REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, MARCH 10, 2025, 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
Danielle Mahoney, Assistant City Manager
Elizabeth Saarela, City Attorney

APPROVAL OF AGENDA:

CM 25-02-28 **Moved by Casey, seconded by Smith; MOTION CARRIED: 7-0**

To approve the agenda as presented.

Roll call vote on CM 25-02-28
Yeas: Casey, Gurumurthy, Heintz, Smith, Staudt, Thomas, Fischer
Nays: None

PUBLIC HEARINGS: None

PRESENTATIONS: **None**

CITY MANAGER REPORT: None

ATTORNEY REPORT: None

AUDIENCE COMMENTS:

Ryan Husaynu, an attorney who is located at 401 S. Old Woodward Suite 40 in Birmingham, was present to talk about Cantaritos Fiesta Mexican Restaurant which is going into the old Chili's location. Also present were Cantaritos' owners Victor Vasques, Fernando Herrera, Roberto Torrios and his wife Maribel. They're excited to have the liquor license transfer and to being open. The restaurant offers authentic, fresh Mexican food and great drinks. One of the Council members has been to the location in Royal Oak. They are excited to be in Novi and look forward to opening.

CONSENT AGENDA REMOVALS AND APPROVALS:

A. Approve Minutes of: February 24, 2025 - Regular Meeting

B. Approval of a resolution to increase the marriage ceremony fee from $50 to $100

C. Approval to move the June 16, 2025 Council meeting to Monday, June 23, 2025.

D. Approval of a Resolution to close Meadowbrook Road from 25075 Meadowbrook to Ten Mile and close 10 Mile Road from Meadowbrook to the Civic Center at 45175 Ten Mile Road for the 2025 Memorial Day Parade from10:00 AM to 12:00 PM on Monday, May 26, 2025.

E. Approval to modify the Memorandum of Understanding to provide accounts payable and light accounting services to Michigan High Intensity Drug Trafficking Areas (HIDTA) and authorize the Mayor to sign a Memorandum of Understanding after review and final approval of the City Attorney and City Manager.

F. Consideration of request to transfer ownership of an existing Class C Resort liquor license from Brinker Michigan, Inc. to Cantaritos Fiesta Mexican Restaurant, LLC, located at 20901 Haggerty Road, Novi, MI 48375.

G. Enter Executive Session immediately following the regular meeting of March 10, 2025, in the Council Annex for confidential written correspondence from legal counsel and to discuss union negotiations.

H. Approval of claims and warrants – Warrant 1175

CM 25-02-29 Moved by Casey, seconded by Smith; MOTION CARRIED: 7-0

To approve the consent agenda as presented.

Roll call vote on CM 25-02-29

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

MATTERS FOR COUNCIL ACTION:

1. **Consideration to adopt a resolution placing a question on the August 2025 ballot whether to authorize the City to issue bonds and levy a new millage specific to the acquisition, construction, and rehabilitation of public safety facilities**.

City Manager Cardenas said they've been down a long road to get to this path and a lot of work has been done. He wanted to thank all of his colleagues and their partners with Plante Moran Realpoint. Three representatives from three different consultants that have help the City get to this consideration. They have a quick presentation that has already been shared earlier to hopefully get them to the point where they can address any questions Council may have to ultimately get this on the ballot for the August election.

Todd Fenton, Plante Moran Realpoint, was also present at the January special meeting, said their job was to aggregate a lot of the information that the City, some of the City's consultants and Redstone Architects had compiled and, in their review, determine whether those recommendations for the new public safety facilities were reasonable. As was pointed out in their first presentation, the current facilities were built when the population of Novi was 20,000 and it has nearly tripled since then. They also added a facility assessment of these building to their scope and determined that their recommendation was that it made more sense to build new than to try to renovate or repurpose the existing facilities. The resolution that came out of the meeting in January directed them and the City's administration to continue their due diligence for the public safety program consisting of a new public safety building that would be a combined police station and fire station #1, the construction of new fire stations #2 and #3 with an authorized budget of between $85 million and $125 million. They were also directed to work on what the ballot language would look like for this proposal and how it would be financed. They are here today to discuss this at a high level, their preliminary budget and then a financial analysis from PFM followed by Patrick McGowan from Miller Canfield to discuss the actual ballot language.

