

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, SEPTEMBER 6, 2024, AT 7:00 P.M.**

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

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Fischer, Mayor Pro Tem Casey, Council Members Gurumurthy, Heintz, Smith, Staudt, Thomas

ALSO PRESENT: Victor Cardenas, City Manager
Tom Schultz, City Attorney

APPROVAL OF AGENDA:

CM 24-09-116 Moved by Smith, seconded by Casey; MOTION CARRIED: 7-0

To approve the agenda as presented.

Roll call vote on CM 24-08-116 **Yeas: Casey, Gurumurthy, Heintz, Smith, Staudt, Thomas, Fischer**
Nays: None

PUBLIC HEARINGS: None

PRESENTATIONS: None

CITY MANAGER REPORT: None

ATTORNEY REPORT: None

AUDIENCE COMMENTS: None

CONSENT AGENDA REMOVALS AND APPROVALS:

CM 24-09-117 Moved by Casey, seconded by Thomas; MOTION CARRIED: 7-0

To approve the Consent Agenda as presented.

- A. Approve Minutes of:
August 26, 2024 - Regular Meeting
- B. Approval to award engineering design services to OHM Advisors for the design of Bellagio Sanitary Lift Station Improvements, in the amount of \$33,660.00.
- C. Consideration of approval to purchase one unmarked vehicle for the Novi Police Department from Lunghamer Ford of Owosso, through the MiDeal Cooperative purchasing contract, in the amount of \$40,845.

- D. Approval of the recommendation from the Consultant Review Committee to renew Orchard, Hiltz & McCliment (OHM) Advisors Contract for Professional Services for three years.
- E. Approval of request for Pyrotechnics Display Permit by Brightmoor Christian Church to be operated by James Herr, on Saturday, September 21st, 2024.
- F. Approval of resolution appointing Mario Gibbons (Employee Delegate) and Tia Gronlund-Fox (Officer Delegate) as the 2024 City of Novi representatives to attend the Annual Municipal Employees Retirement System (MERS) Conference to be held October 10-11, 2024.
- G. Approval of claims and warrants – Warrant 1163

Roll call vote on CM 24-09-117

**Yeas: Gurumurthy, Heintz, Smith, Staudt,
Thomas, Fischer, Casey
Nays: None**

MATTERS FOR COUNCIL ACTION:

1. Consideration of approval to award engineering design services to AECOM for the design of the ITC Trail to Bosco Fields Connector Pathway, in the amount of \$81,610.

City Manager Cardenas stated that this has been in the works for a while. Initially, the Grants Committee staff applied for a TAP grant in 2020, which the City did not receive. The grant was applied for again in 2022 and the City received word that it would be getting an amount the equates to about half of the cost of this project. This project is not included in this year's budget. If City Council wants to move forward, the City suggests the fund balance comes from a mix of general fund and parks. He states that this is just the engineering so if Council wants to move forward, they can determine where the dollars could come from in the future.

Member Smith asked if the grant expires at the end of the year and Mr. Cardenas responded yes, he believes that the grant has to be obligated by the 2025 calendar year.

Member Staudt inquired if the funds are going to be expended in this fiscal year or are they obligated. The City Manager responded that they will be obligated and that the \$81,000 would be for the engineering and believes that the construction will take place next fiscal year. Member Staudt commented that this goes back to the Signature Park days and the original drawings for that park almost mirror exactly what is proposed here and that the Council has envisioned connecting the ITC Trail to the Bosco property. To him it's logical as it connects neighborhoods, the park system and the overall trails.

CM 24-09-118

Moved by Staudt, seconded by Smith: MOTION CARRIED: 6-1

Approval to award engineering design services to AECOM for the design of the ITC Trail to Bosco Fields Connector Pathway, in the amount of \$81,610.

Mayor Pro Tem Casey stated that the minute Council starts spending money on the engineering, it's set in motion to get the full project done. When she looks at the resolution that was passed in November, it was to get the grant. At that time the project was \$903,000 and now it's at \$1.2 million. She asks if construction costs have gone up that greatly and wants to know if the costs have gone up a small percent but now a 20% contingency is being projected. She wanted to understand how the cost of the projects has changed so dramatically since Council did a resolution to approve seeking the grant. City Manager Cardenas stated that the grant was for the construction cost itself. The engineering, the Geotech and all the other stuff that goes into the project is on the City. He believes construction costs did go up a little but it's also all the other ancillary stuff that is not baked into the grant. The Mayor Pro Tem stated that going forward when an opportunity comes to Council, not to just look at the grant but the total amount of the project. She stated that it's a bit of a sticker shock to see this project before Council and it's going to be \$1.2 million for a pathway and understanding why it wasn't budgeted. She said it's wonderful to have gotten the grant, but she was going from an expectation of Council needing to find \$300,000 to now having to find \$600,000 to spend on this just because half is now coming from a grant. She is struggling with this because she appreciates the benefit of what this will bring but the challenge is not having it budgeted and it's a significant use of fund balance. She apologized for being all over the board but wanted to get a couple of comments on the record.

