

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, AUGUST 14, 2023 AT 7:00 P.M.**

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

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Gatt, Mayor Pro Tem Staudt, Council Members Casey, Crawford, Fischer, Smith, Thomas

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

APPROVAL OF AGENDA:

CM 23-08-104 Moved by Crawford, seconded by Casey; CARRIED UNANIMOUSLY

To approve the Agenda as presented.

**Roll call vote on CM 23-08-104 Yeas: Staudt, Casey, Crawford, Fischer, Smith,
Thomas, Gatt
Nays: None**

PUBLIC HEARINGS: None

PRESENTATIONS:

Novi Library Strategic Plan - Julie Farkas, Brian Bartlett, & Rob Cullen

Library Director, Julie Farkas thanked the Mayor and City Council for the opportunity to be there that evening. She was joined by Brian Barlett who is the secretary and Chair of the Strategic Planning Committee for the Novi Public Library, as well as Rob Cullen who is the head of Rethinking Libraries and a member of our consulting team that joined us over the last year to put together and formulate the Library's Strategic Plan. She stated the Library Board approved the Strategic Plan at the July 27 Library Board meeting; she believed you have that information in your packet that you received prior to tonight's meeting. She wanted to thank Councilmember Casey and City Manager Cardenas for being part of their retreat group that helped formulate and provide some great feedback. She said they had a lot of surveys, community feedback, as well as a retreat group that helped formulate and give feedback. She said tonight, she was going to turn over the mic to Rob Cullen from Rethinking Libraries to give you some information about the Strategic Plan and where the Library is planning to go now with these five years of 2023, through 2028, and how we will move forward with the Library for the next few years. She thanked Council for their time.

Mr. Cullen thanked the City Council and said he appreciated them making time available for this. He wanted to share some thoughts in general about the process from their perspective. He said they have done almost 100 of these strategic planning projects for libraries around the country. He said this is one of the best processes they have had. He said Novi has a World Class Library, certainly in terms of how they executed their

approach to strategic planning, had over 2000 survey responses, well over 125 people participated in the community engagement sessions, 30 people at the strategic retreat, community members, city leaders, staff and board members. He said from their standpoint, just excellent engagement and Julie's team and board's participation has just been one of the best projects they have had. He said as we talked about in the process, and our role in this was just facilitation, we did not bring the consultants that make decision, they just come in and try to facilitate the process. He said one of those things that they stressed in our findings was that this is a great Library that is a highly used Library. He stated the funding for this Library is okay, it is actually a little low for the region, but the utilization that this Library gets even at that slightly lower funding is off the charts, he has not done a full report, but in their experience, you would like the total usage for this Library per dollar spent is in the 1% of all libraries in this country, so the team is doing a great job.

Having said that, one of the things that was uncovered in the process was that the staff has been really stretched thin and delivering World Class level service at the funding level that they were. A lot of the strategic plan that developed out of this was around right sizing the activities and the service levels to be a bit more in line with to where the budget is today. He said the conversation with the community, if the community does want more, if they really want that super high level of service that the Library has been trying to deliver beyond their own capacity, then let's have those conversations about funding, and what those funding additions might look like. He said that is really the bulk of the plan is to find the right sizing services to where funding is today. He explained then start those conversations with the community about where the community wants the Library to be, and trying to help position the staff to deliver more success and to be more engaged in the process and decision making, and to make sure that those service levels do not get ahead of the funding and staff.

He said they were happy with the plan, this is only one of the best processes, he thought the plan they ended up with was one of the best. He said they spent a little extra time on the formatting in the version you saw from what they originally developed with the Library. He said they were proud of what the Library has done and excited about what the next five years can bring to the Library. He said he would be happy to answer any questions you might have about the process or anything else about the plan or anything else regarding that.

