

**SPECIAL MEETING OF THE COUNCIL OF THE CITY OF NOVI
SATURDAY, JANUARY 11, 2014 AT 8:30 A.M.
COUNCIL CHAMBERS – NOVI CIVIC CENTER – 45175 W. TEN MILE ROAD**

Mayor Gatt called the meeting to order at 8:42 a.m.

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Gatt, Mayor Pro Tem Staudt, Council Members Casey, Fischer, Markham, Mutch, and Wrobel

APPROVAL OF AGENDA

CM 14-01-011 Moved by Wrobel, seconded by Casey; CARRIED UNANIMOUSLY:

To approve the Agenda as presented.

Roll call vote on CM 14-01-011 Yeas: Staudt, Casey, Fischer, Markham, Mutch, Wrobel, Gatt
Nays: None

1. Process Review

a. Today's Work

Clay thanked everyone for their input for the development of the multi-year budget and capital improvement program. From this meeting, staff will work on matching budgets and numbers to projects and programs that Council will identify and prioritize. The goal is to produce a recommended budget in April that aligns with Council goals. The meeting is being held in the Council Chambers to be transparent with the Community. The podcast is live on SWOCC.

b. Background information:

- Administrative Retreat Summary/Early Budget Input Session Primer
- Youth Council/Teen Survey Results
- 2014 Property Tax Base Projections
- Early Revenue Projections
- 2014 Economic Development Goals and Strategies Draft
- Preliminary CIP Summary
- 2013-14 Project Update/Red Box Objectives
- City Council Goals Revisited

City Manager Pearson noted there were several documents provided. The staff held a retreat in September to provide input for the different types of plans to consider. Also, he noted the Youth Survey was completed with assistance of Sheryl Walsh, Director of Communications, and Novi High School. Mr. Lemmon, City Assessor, provided the property tax base primer in December. We are on a strong recovery path across the board. The number of appeals is down dramatically at the tax tribunals. The negative side is that the Inflation Rate Multiplier (IRM) is still low at 1.06%.

Mr. John McCarter, City Intern and Mr. Victor Cardenas, Assistant City Manager, produced a report for the multi-year budget. They used the tax base primer and the actual numbers from the audit to update the multi-year budget through all the funds. It is an additional mid-year supplement. It gives us another way to compare revenues and expenses three years down the road. The Economic Development goals and strategies will be presented in a couple of weeks. Also, a preliminary Capital Improvement Projects (CIP) listing was given to Council. It is a project listing sequenced so that they match up with available revenues and expenditures. The Red Box objectives, from the last Budget year, show the tracking of items Council has authorized throughout the year and how those match up to the budget. Mr. Pearson concluded there are a lot of materials to help address the current year budget.

City Manager Pearson said there had been suggestions to refresh the seven major theme categories used in the past by combining or condensing them. Member Fischer made a draft that Mr. Pearson thought was a nice outline of maintaining the seven strategic themes but provides more of a clarification of how to describe them. They are listed in item 3 of the agenda. He asked Council to consider embracing the themes with feedback on acceptance or changes of them in the discussions.

2. Initial City Council Member Thoughts – Roundtable Overview Thoughts

Mayor Gatt confirmed that Council members were looking for ways to condense and unify their goals to become a more efficient Council. Mayor Gatt also complimented Member Fischer and Mr. Pearson on developing the new major strategic theme categories. He wouldn't want anything changed.

Member Markham hoped to bring ideas from getting elected to office. She said the community cares about future transit. The business community had mentioned they want it easier for both customers and employees to get to their business. She was looking for a long term plan to enhance transit.

Member Wrobel felt the Mayor, City Council, and City Administration had provided a high level of service to the Community and thanked all employees for their hard work. The items he would like to see considered in this year's budget are to continue the Charter Review Committee and reducing older adult transportation costs to the residents. He would like to see a committee formed to discuss ways the Bosco property can be used by the City to provide additional athletic fields for Novi residents. Additionally, he would like to see a committee to work with local colleges to develop a board for business ideas. Another item he supports is a matching grant program to beautify older subdivision entrances. He thinks we should adopt a firm plan and timeline to relocate the existing Grand River fire station. He looked forward to the City administration instituting an aggressive road repair and replacement plan this year.