Brian Weber, Plante Moran Realpoint, said they broke this down into five major components. They have public safety, road improvements which they extend Cresent Boulevard down to Lee BeGole to Eleven Mile, fire station #2, fire station #3 and fire station #4, with an allowance for approximately $2 million for that facility with a scope that's yet to be determined. The public safety building would be the combination of the police and fire station #1, located at Lee BeGole and Eleven Mile adjacent to the Department of Public Works building with approximately 78,500 square feet for that facility. A lot of these assumptions are based on their Redstone architect who had provided a programming report that they were able to review, validate and vet through with the City and the administrative staff. The road improvements would extend from Crescent Boulevard east down to Eleven Mile with a traffic circle planned for Eleven Mile and then continue Eleven Mile to Grand River Boulevard. Fire station #2, understanding that a property has not yet been determined, they've accounted for 14,500 square feet for that building and then the same for fire station #3, still finalizing a location but they have 14,500 square feet for that facility as well. Wrapping up with fire station #4, the scope is not yet determined as they have not yet had a chance to give an analysis of that building and give an assessment to that building but there are potential renovations or potential scope at about $2 million that they're going to dive into further with the team and understand what the needs are from that facility. They are not accounting for any property acquisition for the public safety building. They do have dollars set aside for both fire stations #2 and #3. Under professional services and fees, this is where they house future architects, consultants, surveyors, geo-technical and a lot of the professional services. Site costs which would be the development of not only the existing property and the utilities, understanding there is work with existing utilities or tapping into utilities for the new buildings, but also includes demolition and clearing of existing facilities once the new projects are completed. Under regulations are standard permits, plan review fees and inspection fees. They account for that based on discussions in their meetings. Owner costs would be miscellaneous legal fees, mover's fees and anything that would be a direct thing that they would not want to run through a construction manager, to avoid any necessary markup. Construction is hiring the electrician, the construction manager, the mason, all the trades for the project. Furniture and fixtures are for appliances, furniture, weight room equipment as they want to isolate that away from the construction management package. Equipment excludes vehicles, apparatus or any personal equipment or supplies for any of the staff. It's strictly for the facility upgrade in the site upgrades. They have accounted for a healthy technology budget to make sure these buildings are properly equipped. Knowing that these buildings are not going to be bid out for the next two to three years, they plan for a bid package in 2026 and potentially 2027. They carry an escalation factor and right now they're assuming around 4% escalation, understanding that's normal market conditions minus any black swan events or major effects. They'd have to adjust accordingly. Lastly there would be a project contingency of 15%. Right now, this is high level conceptual and it's something that once they refine and define the scope a bit more, then can reel that contingency in, understanding that they have control of it and set it aside or assign it accordingly. Total project cost totals $120 million. They know that there's not an architect on board yet. They did have to have conversations, assume and clarify exactly how they got to these numbers to understand the path moving forward. They can always reference back to where they started. It is assumed to be a reasonable expectation for this budget, given the scope of work, that these prices fall within reason and they're comfortable moving forward based on the assumptions that they have at this time.

Sean Wahl, PFM Financial Advisors, stated his company is responsible for the numbers and the bonding projections. They're looking at $120 million over two bond series, which is a one mill increase. Broken down over 25 years, the City is looking at $91.8 million in a public safety headquarters, $13.1 million in the NW City quadrant, another $13 million in the SE City quadrant and $2 million in the SW City quadrant. They're presenting a two bond series, one to be issued in 2026 and one to be issued in 2028. The first one in 2026 is contemplated at $40 million, in 2028

to round out the $120 million is another $80 million. There are a few assumptions that they have to make when they do these bonding assumptions. One is interest rates, and the other is taxable value growth rates. This is a millage, levied upon taxable value growth in the future. For these projections, they assuming a 4% growth in 2024, 4% for the next four years and then 3% thereafter in order to make this fit within that one mill target. Issuance costs are conservative in this sense and are roughly offset by investment earnings so as project dollars are spent, that money is invested in an account earning interest to roughly offset those. That's generally how they will set this up getting to a total project amount of just under $120 million. For the projects they talked about, they contemplate two repayment periods of 25 years per bond series for a total interest cost of just under $90 million. Their estimated interest rate for both series is about 4.5%. The first year millage is one mill for a simple average millage of .95 mills. A $500,000 market value house with a taxable value of $250,000 is going to have an annual increase on their tax bill of $250 for a project like this. A zero mill has the highest passage success at over 80% but just under a mill to about a mill is anywhere from a 45% to 55% passage rate since 2019.