Mayor Gatt thanked him for the presentation. He wanted to make a statement because it is probably the last time I am up here when the Library gives a presentation. He said for years and years, Novi has so many great things, we have the greatest Police and Fire Departments, we have the greatest schools, we have shopping, we have a hospital that is second to none. He said we have so many great things, but nothing is greater than our Library, and it wasn't always that way. He stated when he started with the City, 48 years ago, our Library was an old wooden building on Novi Road that was right in front of the Police Station. It was tiny to say the least, and it was not used very often either. We have certainly grown over the years, at one time the Library was in City Hall, and that was a

transitional move as it was. He stated today, our Library is to be envied by every and any Library in the state, maybe the whole country, maybe the whole world, and he said he says that, not to be funny, it is true. He said it is not only what is in the Library, it is who runs the Library and we are very fortunate to have Julie Farkas with us. He said she has done a job, he thought nobody could do better. He said wherever he goes, people rave about Novi, there is no questions about it. He said in the end, that talk turns to that beautiful Library that we built and looks brand new. He wanted to say thank you, on behalf of the 65,000 people that live here, and the other million that visit us every year, thank you for doing what you do to make the Library such a spectacular and talked about, wonderful and fabulous place to be. He said he would open it up to any questions that anybody had. Thank you for all your hard work, you guys do a fabulous job.

Brian Bartlett commented on the process of selecting Rethinking Libraries. They put the most comprehensive proposal in front of them. He stated they gave us some invaluable insight as we look at our Library with the auspices of Novi, but they have a lot of experience with our sister communities around this area of the state. He said that gave the Board a good perspective of where we stand with our peers, as far as judging how we do our jobs.

Mayor Pro Tem Staudt said as the accountant that he was, he was interested in the actual dollar figures or range of dollar figures that you would need for operations and investment in staff. Mr. Cullen said we didn't do a projection that wasn't in the scope of what we did. He stated the benchmarks, though, do include per capita funding of libraries from the region that are in the same usage level of here. He thought you could look to those as guidance for what those might be. Mayor Pro Tem Staudt said he just wanted a number. He wondered if they were talking about a million dollars in annual and how would you as a consultant propose that be presented to the community. Mayor Pro Tem Staudt assumed that it will have to come in the form of a millage. Mr. Cullen said he would assume that as well, he thought that is what you are looking at. He believed more work needed to be done before you get to that stage. He thought the plan called out the gap. He said the plan calls for that foundational work to say how much the Library needs. He said that is the work that still needs to be done.

Mayor Pro Tem Staudt said he knew Director Farkas would have more specific answers. He asked Ms. Farkas, if she had any comments on what she would be looking for specifically. Ms. Farkas said she did not have a number, but what we are going to have to look at is operational, we are already going into year 14 of the building. She said because of the great use of the building you are looking at carpet, and those types of things that are operational with the building itself to keep up and maintain the look and the usage of the building that we want. She said those are not low dollar figures. She said we have done some numbering of that in the last couple of years when it comes to budget and she could tell you that it was close to a quarter million at that point when it was just operational, but also, we did a salary study, we want to continue to improve on that as well. She said the Library Board also invested close to \$180,000 in new salaries and that is on top of that, you must move forward as we move into the future. She stated with services, how much more do we want to take services and keep those levels that we

have been trying to do. She stated, she could not give him a number, she appreciated the question. She said we have a 12-month plan that we will be putting together this year in order to drive the rest of the plan for the five years.

Mayor Pro Tem Staudt wondered if there has been any discussion about expansion. Ms. Farkas replied no, she did not think we needed expansion. She thought what we must do at this point, is look at the way the Library is being used, and the way it changes in the usage of it. She said furniture wise; do you add more, we have spaces for adding more. Do you utilize different spaces differently, bring in different furnishings to make it more adaptable for the type of usage of the building that can be happening over the next couple of years. She gave one example; we just made a small space into another study room because we have such usage of study spaces. She said we are always looking for that furniture now to be more adaptable than it was. She stated we will have to look at those types of furnishing and changing things. She pointed out the amount of use from our teenage populations, she thought it was awesome. She said because of the wonderful relationship and the closeness and proximity to Novi High School, we are always going to have that great group of kids, they are coming in as freshmen and we have them for four years, and how to always continue to engage them with how they might be changing over the years, whether it is technology, space programming. She said they want to stay on their radar for what we can do for them. She said we are building Library users, we are building literacy with them, we are building information with them, and helping them subsidize school by providing an opportunity for them as well. She said these are some of the things that we want to hone in on. She said Mr. Cullen was very impressed. She wanted to point that out, when we visited the high school, we did a specific focus group with the, we had over 200 students participate in what they wanted from the Library, and we are doing a great job. She said they have after school programs that get almost 40 visitors a day after school because they are looking for that space to hang out and socialize, but then study. She stated that is a group that we are always going to need to keep on our radar so that they know how to continue to engage them and provide a space that they want that works for them. She said that is going to be part of the development.