Member Gurumurthy stated hats off to the City team for getting the grant. She wanted to clarify that if the Council approves the engineering now and it comes back and it's not approved this year, will the City lose the grant. City Manager Cardenas responded yes, and that the City has to obligate these funds by 2025 and that it'll be next fiscal year when the City would actually pay the construction costs. Member Gurumurthy asked if the grant could be reapplied for if lost, and Mr. Cardenas commented that the City has more propensity of getting some of the grants but it's not a guarantee and that it doesn't happen often where the City turns them down. Member Gurumurthy asked that once Council goes through the engineering design services, will it come back for the final cost of construction. The City Manager said that in terms of awarding the construction contract with a vendor, yes. Member Gurumurthy noted that going back to the larger plan, it looks like this was not part of the 2022 to 2024 non-motorized prioritization update. She is in favor to do the engineering service at this point.

Member Heintz asked if there is the potential to share some of the costs between the current fiscal year and the following fiscal year or just putting the majority of the costs in the following fiscal year to still be within the 2025 range. Mr. Cardenas responded that yes it was possible in terms of realizing it and making sure that the City highlights that when going through the budget process and that if it's something that the Council is interested in pursuing, it should be highlighted that there is an obligated dollar amount.

Member Heintz stated that it's awesome to have a grant and it would be silly to turn down that money but understand that Council wants to be fiscally responsible as well.

Member Thomas supports this trail and thinks it's a good thing for the community. Anytime the City can get significant funds then a way should be found to use them. She thinks that if all agree that this is a good thing for the community then they should find a way to make it happen. She is not in favor of approving \$81,000 for engineering and then saying they are not going to move forward with the project because that would be a waste of funds. She supports the project but says the Council went through a lot during the budget process and maybe it needs to be a whole discussion about how to make sure the fund balance is maintained and refilled as they move forward.

Mayor Fischer states that he is not in favor of the project at this point. He was supportive of the resolution and thinks is good to pursue grants but to use \$600,000 of fund balance after the discussions that they had during the budget process and with the Finance Committee, he doesn't think it's a prudent use of fund balances given the percentages where they are today. The other issue he has is that this is going to be a \$1.2 million pathway that connects Beck Road to the ITC Trail through Bosco and 300 yards to the north is a pathway of 11 Mile and it gets to the same place in the ITC Trail. He gets that \$600,000 is coming from the county but that's taxpayer dollars too and \$1.2 million for a redundant pathway is not good use of fund balance. He doesn't see why any money should be spent on engineering and won't support the project because he doesn't want to waste thousands of dollars to begin with.

Member Smith states he will be supporting this project. He thinks it's identified as a near term project in the active mobility plan. He thinks of ITC as a superhighway of trails. It brings the entrance ramp for that ITC another mile east and makes it more accessible to people on the east side. They have the grant money and as Member Heintz pointed out and it was confirmed that this can be split across this fiscal year and next fiscal year. The priorities for the 2025 build season for sidewalks haven't been set so maybe things can be moved around to put this in the bucket for 2025. Member Smith asked if a lot of boardwalks were expected or would the trail be ground based, and it was answered that it would be half and half. Member Smith encouraged that during the engineering phase if there is any way to avoid boardwalks as they increase the cost of building and maintenance.

Member Staudt said that the project was being looked at as a pathway and it isn't but it's the first step in building out the back 40 acres of the Bosco property. It was considered to be something that was going to be necessary to make the back of the property more accessible. There's so much history that goes into this boardwalk and in the general area that is far beyond just putting in a pathway. This is the first step in working on the back 40 and making it more accessible to the residents and starting a process of developing that property with additional uses. He has sat on the committee that created the ITC Trail and this has always been seen as a key element to that trail. He can't see why Council wouldn't more forward when the City is getting a 50% grant for the construction. The other thing that's important is that some fund balance will be tied up, but the entire

project could be funded next year with next year's budget and reallocate those funds to the fund balance. It's not an issue of using these funds in this fiscal year. The funds themselves aren't going to be spent for quite some time so it's an issue of whether Council wants to do this and take advantage of a significant grant. In the past Council has turned down grants for similar type projects but not very often. He thinks this is an outstanding project to moving with developing the back 40 so he is in 100% support of this. Whether the project gets paid via a grant or the City ends up paying for it, this is a necessity. This is part of the park and not a pathway.