Pat McGowan, Miller Canfield, discussed what the language would look like on the ballot proposal to be sent to voters. Whenever a community is looking at doing a voted bond issue, there's four required elements that have to be in the ballot proposal under state law. First, is the principal amount to be borrowed. Second, the maximum number of years the debt will be outstanding. Third, is a statement of the purpose that the bonds are being issued for. Fourth, the estimated millage of the first year and an average millage rate over the life of the bonds. There's not a lot of flexibility in how these are worded. The most important thing he wanted to focus on is how they describe the project. When looking at a bond proposal, whether for the City or for the school districts, the idea is to try to synthesize all the different elements that are being included within the bond project in something that's reasonably understandable, concise and yet including the most important details. The proposed bond includes the following language, "S*o shall the City of Novi borrow the principal sum not to exceed $120 million and issue it's unlimited tax general obligation bonds in one or more series payable and not to exceed 25 years from the date of issue.*". The proposed language that addresses the purpose states, *"To pay the cost of acquiring, constructing, furnishing, equipping a new public safety facility, including police department and fire department facilities, two new fire department facilities to replace fire stations 2 and 3 and renovations and improvements to fire station 4, including site acquisition, demolition, and related road and site improvements."*. The proposed language includes the need to acquire sites and demolition which includes the new facility, if anything, as well as the new site or also the existing facilities that are going to be repurposed. The language also talks about the related road and site improvements such as the road that needs to be done to connect along Crescent. Site improvements would be parking and other site improvements such as water, sewer, et cetera. The last sentence of the proposed language addresses the estimated millage impact, which according to PFM calculations, would be one mill in the first year of the levy and the annual would be .95 mills. The proposed structure has split this into two different bond issues. They don't get into that level of detail, but they do indicate the bonds to be issued in one or more series and that the payable of each series is not to exceed 25 years. That's the original proposal and things may change. The millage estimates may not be correct by the time they get there but they're making reasonable assumptions because whatever the interest rates on the bonds are and the taxable value growth of the community will dictate what the actual millage is. The nice thing about a voted bond proposal, from a financial standpoint, is that it gives the City the authority to levy a tax to be used to pay the debt service each year at whatever millage rate you need to pay the debt service. If the values of the City grow at a rate higher than is projected, the City would be able to lower that millage and if the rate of growth wasn't as great, the City would be able to bump up that millage only to the amount needed to cover the debt service in the next year. Many of these points are required elements but he thinks there is wiggle room in the description of the projects. They want to make sure the language includes the components and elements being looked for in this

project in a way that is clear and understandable to the voters. The timing on this from the bonding standpoint requires the ballot proposal to be approved by the City Council and filed with the City and County Clerks 12 weeks before the election which would be May 13th. They can get this before Council, answer their questions and that would give Council more time to begin their education campaign with the community as to what's included in the proposal.

Todd Fenton concluded the consultants' presentation by saying once the ballot language is approved, the City will launch its educational plan. They've been working diligently with the communication staff at the City. They're here to provide support. They will begin drafting and getting ready to issue RFPs for architects, engineers, and construction managers. The idea being that if this passes in August, they can hit the ground running immediately thereafter. In the interim, they're going to refine the budget, refine the scope of the project and they've got fire station 4 that they've now added to their scope. They're going to continue on the site acquisition and site selection for fire stations 2 and 3.

Member Staudt said that about four years ago, he and Mayor Gatt started looking at the future of the repairs that were necessary for a police station and the fire stations. It appeared that those numbers were going to be extraordinary. At that time, Mayor Gatt decided to put together a task force of a combination of current and former public safety members, some Council members and some people from the community in general. They started talking as a group and had a study done by Redstone. That study opened their eyes to where they stood and added some urgency to move forward. Then, maybe a year later, they started talking about it amongst this Council, which at the time was relatively new to the whole public safety discussion. What they determined was that it was in their best interest as fiduciaries for taxpayers' dollars to not throw new money at old buildings. As a result, they moved forward to one of their better decisions and hired Plante Moran Cresa to help with the process. During the past two years they have worked through it. This has been a multi-year process that has been done with many partners, the biggest of which is the Public Safety department as they have looked at every angle and know how important and difficult a decision this is for Council to ask for a bond to be issued. This is his 18th year on City Council. The last bond they had was in 2007 and that was to fund the library. They did it successfully and under budget. The reason for hiring a firm like Plante Moran is to look out for the City's best interest and $120 million is a lot of money and they want to spend it in the best way. There's been discussion about demolition. He thinks it's in all of their interests that they demolish all the buildings when they complete their replacements. There's been discussion in the past about the police headquarters and if you read the study by Plante Moran, you'll find that the building was built for one purpose and that is to be a police station. To tear it down and start over will provide a nice location on the campus for maybe a future senior or recreation center. It isn't the best location for having an expanded modern police department. He thinks that for the most part, Council agrees that demolishing the buildings is a good thing. The timing is right to do this in August. They've talked about this for a number of years and it's time to bring it forward with the voters. They have a responsibility as elected officials to do what's in the best interest of the City. This is going to take multiple years from the time they pass to issuing the bond to getting things designed. He'd be happy to see a shovel in the ground a year to a year and half from now. Expectations are that it's going to take them time so that's another issue about why they want to get this done sooner rather than later. This is a big decision on their behalf, and they have to be cautious with the taxpayers' dollars and a $120 million bond. Maybe that's something that other cities do on a regular basis but not Novi. It's something that's new and very different but it is something that he can get behind 100%. He thinks the voters are going to see that they're going to provide them with something that is of great value. Not only helps them in the case of personal emergency but also it helps increase the property value of their homes. There's just so many positives to doing this.

CM 25-02-30 **Moved by Staudt, seconded by Casey; MOTION CARRIED: 7-0**

Approval of a resolution placing a question on the August 2025 ballot authorizing the City to issue bonds in an amount not to exceed One Hundred Twenty Million Dollars ($120,000,000) and to levy a new millage in the estimated amount of 1 mill for and specific to the acquisition, construction, and rehabilitation of public safety facilities.