Mayor Pro Tem Staudt stated 18 years ago, we got our original proposal to do a new Library. He said there were several Councilmembers opposed to it at that time. He said two years later, they got behind it, and we were one of the few millages passed in the state of Michigan that year. He said he was fortunate enough to run unopposed that year, so he put all his time in, he was not quite sure what we needed the Library for at the time. He had to say, watching it for the past 16 years, it has been a great thing, and that we came in under budget building that Library. He wished we had some of that money now, and we are not far away from paying off the Library. Mayor Pro Tem Staudt said maybe we can use some of that millage that is going to be available to pay the Library bond down to refund it and take the next step.

Member Crawford mentioned the focus groups with Novi High School. He wondered if we do anything with South Lyon, Northville and Walled Lake. He asked what kind of participation do we have from those schools. They are not as close as Novi High School,

but do they use the library. Ms. Farkas said we do get usage from our community Libraries because we have built relationships with them, in fact, we have put together what is called the Neighborhood Library Association, and this includes Wixom, Walled Lake, Commerce, Northville, Lyon Township and South Lyon. She stated we are part of the TLN Network, which allows anyone from that network to visit our Library and use it. She said we do see students, but she thought they tend to go to their community Library for those resources, it does not mean they cannot, but our major feeder, especially of that age ground is going to be our own students.

Mayor Gatt thanked them again and said keep up the good work.

MANAGER/STAFF REPORT:

City Manager Cardenas announced that he wanted to publicly introduce our new Fire Chief, John Martin is in the crowd. He asked John to stand up so that we could recognize him. He said we are so happy to have John here and he is going to be here standing by for questions for an item later on in the Agenda.

ATTORNEY REPORT: None

AUDIENCE COMMENTS:

Chuck Marshall, 24359 Hampton Hill, Meadowbrook Glens said he was there to talk about something you may not be aware of. He stated currently in Meadowbrook Glens AT&T is installing the high internet grid, and they are in the front easement of the homes, they are installing a pedestal style box. He wasn't sure if you are aware of this or not, but the residents there met on August 4th and there were about 50 residents. He said people did not like this pedestal style box because it is right in front of your house, and it is setting a precedent for first time that he was aware of that a utility box has been placed in the front easement. He said there is an alternative to this, it is called a surface box, this box is flush. He said he understood it is possible to put that in and he talked to Ben Croy, the City Engineer for Novi and he has been in contact with AT&T. He said it is still not decided yet for sure if they are going to do this surface box or the pedestal style box. He mentioned the average size lot is about 5000 to 6000 square feet and with the frontage easement, which is about 60 to 65 square feet, if you can envision a two- or three-foot-high pedestal box sitting there in front of your house permanently. He said if you look at some of these boxes in your back easement, they are tilted all which ways and after a while some of them are coming apart. He said these boxes that are being installed every other house. He was there to ask you as our advocate to talk to the DPW, he thought they are already trying to make this happen, but we certainly do not want these types of pedestal boxes. He said he spoke for probably the 50 people that were there on August 4th. Thank you.

