seem to be smaller and more affordable compared to the pre-recession homes built. In 2011, foreclosures have dropped to a ratio of one in every 104. Our position is getting better. The City has outperformed neighboring municipalities and Oakland County. A projection for the year 2012 is a ratio of one in every 200 homes in Novi that would have been a foreclosure. The inventory of bank-owned properties have dropped also. This year the average sale price is \$265,000 from \$227,000 in 2010. It is a sign of economic recovery. He explained the status of State Equalized Values (SEV) and Taxable Values (TV) after the 2012 March Board of Review. For 2013, the gap between SEV and TV will start to grow again because of the 4% move and the 2.4% IRM. The additions of new construction, he estimated a 5.65% residential increase and 4% taxable value increase. He projected Commercial and Industrial with an increase of 1.97% and 1% taxable value increase. There will be ten million new construction value added to Commercial and Industrial properties and forty million residential new construction value added for a total of fifty million new construction value added to the rolls. The property values are increasing and the trends will continue. In comparing our values to Oakland County over the years, we have outperformed them every year. Michigan Tax Tribunal cases are not as back logged as they have been in the past. Most of them are current. They have done 255 cases this year and are down to 150 cases that are left with 265 case years. The amount of revenue lost from the dispositions for this year was \$1.6 million.

**REPORTS:**

1. MANAGER/STAFF – None
2. ATTORNEY - None

**AUDIENCE COMMENT – None**

**CONSENT AGENDA REMOVALS AND APPROVALS (See items A-R):**

**CM-12-12-201 Moved by Casey, seconded by Staudt; CARRIED UNANIMOUSLY:**

**To approve the Consent Agenda as presented.**

- A. Approve Minutes of:
  1. December 3, 2012 – Regular meeting

- B. Approval to award a contract for Labor Relations and Employment Law to Keller Thoma for a three-year term and (two) one-year renewal options, effective December 31, 2012, subject to completion and signature of contract incorporating terms, conditions, fees, and charges in accordance with the proposal and signature by Mayor and Clerk.
- C. Approval of recommendation from Consultant Review Committee to award a contract for General Counsel Legal Services to Johnson, Rosati, Schultz and Joppich PC for a three-year term and two one-year renewal options, and adoption of associated fees and charges, effective January 1, 2013.
- D. Approval of recommendation from Consultant Review Committee to award a contract for Prosecutorial Services to Gabe, Quinn & Seymour for a three-year term with two (2) one (1) year renewals.
- E. Approval of transfer of ownership of 2012 B-Hotel and SDM Licenses, located at 21111 Haggerty, Novi, MI 48375, Oakland County to VI-LCP Novi Owner, LLC (A Delaware Limited Liability Company) d/b/a Sheraton Hotel.
- F. Approval of Stipend Pay Adjustment for City Manager and City Clerk; and, Budget Amendment 2013-2.
- G. Approval to award a debris removal contract to Bob Myers Excavating Inc., the low bidder, in the estimated annual amount of \$20,000. The contract term is one year with two one-year extensions.
- H. Acceptance of Wilshire Abbey Subdivision streets and adoption of Act 51 New Street Resolution accepting Cheltenham Drive, Sarnia Drive, and Donnington Court as public, adding 2,711 linear feet or 0.51 miles of roadway to the City's street system.
- I. Acceptance of Orchard Hills West Subdivision streets and adoption of Act 51 New Street Resolution accepting Malott Drive, Borchart Drive, Dunston Road, Aspen Drive, and Silvery Lane as public, adding 3,939 linear feet or 0.75 miles of roadway to the City's street system.
- J. Approval of denial of request from El Mariachi Mexican Restaurant for a new Class C quota license, for the location of 31150 Novi Road, MI 48377, as there are no available quota licenses, and in consideration of the opportunity for the applicant to submit an application for the transfer of a license at a reduced application fee.
- K. Approval of an Employment Agreement with Christina Salvatore for the Communications Coordinator position for the Community Relations Office and the Novi Public Library in the amount of \$38,000.

- L. Approval to purchase a replacement backup generator for the Island Lake sanitary sewage lift station (Lift Station No. 1), located at the northeast corner of Wixom Road and Albatross Drive, to American Generators Sales & Service, LLC, the lowest responsive bidder, in the amount of \$28,985.
- M. Approval of Traffic Control Orders 12-60 through 12-62 to establish traffic control at the intersections within Wilshire Abbey and Cheltenham Estates.
- N. Approval of Traffic Control Orders through 12-63 through 12-67 for traffic control signs within Orchard Hills West.
- O. Approval of the final balancing order and final pay estimate to FTL Construction, Inc. for SAD 176 Woodham Water Main Extension in the amount of \$2,109.27.
- P. Approval to award an amendment to the engineering services agreement to Spalding DeDecker for additional construction inspection services related to SAD 176 Woodham Water Main Extension project in the amount of \$8,918 (which is offset by the charges to the construction contractor for exceeding the number of crew days that were in the construction contract).
- Q. Approval to award a construction contract for the Tennis Court resurfacing located at ITC Community Sports Park & Rotary Park to Goddard Coatings Company, the low bidder, in the amount of \$20,960.
- R. Approval of Claims and Accounts – Warrant No. 882

**Roll call vote on CM-12-12-201**

**Yeas: Casey, Fischer, Margolis, Wrobel,  
Gatt, Staudt**  
**Nays: None**

**MATTERS FOR COUNCIL ACTION**

1. Discussion of Pavilion Shore Park Historical Icon design and process for concepts and future installation at park entryway.

City Manager Pearson said it was a Council discussion item. They are looking for direction from Council.

Member Margolis liked the second concept with the historical markers.

Mayor Pro Tem Staudt would like to heed the advice provided by long term resident, Kathy Crawford. He would like to get together some of the people who owned the property or had relatives that owned it to look at the historical nature of the property. He likes some of the renderings provided but felt they could go a lot further to understand the history. He would like to get family members of the Kramer family and Lee Begole to learn more about the area. It should reflect what's gone on at the

property. He suggested Parks, Recreation and Cultural Services approach the true pioneers of Novi.

Member Wrobel agrees with Member Margolis. He didn't like the first option. He didn't want anything that blocks the view of the water. Option two incorporates that. He wanted input from residents.

Member Casey agreed that option two leaves the park and water much more visible. She would support a community meeting to seek the input of the residents.

Member Fischer agrees that less is more from his perspective. He liked the design of the second option because it has subtle design elements.

Mayor Gatt agrees with everyone. He felt less is better in this case. It is not a big piece of property and thought subtle markers that paid homage to the past would be appropriate.

City Manager Pearson suggested a couple of meetings with an open house in January and maybe a focused second meeting.

**AUDIENCE COMMENT - None**

**COMMITTEE REPORTS - None**

**MAYOR AND COUNCIL ISSUES - None**

**CONSENT AGENDA REMOVALS FOR COUNCIL ACTION - None**

**ADJOURNMENT** – There being no further business to come before Council, the meeting was adjourned at 7:57 P.M.

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Robert J. Gatt, Mayor

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Maryanne Cornelius, City Clerk

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Transcribed by Jane Keller

Date approved: January 7, 2013