Member Smith said he will be supporting this also. He's been hearing the residents' questions about demolition and glad it's being included. Residents have also been asking what's happening to the new sites and that is a question for a future council. They just don't know at this point what will go in there. These buildings were built before he moved to Novi 40 some years ago. They're definitely outdated. There'll be some efficiencies by combining police and fire. They'll have new more energy efficient buildings, less environmental impact. They'll have new buildings to show people when they bring in potential hires for police and fire. Hopefully that will be a good thing for recruiting. The only thing he is concerned about is the potential construction cost impacts of tariffs. Hopefully by August they'll know more about what that's going to look like.

Member Gurumurthy is excited about this project. Anyone she talks to, one of the first reasons they say they move to Novi is for safety reasons so she thinks this is a much needed thing and cannot wait to continue advocating for this in the community. When she looked at the preliminary budget assumptions and clarifications, she requests that in terms of the energy efficiency, she wants to make sure that it is part of the assumptions in terms of the energy codes and to also think long term regarding infrastructure, foundation, or the materials and to keep sustainability in mind. Also, if there is something that can be done today in regard to smart technology, although viewed as a luxury item, that would be great for our future. She would encourage them to look at it and make sure that the components they add to the facility, technology and everything for the buildings. There was a note about direct cost of relocation of the recycling center which have not been included, and she knows they are exploring that option now and it's not clear how that will span out, but she would request that before their budget session they have some kind of idea, and they can think through for the next three years if they have to plan anything in the budget. She saw in the construction area in the assumptions that there were several things that were out of scope that could lead to some cost, and it would be nice to have some idea before the budget session. She asked for clarification on how the consultants came up with $40 million for the initial amount. Brian Weber said they're not looking at the full $120 million right off the bat because they would have to spent that within three years due to requirements. If they had all the money up front it would expedite design construction that would enforce that process faster than they'd want to. Getting the $40 million would allow them to start the design process, road improvements, land clearing, and site development costs in those first few years and then handle the balance of the scope when they get the balance of the money.

Member Heintz echoes everyone's comments already. He appreciates how the four different elements of the bond were laid out and saying what's required with the bond wording. He wanted to know how the order of those elements are determined and if it's a structured order that's required to start out, for example, with the principal amount required. Pat McGowan responded that there is no statutorily required order in which that's presented and that it's the normal presentation to start with the amount, the duration, and the purpose. The estimated millage impact, which was actually added to the law only in the last 20 or so years, is usually at the end because it's an add-on. Sometimes it's said it's not part of the ballot because the estimates can change and the actual number may be different so that's why they usually start off with the dollar amount, the duration, the purpose, and have that estimate at the end.

Member Thomas said it was difficult for her to get there on this because there's so much money that's being outlined and she thinks that it really could cause limits to other things they could do, other things that they need for the community. However, when touring the facilities, it can be seen that the facilities are woefully behind on what they actually need to have the police and fire be able to function to their best and be able to keep the best people in the facilities. She doesn't move forward with any of this lightly. She understands it is a large commitment given all the other things that they would like to do that would be good for the community. She does understand the importance. They have toured the facilities that exist, and they do need to be replaced. They've toured new facilities that other communities have built, and it can be seen some of the things that Novi police and fire should have access to. They should have the training facilities, the equipment and the efficiencies. More importantly is the technology and new facilities. Obviously things are growing by leaps and bounds, technologically speaking, and they need to make sure that they're prepared for the future, and she is glad they have that focus on technology moving forward. It's hard for her to come to grips with all of the buildings needing to be torn down and replaced all at once. She is hoping that they move forward in a way that they're responsible with the money that the community, should they vote for, would be putting into this. And they are giving the police and fire the facilities that they deserve and are necessary to keep the community safe. It's not easy for her but when you look at the facts, there isn't another choice. She hopes that they're able to make great decisions as they go through this and make sure that they leave a better position for the people who come after them. When talking about the timeframe from when the bonds are issued to when the money has to be spent, she wanted to know would the idea be that these buildings be built simultaneously since several new buildings need to be built. Brian Weber responded that they do have rough timelines now. Once there is an architect on board they'll further develop it. Initially they were thinking of first bid package in the Fall of 2026 whether that be the road improvement and then those site packages to get foundations or what they can do from there. Once the balance of the money is available, they would plan out the vertical portion of the public safety building and then also time out fire stations 2 and 3 to coincide with each other understanding that it is a new facility so they can still run at their existing facilities and not impact that process. From a construction standpoint, the larger facility is a year and a half to two years and the fire stations probably a year to a year and a half of construction once those get going. The goal would be, and this is something they would package out with a construction manager, to construct the fire stations at the same time. It could be one package that they can get some efficiencies out of. Same thing with the public safety building. Member Thomas then asked if it was known, for these types of projects, what tariffs could mean and how much of the resources are coming from outside the United States as of this moment. Brian Weber replied that they have active projects all over the place right now and they're constantly talking to their suppliers and construction managers. They have not had any immediate impacts to date. The big thing is not understanding what equipment may come from across the border whether it's electrical gear or aluminum or glazing. It's all unknown right now. They're still maintaining their 4% to 6% escalation that they have included and then understanding that other 15% contingency they do have to hold that for some unknowns on site, but they can adjust accordingly. If it comes down to having a value engineer or something throughout the process, working with the design team and if they get surprised by anything, that's something they can work on building alternates into the bid of some of the stuff that was mentioned that's not in scope. It's like a shopping list when you go out understanding if they're a bit tight, they get good bids on bid day and then they can understand what that price is and accept that at that time. It's still a competitively bid option that give them the best bang for the buck at the time. They'll adapt accordingly. If anything does happen, they obviously communicate with the whole design team understanding what those impacts are and what priorities are that they'd have to adjust to accommodate and stay within that $120 million.