Mickey McKinney, 24336 Kings Pointe, Meadowbrook Glens stated he was not a fan of these boxes going in, AT&T has made a mess of our neighborhood. Everybody is not too happy with our neighborhood. He said the City wants us to maintain our property, and

yet these commercial companies come in and do whatever they want and make a mess. He commented that when he moved here 44 years ago, the rear easements were what the utilities used. He said now suddenly, out of nowhere, they are using the front easements. He said they were given so much misinformation about the sidewalk program, the tree trimming program. He said they were told they were going to put sidewalks in, then no, we are not, then yes, we are, then no, we are not. He said they did get constant updates, not one word was ever given to anybody about letting them use front easements. He understood that other utilities can come in and do the same thing. Maybe you want that mess in your front yard, but he was thinking the half million-to-million-dollar homes down the street are not going to want it. He said this is just the beginning of hearing from the people who voted you in. He said they would appreciate an update of what is being said and done, because nobody in his neighborhood is happy about this. He said some have the low pedestals on one side of the street, and the high pedestals on the opposite side, and they are going to tunnel underneath the street and come on our property to do it. He said they have not repaired damage to his house done in February in his approach, so when they pull up on his front yard, they are not to be happy, because he is not going to be happy. He said if they don't fix a five-foot strip, he was sure they were not going to fix the 60-foot strip they could destroy, you are going to have people beating on your doors. Thank you.

Matt Heintz, 24551 Kings Pointe, Meadowbrook Glens said he would not repeat anything that has already been said by the previous speaker. He said we have some residents within Meadowbrook Glens that have had some tough times over the past year, not only with the current situation with AT&T, but prior to that with the sidewalks when they were just replaced some of the grass adjacent to that do not look the same now. He said overall, we have, as mentioned we have some challenges. He said there has been some opportunities. He said they really appreciated people reaching out to us, such as, Victor, and some of the engineers and City staff that have communicated with them and have been working with us to try to figure out how we can move forward and hopefully try to have some resolution. He said that is why he was excited about being there that evening trying to continue these conversations, both with the City and AT&T to try to figure out what can be an optimal situation for everyone.

Mayor Gatt asked City Manager Cardenas even though we do not comment during Audience Participation, would you see to it that our Community Relations Department gets a thorough complete history of what is happening there out to the residents ASAP. He stated if he heard right, some of them did not know it was coming. He said he did not know what the utilities are doing or what they are not doing. He has driven through the sub, he said he sees what he sees. He stated everybody here has seen it, but he thought it behooves us to get something out to the residents of Meadowbrook Glens telling them what is happening, what our involvement is, what we can do, and what we cannot do. He said if they have been in touch with Ben Croy, obviously, our staff is aware and knows what is going on. He said he would appreciate that.

CONSENT AGENDA REMOVALS AND APPROVALS:

CM 23-08-105 Moved by Casey, seconded by Thomas; CARRIED UNANIMOUSLY

To approve the Consent Agenda as presented.

- A. Approve Minutes of:
 July 31, 2023 - Regular Meeting
- B. Approval of a Resolution Authorizing "2023 Michigan State Fair" to occur on the Suburban Collection Showplace property at 46100 Grand River Avenue on August 30-September 4, 2023.
- C. Approval to award services to Davey Tree to complete an urban tree canopy assessment and update the tree management plan, in the amount of \$42,000.
- D. Approval of resolution appointing Kristin Corbett (Employee Delegate) and Charmaine Gauvin (Officer Delegate) as the 2023 City of Novi representatives to attend the Annual Municipal Employees Retirement System (MERS) Conference to be held September 28-29, 2023.
- E. Approval of Text Amendment 18.301 to amend various sections of the Zoning Ordinance to fix inconsistencies, clarify ordinance language, remove the unused EXPO Zoning District and associated Sections, modify the requirements for Microbreweries and Brewpubs, update the photometric standards, and other items as deemed necessary. **SECOND READING**
- F. Consideration to adopt Resolution Authorizing Conveyance of City Property (Parcel No. 22-02-356-002) to the adjacent property owner for \$30,000.
- G. Consideration to adopt Resolution Authorizing Conveyance of City Property (Parcel No. 22-02-356-006) to adjacent property owners for \$30,000.
- H. Approval of claims and warrants – Warrant 1137

Roll call vote on CM 23-08-105

Yeas: Casey, Crawford, Fischer, Smith, Thomas, Gatt, Staudt

Nays: None

MATTERS FOR COUNCIL ACTION:

- 1. Consideration of the recommendation from Consultant Review Committee to award the City's Emergency Medical Services contract to Medstar Ambulance, Inc., with a zero \$0 subsidy for five (5) years effective January 23, 2024 subject to final review of the form of agreement by the City Manager's office and City Attorney.**

