

DATE: November 21, 2024

TO: City Council

FROM: Melissa R. Marsh, City Manager

SUBJECT: Agenda Comments - Regular Council Meeting of Monday, November 25, 2024

The following are my comments on items appearing on the agenda of the Regular Council Meeting on Monday, November 25, 2024.

PRESENTATIONS:

CITY AUDITORS (REHMANN) - FINANCIAL AUDIT PRESENTATION

Daniel Clark, Principal from Rehmann, will be making a presentation regarding the annual financial statements for the Fiscal Year Ending June 30, 2024. After City Council has an opportunity to review the presentation and have questions addressed, staff and I recommend that the annual report be received and filed.

CONSENT:

SCHEDULED REPLACEMENT OF VEHICLE #469

The FY 2024-25 Budget includes funding carried forward for the scheduled replacement of Vehicle 469, a 2010 Ford E-350 Passenger Van, funded through the Active Adult division. Staff recommends that Council approve the purchase of one 2025 Chevrolet Express passenger van from Berger Chevrolet, of Grand Rapids, through the State of Michigan MiDeal Vehicle Purchasing Program, in the total amount of \$46,828.00. Funding is budgeted and available.

REPORTS:

ROAD IMPROVEMENT PROJECT AGREEMENT WITH MCNAUGHTON-MCKAY ON PINEHURST DRIVE

The City of Madison Heights has been presented with an agreement to undertake road improvements on Pinehurst Drive, specifically to facilitate semi-truck parking for McNaughton-McKay. This project is essential for improving access on E. Lincoln Ave. and to allow for access for other businesses. Staff and I recommend approval of the agreement between the City of Madison Heights and McNaughton-McKay authorizing the City Manager and City Clerk to sign on behalf of the City.

BID AWARDS/PURCHASES:

REPLACE WORKSTATIONS - FINANCE & CITY MANAGER DEPARTMENTS

The FY 2024-25 Budget includes funding for the replacement of furniture in the Finance and City Manager's Departments. The workstations in these two City Hall Departments are not cohesive sets, are in fair to poor condition over 25 years old, and are the remaining Civic Center Project workstations to be replaced. Farmington Hills cooperative bid pricing has been extended to Madison Heights for purchase at Smart Business Source. Staff recommends Council approve the purchase of replacement workstations from Smart Business Source in the amount of \$50,732.58.

CITY-WIDE COPY MACHINE REPLACEMENT LEASE CONTRACT

The City's IT contractor, Skynet, has conducted a thorough review and analysis of the City's copier fleet including inventorying, compiling monthly costs, and helping staff identify the correct number of machines necessary to efficiently conduct business.

Currently, the city has 64 copy machines with 9 different manufacturers in City Hall, the Library and the Police Department, most of which are at the end of their practical lifecycle. The average age of the equipment is over 7 years old, with 70% being over 10 years old. The cost for toner for this equipment in FY 23/24 was \$6,662.53. The cost for continuing to lease the current equipment, maintenance and copies in FY 23/24 was \$28,264.84, for a total annual cost of \$34,927.37 or an average monthly cost of \$2,910.61

Ricoh provided a quote for the replacement of 11 devices at a monthly cost of \$1395.57 and a cost per copy for both black and white (.01) and color (.05) and includes the cost of toner and service for 60 months. Xerox proposes replacing 21 of the existing copiers with a monthly cost of \$2,408.90 for 60 months. This solution would allow the city to reduce the number of copy machines and manufacturers, have a shared print allowance of 28,983 copies between devices, includes the maintenance agreement that covers the cost of toner, drums, and waste containers for these devices, and provide for the removal and recycling of the machines being replaced.

After reviewing the proposed options, Skynet and staff conclude that Xerox provides more equipment, better maintenance and is a better overall solution to the city's needs. Therefore, Skynet and staff recommend that the City approve a 60-month lease agreement with Xerox Business Solutions Midwest in the amount of \$2,408.90 for 21 copy machines and maintenance and allow the City Manager to sign on behalf of the City.

ORDINANCES:

ORDINANCE 2201 - REZONING PRZN 24-01 - 32275 STEPHENSON HWY. [M-1 TO MUI-1], FIRST READING

The applicant, Ahmad Nassar d/b/a Detroit 75 Kitchen, on behalf of the property owner, Raghunath Singh, requests to rezone one (1) parcel of land located at 32275 Stephenson Highway (TM# 44-25-02-101-036) from M-1, Light Industrial district, to MUI-1, Mixed-Use Innovation 1 district. The subject parcel is approximately 1 acre in size and is improved with a 3,300 square foot commercial building (currently operating as a restaurant and bar) and an associated parking lot. The property is located on the west side of Stephenson Hwy. just north of Whitcomb Ave. Staff recommends that the City Council adopt Ordinance #2201 (PRZN 24-01) upon first reading and schedule the required public hearing and second reading for the December 9th, 2024 City Council Meeting.