Mayor Pro Tem Casey said she appreciates all the comments of the previous speakers and is in full support of putting this in front of the voters and asking them to hopefully join with Council in

trying to provide top-notch public safety facilities for this community. She thinks it's been previously said that not only is it going to help raise the value of homes within the community because they have a top-notch safety department but that it will also help with recruitment and retention. She thinks that the team does need to work in buildings that match the level of service they provide. The Mayor Pro Tem reiterated they are seeking a bond issuance in 2026 and also issuing the RFPs for construction managers, the architects to start building designs in 2026 or will that come sooner. Brian Weber replied that the RFPs would be coming sooner and that they can actually start the drafts now, understanding if this passes in August, they've hit the ground running. They do have that document with potential firms lined up, as a selection of part of that and then start designing from there. The first priority would be getting the architect on board. They also sometimes hire technology consultants that go hand in hand with the design team and understand that the technology will come with it. That would start in 2025. They'll provide plenty of timelines, charts and whatever Council needs to understand as they work through it as well. Mayor Pro Tem then said the RFPs for construction managers and architects in 2025, bond issued in 2026, and they start site developments and road improvements with the first $40 million. She then asked how far can they get with that $40 million before the second issuance comes in 2028. Brian Weber responded that site development is probably around $30 million so that leaves them some cushion. From there they would be able to finish that design process issues in the next bid package likely ahead of 2028, like late 2027, understanding they can have contractors on board, they're not spending that money right away but at least have the contracts locked in, understanding what those costs are and cash hits a couple of months later and that's when they'll going to break ground for some of the other work. They'll coincide the timing of bidding to when they know of cash in hand. Mayor Pro Tem stated that information helps because she's trying to see when the residents can see the fruits of the money that they've hopefully graciously agreed to contribute towards this. Future wise, she's looking forward to seeing a clean timeline in one of their packages. She then asked the City Manager when the educational content goes live on the website. City Manager Cardenas replied that he thinks that it is already in place. Ms. Walsh Malloy has been feverishly working on that, and he wouldn't be surprised if they hear that in an upcoming speech. He thinks that they'll go live with that rather quickly. They've been working in conjunction with Plante Moran, and the communications team has been working on making sure that goes live. He thinks they're already teeing up HOA meeting as well. They know they have to hit the ground running because they are already behind the eight ball. The Mayor Pro Tem concluded that it goes without saying that the City has the support of the seven Council members as well as the educational campaign continues. She thanked all the team in advance that doing the work to build those materials.

Mayor Fischer asked Pat McGowan if he had ever seen bond proposal language where they start with the mill rate and Mr. McGowan responded no, he has not because that's an estimate. It was a late addition to the statute and usually comes in last as simply an estimate. It's there more as an explanatory type item. Mayor Fischer said he had concerns about how the language near the end where they say, "Fire Station 4, including site acquisition, demolition and related road and site improvements", he gets concerned because it seems to him like the way it's written, it seems like those components only relate to fire station 4 given how the semicolons and colons are. He asks Miller Canfield to take another look at that and make sure that everybody's super comfortable with that prior to being officially sent for approval. Pat McGowan said he understands what the Mayor is saying. It's a question of does that just relate to fire station 4. The Mayor said obviously they want to make sure that they're very clear with the voters and make sure that they continue to have the flexibility in doing what they want to on all the different sites. He's not looking for an answer today but it's something that caught his eye as he was reading it that could cause consternation in the future. Mr. McGowan commented that if after "fire stations 2 and 3" make that comment semi and then after "the improvements to fire station 4" make that a semicolon, that would make that clearer.

AMENDED MOTION
CM 25-02-30 **Moved by Staudt, seconded by Casey; MOTION CARRIED: 7-0**

Approval of a resolution placing a question on the August 2025 ballot authorizing the City to issue bonds in an amount not to exceed One Hundred Twenty Million Dollars ($120,000,000) and to levy a new millage in the estimated amount of 1 mill for and specific to the acquisition, construction, and rehabilitation of public safety facilities; and to reflect the updates to the ballot language in the resolution as discussed.