Mayor Pro Tem Staudt felt this was an opportunity to state his goals of infrastructure improvement and to continue fiscal health. It is an exciting time because we are back to building Novi as opposed to sustaining it. One of the infrastructure programs he was looking at is acquisition of additional parkland in the City. He feels we won't have options in the next few years. We need more passive parkland. Second, he thinks it is time to move fire station #1 to more of a suitable facility. He noted it is important to

maintain access to Grand River and the interstate. The third is the development of pathways and trail ways connecting to the regional trail systems. He has come up with a four tier approach to looking at fiscal health. It is maintaining a healthy fund balance and any effects on debt, maintaining low millages and taxes for both residents and businesses, and to keep in mind the right sizing of government. We have settled all labor agreements fairly. We may be able to add more employees. One of the most important fiscal issues is the long term health care and pension liabilities. He thinks it is critical to take a strong approach to addressing these issues possibly with a bond. He thinks it should be sooner rather than later. It feels it is important to work on this during the next year or two because it will be here for a long time. He would like to see the Farmer's market maintained, implement recommendations of Walkable Novi Committee, and for naming rights for the parks. We have a lot of opportunities to maximize the revenue that can be generated through that. He noted with the franchise renewal with Brighthouse, it is time to consider the long term relationship with SWOCC.

Member Fischer thanked staff and Administration for their input, documents and data that are very helpful to guide them where we want to be 5, 10 or 20 years down the road. He thanked the Mayor and Administration for considering changing the strategic themes. He hoped that having four buckets would assist in prioritizing goals. It is a step in the right direction. He noted that being elected in 2009, his experience was that of a fire drill during those first goal setting sessions. He was also looking at fire station #1 relocation. For Parks and Recreation, he would like to see what we can do to improve the parks we currently have. He would like to ensure the parks are being used to their full utilization. Also, he would like to see what we can do to promote residents use of our parks year round. The new dog park will be opening later this year and will give us a renewed objective for the Parks Foundation. He hopes the naming rights program will be nurtured. Now is the time to review the OPEB (Other Post Employment Benefits) and to increase contributions because the extra \$100,000 we add each year isn't much toward the \$20 million unfunded liabilities. We need to look at what are our options are of how to address that and on the path to being fully funded. There is also debt service that will be falling off, so there will be some changes in our millage in the coming years. He will be interested to see the options and to see the opportunities available. He thinks we should be strategic on how it is done.

Member Mutch noted the importance of this meeting for Council. It provides direction for City Administration and staff. The work that comes out of the meeting sets the tone for the budget and for the work of the upcoming fiscal year for the direction of the community. He commented that one of the most important things we can do in providing goals is to make sure they are clear, actionable goals that City Administration can execute. Our focus should be on the needs of the residents. We need to continue to build on the successes over the past year. The City Administration has done a good job of bringing the goals set in previous years through the budget process and then to fruition. He thinks Councils goal should be to build on those successes for Novi to be a leader in Southeast Michigan.

Member Casey thanked everyone in Administration for the work they have done. She sees some great opportunities for the development of the Citizen's Academy. This is a great way to get resident involvement and to build our future strength to lead our City forward. She thinks we need to look at ideas of shared services with local, county and

state governments, non-profits, etc. She would like to see what else we can do to be more efficient and to provide better services to our residents.

Mayor Gatt noted this is the eleventh goal setting session for him. He stated we are the leader in Southeast Michigan and the envy of many communities who don't have the bottom line that we have. We have made some very difficult and positive decisions to right size this government and to maintain fiscal stability. There's no employee that hires into the City today who will get a medical pension when they retire. They all have 401k plans now rather than defined benefit. His goals include having the best police and fire. Public safety is and should be on the top of the list. This is a safe community and we have to continue on that pathway. The Bosco property was mentioned but the field next to it belongs to the school district and it isn't our call on what happens to that property. He and Mr. Pearson met with the school on this topic and while it isn't our call he looks forward to the property's development. Our Library is the finest in the State of Michigan. We must maintain the library in that fashion and support their needs. He agreed with what was said about our parks. A hidden jewel is Lakeshore Park. He felt many people didn't know they have access year round. He thought we have to get the word out in a better way. On relocating fire station #1, while it needs to be relocated, this might not be the ideal time because the value of the property is increasing. There are private owners in Main Street who have the ability to make that a viable and thriving area. It is one of his goals. He agreed with everyone on Council to build on their successes. We are that way because of the hard work of the Council and Administration. He thanked Mr. Cardenas, Assistant City Manager, for his additional activity and service in the capacity of Finance Director.

3. Review Major Strategic Theme Categories

- a. City Council to discuss any additional themes to be added or changed; suggested [Strategic Themes](#) include:

Nurture public services that residents want and value.