Mayor Fischer reiterated that this is a \$1.2 million pathway and won't be supporting it.

Roll call vote on CM 24-08-118

**Yeas: Heintz, Smith, Staudt, Thomas, Casey,
Gurumurthy**

Nays: Fischer

- 2. Approval to purchase twenty-seven (27) sets of protective turnout gear for the Novi Fire Department full-time firefighters from Phoenix Safety Outfitters, an authorized dealer for LION, who holds the National Purchasing Partners (NPP) cooperative purchase agreement for \$100,111.95 and amend the budget.**

City Manager Cardenas gave kudos to Chief Martin, the command staff in the fire department and Director Zinser on obtaining this grant. The only budget amendment of this is \$5,000 that the grant did not account for, and that dollar amount would be absorbed by the uniform budget the City currently has money for.

CM 24-09-119

Moved by Casey, seconded by Thomas: MOTION CARRIED: 7-0

Approval to purchase twenty-seven (27) sets of protective turnout gear for the Novi Fire Department full-time firefighters from Phoenix Safety Outfitters, an authorized dealer for LION, who holds the National Purchasing Partners (NPP) cooperative purchase agreement for \$100,111.95 and amend the budget.

Roll call vote on CM 24-08-119

**Yeas: Smith, Staudt, Thomas, Fischer, Casey,
Gurumurthy, Heintz**

Nays: None

- 3. Approval to award contract to Great Lakes Power and Lighting, Inc. for Civic Center theatre lighting replacement in the amount of \$112,620.**

CM 24-09-120

Moved by Casey, seconded by Thomas: MOTION CARRIED: 7-0

Approval to award contract to Great Lakes Power and Lighting, Inc. for Civic Center theatre lighting replacement in the amount of \$112,620.

Roll call vote on CM 24-08-120

**Yeas: Staudt, Thomas, Fischer, Casey,
Gurumurthy, Heintz, Smith**

Nays: None

- 4. Consideration of approval to award the contract to Long Mechanical, the low bidder, for Novi Ice Arena replacement of existing HVAC units in the amount of \$733,560 and amend the budget.**

Member Gurumurthy sees that the system is old and it's important for it to be replaced. In terms of planning the budget, this was not planned for either this year or the next several years. She requested that Council review some of these items and plan, so they have these in the budget. City Manager Cadenas acknowledged that this was not in the budget but that when doing the HVAC units, it was determined that it would be more cost effective to included this as well. He concluded by saying that in the future the City will definitely take a look at all of these.

CM 24-09-121

Moved by Smith, seconded by Thomas: MOTION CARRIED: 7-0

Approval to award the contract to Long Mechanical, the low bidder, for Novi Ice Arena replacement of existing HVAC units in the amount of \$733,560 and amend the budget.

Roll call vote on CM 24-08-121

**Yeas: Thomas, Fischer, Casey, Gurumurthy,
Heintz, Smith, Staudt**

Nays: None

CONSENT AGENDA REMOVALS: None

AUDIENCE COMMENT: None

COMMITTEE REPORTS:

1. Public Utilities and Technology Committee

Member Thomas said the Committee met on Tuesday and Mr. Cardenas went through the previous Municipal Broadband Committee report. He shared that information and got the Committee up to speed.

2. Long-Range Strategic Planning Committee

Mayor Pro Tem Casey said the Committee held their first meeting last week and it was the first set of conversations where they could start to align on what long range strategic planning means to each member and so they could start to pull their thoughts together and start to build their plan. The next meeting is October 2nd.

3. Mobility Committee

Member Smith said the Committee met last Thursday where they discussed the current state of the sidewalk repair maintenance pilot program to replace panels 3/4" of deflection or greater. There was a presentation from DPW regarding what our state is and what other cities and townships in the area do. Member Smith reiterated that this is just for sidewalks only. There are 264 miles of sidewalks. Also, there are 47 miles of shared use paths which are wider and generally asphalt or boardwalks and those are not part of this current discussion. The Committee's next step is to formulate a recommendation to this body and how they proceed with the program.

4. Finance Committee

Although not on the agenda, Mayor Fischer to the liberty to add that the Committee met to discuss fund balance and fund balance policy. They did a deep dive to give direction to staff to go ahead and provide an updated fund balance policy that will be coming in an admin packet soon.

MAYOR AND COUNCIL ISSUES: None

COMMUNICATIONS: None

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 7:25 P.M.

Cortney Hanson, City Clerk

Justin Fischer, Mayor

Transcribed by Becky Dockery,
Account Clerk

Date approved: September 30, 2024