The Mayor said Member Staudt did a good job of giving a history of where they've come from with this. He thinks that they as a Council have done all they can at this point, and it is incumbent upon them at this time to go to the voters and ask them if they are with Council, do they think it's important and are they willing to help fund it. He thinks that the package and everyone whose worked on it has done a lot of due diligence, walking through buildings, and reading reports to come up with what he thinks is a very reasonable ask from the residents in order to take public safety to the next level. They often talk about how hard the public safety department works and they've done an excellent job keeping the current buildings as maintained as they are. If they want to sit there and expect to continue to be the best public safety department in the area, then they also need to continue to make those investments and that's exactly what they're doing tonight. He's excited and appreciative of the work that has been put into this. Someone alluded to the timing as well and they have a lot of different asks in the future of Novi voters. He knows that the team there, the City staff had to march quickly to try to get something in August in advance of some of these things, but the timing is right. He wanted to give thanks to the staff that had to go into this over the last couple of months and years all while having a real day-to-day job and that really means a lot to move this project forward. Finally, he wanted to thank City Manager Cardenas because he's had council members yelling at him, staff yelling at him and consultants to deal with. Council has put him through the wringer and has done an excellent job marching this forward to where it is as well.

Member Staudt asked Chief Zinser to speak about how the women and men under his charge would benefit from a new facility. Chief Zinser replied that it means a lot to them and shows that Council supports everything that the public safety folks do day in and day out. It shows that they recognize the facilities are outdated and not adaptable. It shows they want to provide the best facilities they can in the City of Novi for them. In regard to recruiting, you want to be able to show the best facilities available and by moving forward tonight, it shows that they have the support of their city leadership. Member Staudt stated that there's going to be a lot of discussion internally and externally during that process and wanted to know if there will be opportunities for the public to provide their input and thoughts on the priorities that are important to them. Chief Zinser replied absolutely, there would be whether it's through some kind of website questions and answers sort of things and they've already got some HOA meetings scheduled right now with more in the process of being scheduled. That'll be an excellent opportunity to get feedback from the residents on how they feel about the project and that it will be ongoing, he would imagine, until they actually start building buildings. Member Staudt said he appreciates the time Chief Zinser has spent on this and the input he's given to Member Staudt and the committee during the past several years. He said this would be an important part of Chief Zinser's career. They all appreciate the commitment that police and fire have made. They all run on the same public safety platform, and they actually mean it. He's looking forward to engaging the voters and convincing them that this is a good investment.

Roll call vote on CM 25-02-30 **Yeas: Heintz, Smith, Staudt, Thomas, Fischer, Casey, Gurumurthy**
Nays: None

2. Consideration to approve the recommendation from the Long-Range Strategic Planning Committee to approve BerryDunn as consultant for the Facilitation of a Community Strategic Planning Process.

City Manager Cardenas said this began with Council's goal setting session some time ago when they created the Long-Range Strategic Planning Committee. That committee then charged them to create a request for proposal. They got the most bids they've ever received for any kind of bid, 19. The staff team narrowed that 19 to four and that was brought forward to the Committee who interviewed the top two. With that, they came forth before Council and after doing interviews and having discussions, they recommend BerryDunn to help facilitate the process and now leads them into the next 15 months in helping to create the strategic plan. They're confident this consultant will help them get to the end goal.

Mayor Pro Tem Casey wanted to thank the team that reviewed the 19 bids to make their top recommendations for the committee to consider. Also, she thanked her colleagues and the staff that attended the futurist session last Monday. That was one of the first steps in the process to build out the long-range strategic plan. She appreciates everyone's willingness and their engagement in the different conversations they had. For anyone who enjoys the Now You Novi podcast, the latest episode is a wonderful recap and start of a conversation about what they learned from the futurist and how they are going to use that going forward. The consultant that is being recommended is definitely a strong recommendation from the committee. This is an organization that has a long tenure. They have multiple locations across the U.S., and they have done work here in Michigan. They have the bench depth that she thinks they all want to see and have teams that deal with municipal finance, construction and urban planning. All in all, this is a strong recommendation from the committee. She appreciates the work the committee did to get to this point. She thinks going forward, they'll start to see things move relatively quickly in terms of outreach to them as council members, the community and staff to start driving some of the questions and learning so they can get this going forward.

CM 25-02-31 **Moved by Casey, seconded by Smith; MOTION CARRIED: 7-0**

Approve the recommendation from the Long-Range Strategic Planning Committee to approve BerryDunn as consultant for the Facilitation of a Community Strategic Planning Process.

Member Smith said the biggest take away from the futurist session, was one of the first things that their consultant said was a quote from Jonas Salk, "The most important question to ask ourselves is, are we being good ancestors?" That way of thinking is important to bring into a job like this. He thinks that strategic planning is critical, and this is a great first step to get that going.