- Make long-term strategic and sustainable investments in Roads/Pathways, Water, Sewer and provide for development, acquisition and rehabilitation of parks and public lands. Provide cultural resources and recreational opportunities for a growing and diverse population.

Operate a world-class and sustainable local government.

- Maintain an efficient and effective, fiscally-responsibly local government which leverages communication, strategic partnerships, and skilled staff.

Value and build a desirable and vibrant community for residents and businesses alike now and into the future.

- Encourage quality economic development to maximize city revenue and job growth while protecting and enhancing natural areas, natural features and community character.

Invest properly in being a Safe Community at all times for all people.

- Ensure Police, Fire, Public Services meet the needs of all residents, businesses, and visitors at all times.

- b. City Council to brainstorm service improvements for each of the broad [Strategic Themes](#) (outlined above – using Meeting Works technology) using time horizons of **short-term** (next 18 months) for consideration into the FY 14/15 Budgets and **long-term** (18 months plus and on-going) visions/concepts for consideration into future CIPs, operating budgets, and/or holding for future short term consideration.
- c. City Council to explain, clarify, etc. ambiguities or questions regarding list of service improvements (to correct as suggested using Meeting Works technology before prioritize voting)
- d. City Council to prioritize vote within each of the [Strategic Themes](#) of service improvements (using Meeting Works technology)

1. **N**urture public services that residents want and value.

Top SHORT TERM Service Improvements - NURTURE	Total Points
1. Naming Rights for City Parks	5
2. Construct pathway along 8 Mile from Beck Road to Maybury Park entrance with design from 2013 budget	5
3. Add an City event at Pavilion Shore and/or Lakeshore Park in 2014 to showcase for community	4
4. Fund one major trail improvement in 2014.	4
5. Parkland acquisitions using Grants & Public Funds	3
6. Reduce older adult transportation ride costs by \$1	3
7. Pave 11 Mile between Meadowbrook and Town Center	3
8. Complete construction of Water Storage Facility	3
9. Maintain and support a Farmers Market	2
10. Set up joint Novi City and Novi School board committee to discuss city use of Bosco property	2
11. institute aggressive neighborhood road repair/replacement plan for next fiscal year	2
12. Identify improvements to facilities at Lakeshore Park	1
13. Develop a plan for alternative transportation options in support of local business and Novi residents. Consider local as well as regional transit options.	1
14. Promote use of parks during the winter season - cross-country skiing, walking paths, etc.	1
15. Partner with other local governments to create joint PRCS programs	1
16. Continue to make improvements to high crash intersections	1
17. fix 11 mile road from Taft to Beck	0
18. Collaborate with schools, hospitals and other non-profit organizations to hold older adult programming that can't be accommodated in existing spaces	0

Top LONG TERM Service Improvements - NURTURE	Total Points
1. Complete full length of ITC Corridor Trail	4
2. Work with Road Commission to develop a plan of improvements for 10 Mile road corridor that improves traffic flow while respecting residential areas	4
3. Plan to add a sprinkle / splash pad to a City Park	4
4. Develop a plan for further improvements to 10 Mile Road to improve traffic but respects residential areas	3
5. Develop funding mechanism to complete sidewalk gaps along commercial/apartment properties using 50/50 cost share and SADs	3
6. Fund improvements at the DPS facility	2
7. Free transportation for seniors using city vans	2
8. Develop a master plan for Barr Art Park future development, funding, etc.	2
9. Upgrade / Renovate Lakeshore beach and facilities	2
10. Increase size of senior citizen center	2
11. Partner with a provider of gym space other than the school district	2
12. Determine a strategy/Master Plan for transportation to include road funding as well as alternative transportation options to support local and regional needs.	2
13. Power Park ball field improvements to support more tournaments	2
14. Widen Beck Road to 5 lanes	2
15. Develop plan for "enhanced" cross-city pathway along 10 Mile Road similar to Nickel Plate Trail in Fishers (compliment to ITC trail)	2
16. Develop prioritization plan for facility upgrades at parks	1
17. Assess cost/benefits of taking over big three county roads (Grand River, Novi and 12 Mile). Why wait 20 years for next round of Grand River improvements?	1
18. Create teen center in a location other than the library	1
19. Develop a strategy to address infrastructure needs of older portions of the City	1
20. Identify location and build cricket field by 2017	0