Member Heintz said this is a great opportunity and ties into so much of what City Council's interested in. We want to do so much, not only right now, but with long-term aspirations. He thinks this will be synergistic with many of their goals.

Member Gurumurthy said being part of the Long-Range Strategic Committee has been a great journey. That was a systematic process and thanked the staff and team for narrowing it down. They spent quite a bit of time hearing from the vendors directly and then being able to do some follow-ups and determine who would be the best. She's excited about this because they always

go more reactive or have a lot of things going on in the next three or five years, but this is going to be a good foundation that they will be able to lay down for 2050.

Member Staudt, as one of the committee members, wanted to thank Member Gurumurthy and most importantly, Mayor Pro Tem Casey who has enthusiastically pursued this for a number of years to the point of sometimes annoyance on his part. Something like this is difficult to get going in the right direction. And not only do they have it going in the right direction, but they also picked one of the best consultants in the country to provide them with services. Moving forward, they're going to actually have some positive feedback from this group. In the end, it all is going to come back under Council to provide the direction and pick the priorities and he's looking forward to that. This is going to be a good use of taxpayer money because it provides the current Council and future Councils with a roadmap to the future.

Member Thomas said in regard to the futurist session, she thought it was interesting to see how the futurist looked at things in a way that was different than what she would've thought of. She often thinks about not knowing what the future will bring but there are some things they do know and the things that may or may not happen and ask how important they are. It gave good light to understand more about how strategic planning can work. She found that a valuable activity. She thinks that it is important to make sure they are good ancestors and to make sure they're thinking about the people who come behind them and not just what their needs are. She is looking forward to this and thanked her colleagues who were able to do the work to determine the correct consultant for this position.

Roll call vote on CM 25-02-31 **Yeas: Smith, Staudt, Thomas, Fischer, Casey, Gurumurthy, Heintz**
Nays: None

3. Approval of resolution to authorize Budget Amendment #2025-4

City Manager Cardenas stated that this is not normally done but this is to recognize and allocate dollars associated with projects that have been advocated by City Council. There is one change he encourages Council to make on the motion and that is to reflect the expenditure for the Long-Range Strategic Plan should not come out of the City Manager's budget but instead the City Council's budget, under 816, which is professional services.

CM 25-02-32 **Moved by Staudt, seconded by Casey; MOTION CARRIED: 7-0**

Approval of resolution to authorize Budget Amendment #2025-4.

Mayor Fischer commented that the Realpoint owner's rep fees are currently being taken out of the CIP fund, and he doesn't believe that is the right place for that. The CIP fund should be spent on capital items. In this instance, they're looking to do a capital project with the police and fire buildings, but the owner's rep fees, professional services fees, would be spent out this fund that won't actually be funding the future project because they're potentially doing this bond if they go through with that. He would recommend that the Plante Moran Realpoint owner's rep fees be moved from CIP and also put against the general fund.

AMENDED MOTION
CM 25-02-32 **Moved by Staudt, seconded by Casey; MOTION CARRIED: 7-0**

Approval of resolution to authorize Budget Amendment #2025-4, including the correction that the Plante Moran Realpoint owner's rep fee would be moved from the CIP and put against the general fund.

The Mayor further commented that he talks about budget amendments often. He and Mr. Cardenas have had some of these discussions on this as a Council because he holds staff to be accountable to the budget they recommend, and Council approves. In his last comments during a budget amendment, he said they need to start doing a better job of living within that budget and actually seeing things like interest income, good news, flow through to the bottom line. He wants to remind themselves as a council, that they too need to make sure that as they go through the budget process coming up, that they do include these things. He fully supports the futurist. He fully supports the Long-Range Strategic Plan. He thinks that as a council they need to make sure they are incorporating these things into the budget at the appropriate time. When things pop up, which they will, and they have every right to make these kinds of adjustments throughout the year, they understand they're going to have to take it from the fund balance. It isn't incumbent upon the City Manager to fund them. They should live within their budget.

Roll call vote on CM 25-02-32 **Yeas: Staudt, Thomas, Fischer, Casey, Gurumurthy, Heintz, Smith**
Nays: None

4. Consideration of approval of proceeding with one of two estimated preventative maintenance options for Ajax Paving Industries, Inc. on Beck Road, 11 Mile Road to Grand River Avenue.

City Manager Cardenas said this is a project that is hopefully funded in 2026/2027 by the feds. This is a long-standing process but leading up to that, the road looks bad right now. It's relatively rough to get from Eleven Mile to Grand River. These dollars are coming out of capital competitive maintenance in their road funds. The options that are presented to Council are: option 1: micro-mill and ultra-thin pave new asphalt on the through lanes only of Beck Road from 11 Mile Road to Grand River Avenue or option 2: micro-mill and ultra-thin pave new asphalt for the drive lanes and deceleration lanes of Beck Road from 11 Mile Road to Grand River Avenue. The center lane will stay the same as it is in relatively good shape but if Council wants to do that, it's an extra $40,000.