2. Operate a world-class and sustainable local government.

Top SHORT TERM Service Improvements - OPERATE	Total Points
1. Develop and implement a plan to fully address unfunded liabilities	7
2. Develop a Citizen Academy to educate residents and develop future candidates for Boards and Commissions	4
3. Consider the future of SWOCC	4
4. Millage request for Parks and Rec to fund capital and trail projects	3
5. Fill vacant Finance Director position	3
6. Create a joint committee with School District to consider joint opportunities	2
7. Transparency: Create a searchable online database of all city expenditures	2
8. Establish a streamlined and consistent process to measure and track economic benefits of city-led programs	1
9. Hold a City Council Meeting outside of chambers	1
10. Concentrate on economic development....not just sustaining business, but actually recruiting business into Novi	0
11. Provide a process to gather "360" feedback on administrative employees to further growth and development	0
12. Minimize additional staff to critical needs areas	0

Top LONG TERM Service Improvements - OPERATE	Total Points
1. Consider millage for Park Improvements and Trails	5
2. Fully fund OPEB liabilities within 5 years	4
3. Explore further service consolidation and join opportunities with neighboring governments and school districts	4
4. Eliminate sick time banking and move to self-funded Short Term Disability during next round of negotiations	3
5. Charter Amendment to require voter approval before selling park land	3
6. Analyze and evaluate the city's current organizational structure and make recommendations for changes	2
7. Make charter/ordinance changes to permit private road SADs to assist subs/condos with private roads	2
8. Establish a fund to install recreational spaces and equipment in neighborhoods that don't have them	2
9. Reduce energy costs in city-owned buildings by a minimum of 10% within 3 years using more sustainable energy means (e.g. LED lights)	1
10. Identify reasons for not have AAA bond rating and develop plan to address each	1

3. Value and build a desirable and vibrant community for residents and businesses alike now and into the future.

Top SHORT TERM Service Improvements - VALUE	Total Points
1. Create neighborhood improvement fund that assists sub/condo assoc. with matching grants for public investment in neighborhoods (sub entrances, street trees, streetlights, rain gardens, etc.) Finalize grant program to beautify older subdivision entrances in city	6
2. Create an aggressive plan to acquire land.	5
3. Designate a specific staff person to be responsible for small business development/retention	4
4. Establish joint committee with local colleges to discuss and evaluate establishing a business incubator program similar to "Launch Fishers"	4
5. Explore other venues for our Farmers Market	3
6. Do updated land use plan/zoning for area around Pavilion Shore Park (vacant and obsolete properties)	3
7. Work more closely with the Novi Chamber of Commerce to develop strategy to enhance our business community	3
8. Revamp drain millage to expand purpose to include funding preservation of natural areas and acquisition of park land	3
9. Allocate funds for commercial facade improvement program for the city	1
10. Create an event to connect students across Novi's 4 school districts - cultural, service-oriented, or artistic e.g.	1
11. Partner with private businesses to fund landscaping improvements to 12 Mile and M-5 interchange	1
12. Develop a creative way to recognize efforts by private businesses who are pursuing "green" operations	0
13. Recognize Novi's international community members/businesses by adding other languages (e.g. Japanese) to city signage/properties	0

Top LONG TERM Service Improvements - VALUE	Total Points
1. Fund and complete the Northwest Quadrant Ring Road	4
2. Create a multi-year plan for upgrading all of our major commercial corridors (Grand River, Novi Road, 12 Mile) with streetlights, landscaping, etc. Make our main roads look good!	4
3. Partner with a private developer to build a Fine Arts Theatre	3
4. Reduce City tax to 10 mils or lower	3
5. Establish a transit strategy to support long term needs for alternative transportation, to connect Novi's businesses and residents locally and regionally.	3
6. Continue to aggressively buy more land	2
7. Develop potential development plans for difficult parcels of the city to share with potential developers	2
8. Develop long-term environmental sustainability plan for city property	0
9. Develop Shop Novi marketing campaign featuring small businesses	0

Police Chief/Director of Public Safety Molloy explained that Public Safety coordinates on a regular basis with many departments outside of the Police, Fire, and EMS. For example, at accident intersections they have been able to reduce traffic crashes at many intersections by working with Engineering and Oakland County Road Commission to put up the proper signage. Public Safety is not just Police and Fire. It takes the cooperation of all departments in the City to have an impact on Public Safety, We continue to narrow down and take a look at every hour of what a police officer is doing. We use a data driven approach. They meet weekly to analyze the data to make sure the needs of the Community are addressed and to do everything they can to prevent crime. The goal is to have 30% of a police officer's time working on preventative patrols. We want them working on preventative patrols in neighborhoods and to reduce traffic problems. Now they work about 20% of their time and don't have the time for the dedicated patrols. They've been able to reduce specific crimes by 70% by stationing officers at a specific location between midnight and 4 a.m. Currently, they are staffed at 63 full time positions in the Police Department. Staffing had been reduced by 10% with the decline in the economy. They manage their resources as effectively and efficiently as possible. They take advantage of the partnerships with local governments and departments. The Fire Department is positioned well right now. They have an adequate supply of paid-on-call fire fighters. They have been able to make an impact by managing their resources. Member Wrobel asked him if there was anything he needed to provide better service. He also asked what benefit the State Police provide while stationed within the building.