CM 25-02-33 **Moved by Staudt, seconded by Smith; MOTION CARRIED: 7-0**

Approval of proceeding with Option 2 – micro-mill and ultra-thin pave new asphalt for the drive lanes and deceleration lanes of Beck Road from 11 Mile Road to Grand River Avenue.

Member Heintz commented that has drove down the road north and south to get a sense of the quality of the road and agrees with what the City Manager said about the quality of the road. He asked Director Herczeg, since the proposal does not impact the center lane, where does the water go when it rains if there's some unevenness for the roads. Director Herczeg replied that there would be little impact because what they'll do is mill three quarters of an inch down and then repave to the same height of the turn lane and the road will have the same pitch on it. There'd be no changes to the drainage. He wouldn't call it preventative maintenance but heavy maintenance. In place of going out and spray patching, which is what they've been doing for the last few years to try to hold everything together, or pothole patching this is an opportunity. They have a contractor that has done the preventative maintenance for them and has agreed to hold prices to do this quickly. Member Heintz commented that it's not a major lift, but the primary lanes would have a

light impact and Director Herczeg replied no, they'll be exactly the same profile. They'll mill it and it'll be put back in the same profile. There may be a small transition in the turn lane, but it won't be a bump. Director Herczeg also said that it doesn't make sense to do the turn lane given the fact that they're due for the project in 2026 and there's not a lot of traffic in the turn lane. Member Heintz maybe there's a slight aesthetic difference too and Director Herczeg replied yes, there will be a quilting look to it. They'll raise some questions and handle that through social posts before they do the project. Member Heintz said that to him it doesn't justify the need to do the center line. There is an $80,000 difference between the options in front of them and wondered what the benefit was to option 2 to include the deceleration lanes. Director Herczeg said it was recommended to do the deceleration lanes because there is deterioration there but it's Council prerogative.

The Mayor then asked Director Herczeg what option he would go with. Director Herczeg said he'd probably just do the primary lanes but there's deterioration in the deceleration lanes because they get the second most traffic. Everyone in the center lane is either waiting to merge or making a left hand turn so there's not a lot of drive on it. Transitionally and aesthetically, it might look strange to just have the drive lanes done. By the same token, someone might question why the turn lanes weren't done, instead of doing spray patching or pothole patching, which would be to the tune of about $50,000 this year, they would do this instead. They're going to spend money on it anyway it's just a question of how much of the road does Council want to mill. Mayor Fischer said it's a well-traveled section of road in Novi and thinks it's borderline dangerous given how uneven it is.

Member Staudt asked is the $40,000 not included in option 2 and the Mayor replied that either option would require an additional $40,000 if they wanted to do the center lane. Member Staudt then asked why they wouldn't do that, and Director Herczeg commented that he doesn't think it's money well spent because it is not necessary as there's not a lot of traffic on there. The drive lanes and the decel lanes make a lot of sense. Considering where they are in the process with the reconstruction and the condition of the center turn lane isn't nearly as bad as the drive lane. Member Staudt said he'll stick with option 2.

Member Thomas wanted to know exactly when they are expected to have the 2026 reconstruction start and Director Herczeg replied hopefully out of the gate in 2026. It's hard to say right now. They're still in the EA process but he feels better about the timeline. However, no one seems to have a real pulse on what's happening with unfunded federal projects. That's going to be a conversation between now and when they finish EA. There could be a pause or a delay or an impact on that construction timeline.

Member Smith he was going to ask about potential federal impacts to that 2026 project. He thinks it's prudent to fix what they have, get those deceleration lanes done now and then if it has to hold out for another couple of years, it's in good shape. Director Herczeg stated that if something happened where they were delayed or the funding didn't meet the EA requirements, they would come back and do some kind of mill over that center left turn lane. They would do a deeper mill with a larger or deeper profile and fix the entire road. The reason to dismiss the left center turn lane is because it's going to happen either way.

Member Heintz said he's in support of this option and it was helpful for Director Herczeg to clarify his general recommendation, which is option 1. To him, option 1 saves money but not wanting to derail or cause any hiccups, the best process is to be supportive of the success of the project.

Mayor Fischer said the motion on the table is for option 2 which at this point includes the deceleration lanes and he will be in support of that motion. He thinks the money is well spent to do the deceleration lanes as well.

Roll call vote on CM 25-02-33 **Yeas: Thomas, Fischer, Casey, Gurumurthy, Heintz, Smith, Staudt**
Nays: None

COMMITTEE REPORTS:

1. Long Range Strategic Planning Committee

Mayor Pro Tem Casey feels she gave enough of an update earlier and will close out there and looks forward to giving her colleagues an update after their next meeting.

MAYOR AND COUNCIL ISSUES: None

COMMUNICATIONS: None

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 8:20 P.M.

Cortney Hanson, City Clerk

Justin Fischer, Mayor

Date approved: March 24, 2025

Transcribed by Becky Dockery,
Account Clerk