Chief Molloy noted the uniform officers are the backbone of the operations but when officers are on leave because of FMLA or injury, for example, they have to deal with what resources they have. They focus on having a sufficient number of uniformed officers. Their ultimate goal would be to bring back the directed patrol unit from the ICMA study of 2009. The unit focused on the high crime areas but because of the economy, the patrol was scaled back. We have a great partnership and collaboration with the State Police. Their responsibility is to travel to the interstate for their specific duties on the freeway. He thought they were a great value because they are a force multiplier for Novi, but they do not respond to any calls within the City. Member Mutch followed up on the directed patrol Chief Molloy mentioned. He asked what type of staffing levels would the Chief need for that operation to be sustainable. The Chief noted when they established the directed patrols, there were three officers taken out of uniform and placed in plain clothes position. This time, instead of being a plain clothes position, we would take three officers and incorporate them into our DDACTS philosophy. He explained they would be in uniform but they would focus on hot spots in our area, particularly Pontiac Trail and Beck. Member Mutch confirmed the need for an increase in staffing at the patrol officer level and they would implement where they are needed. It will not be for a specific area. Chief Molloy explained that random patrols equal random results. Our patrols need to be directed and focused. He felt they were doing a good job, but they could do better at getting the timely and accurate information out to officers so they know exactly what resources they need to respond. Member Mutch asked the Chief if the Novi Police do any traffic enforcement on the freeway. The Chief said it is very limited. When the State Police resources are limited, Novi Police may be called to respond and assist them. Member Fischer asked what kind of staffing he needs for a directed patrol. Chief Molloy said it was one of their goals to ultimately have a directed patrol, but they are not putting in a budget request for three new police officers this year. We may request one position. It will be a long term goal. Member Fischer questioned that the reduction in staff was because of some deficiencies in other areas and if we have gained efficiencies that can be carried forward in the long term. Chief Molloy said the 70 were strictly sworn personnel. There were 29 support staff and when they were absorbed into the Public Safety Administration, they were able to eliminate specific positions. Member Fischer thanked him for coming forward. It is important to have the input because about 50% of our budget goes towards Public Safety.

4. Invest properly in being a Safe Community at all times for all people.

Top SHORT TERM Service Improvements - INVEST	Total Points
1. Add 1 additional police officer in the next fiscal year	5
2. Make improvements or relocate Fire Station 3	4
3. Finalize plan and time line during next fiscal year to relocate Fire Station 1	4
4. Make improvements to high crash intersections	3
5. Require private trash collection companies to include recycling services	2
6. Implement appropriate level of directed patrol initiative as recommended by Police Admin	1
7. Continue lake patrols on Walled Lake with Oakland Co.	1
8. Continue to develop PD and FD community interaction/outreach programs (e.g. child safety seat checks, home safety checks, etc.)	0
9. Expand efforts to rent out gun range and fire tower for training	0

Top LONG TERM Service Improvements - INVEST	Total Points
1. Fund and implement directed patrol as recommended by Police Admin	5
2. Make improvements to top 10 high crash intersections over 5 years (signals, streetlights, etc.)	4
3. Build new fire station #1	3
4. Continue community outreach efforts for Police and Fire	2
5. Police department staffing study to determine appropriate levels of staffing based on crime stats, etc.	2
6. Create and annually updated capital improvement plans for all city facilities so future improvements can be budgeted through CIP	2
7. Fund capital improvements to DPS facility based on long-term plan	1
8. Make sure fire Department has necessary equipment to handle any rescue incident on Walled Lake	1
9. Consider Headlee Rollback for Police and Fire Millage	1
10. Develop long-term strategy to fully utilize CERT volunteers	0

AUDIENCE COMMENTS – None

Mayor Gatt thanked staff and administration for attending the early budget input meeting.

There being no further business to come before City Council, the meeting was adjourned at 11:31 a.m.

Robert J. Gatt, Mayor

Maryanne Cornelius, City Clerk

Transcribed by Jane Keller

Date approved: January 21, 2014