City Manager Cardenas explained that our current contract with Superior Air and Ambulance is expiring in January. Our City staff, Fire Department and Public Safety Department, Chief Zinser are all here. He said we have been working on this to put it out

for bid, we received three bids and MedStar was the prevailing one that came to Consultant Review, they interviewed at MedStar, and was very pleased with what they learned and the confidence of resources they have available. He said Medstar is also looking to create some area of operation in Novi as well. He stated tht is going to be in addition to occupying Station "5". They will also have another location here, pending the Planning Commission approval. He said as you noted in the motion sheet, this is a zero upset subsidy commitment for five years. He said this is continuing that commitment that we have had from other of our previous providers, we no droppage in service provider provisions or times. He said we will always have the three dedicated ambulances here in addition to what they have at their station or their building that they are looking at expanding here in Novi. He said he was very excited. He mentioned the representative from Medstar was there, along with Chief Martin and Chief Zinser if you have any questions.

Mayor Gatt said before he opened it up to Chief Martin, he wanted to give Kudos to our Consultant Review Committee. He said this is one of the most important topics that ever comes before any committee, because it involves everybody who lives in Novi, everybody who travels through Novi, everybody who shops in Novi, everybody who recreates in Novi, everybody in Novi at any given time, is subject to a medical emergency and to have the apparatus and personnel available 24/7. He stated we are not even talking about our Fire Department, we are talking about these private ambulance services with trained personnel on board, and at no cost to the citizens should add quite a Kudo, quite a benefit. He thought that our Consulting Review Committee deserves some accolades for their hard work and vetting of this process and a smile on his behalf, and on behalf of everybody else on Council. Thank you to the Consultant Review Committee. He asked Chief Martin if he would like to come down and talk or stand by for any questions.

Mayor Pro Tem Staudt mentioned the Consultant Review Committee started looking at this a couple of years ago, and part of it was the pressure from our current provider to provide a subsidy by the City to provide services. He stated one thing he had to say is we on the Consultant Review Committee have been looking at the various options since we have been on it, which is more than 10 years. He said one of the things we have done for as a community has gone from one unit to two units to now three units. In addition to the three units if we have the depot here of units, we could have as many as seven to ten here. He asked Chief Martin, because you have been here the entire time, the evolution that we have seen, how does this help protect and serve our citizens in Novi. Chief Martin said that it offers us those additional resources. As you know, we run on quite a few calls, medicals, and everything else, we do see a series of stacked calls as well too. He said to add to that point of one ambulance, two ambulances, three ambulances we can have five or six calls in a row, and we would require those additional resources having this extra hub in the area or those available resources sitting at the hospital and that will allow us to basically take care of those citizens or those responses without any interruptions whatsoever. Mayor Pro Tem Staudt thanked him for his response. Mayor Pro Tem Staudt asked Mr. Miller if he could come up and give us a bit of an overview of who

your company is and the relationships between your company and Ascension are important or residents to understand.

Colby Miller said he was the Chief Executive with Medstar Ambulance, he was a Michigan licensed paramedic since 1989 and has been with Medstar for almost 20 years. He said they are a not-for-profit organization owned by the Henry Ford Health System, McLaren Health Care Corporation and Ascension of Michigan. He said about half of our business is in the 911 space contracting with communities from Bay County, Lapeer County, Genesee County, Macomb, Oakland and Wayne. He stated half of our business is inner facility and critical care work with our system, means that we serve, including an air program. He said there is a couple advantages that he believed Medstar benefits from and then the communities and patients that we serve benefit from, our Board of Directors is made up of physicians. He stated when he gets his reports, he talked about the response times, he talked about the vehicles, the personnel and the patient care. He said they are held accountable to the care that they deliver as a business metric, because of the organizational structure. He said the other component of that is, as it was mentioned earlier, and as we expand to serve our owner health systems, specifically in the city of Novi, we are opening an operational hub on Heslop Drive, which, at its peak will probably deploy 20 to 25 ambulances, and bringing in an additional 10, moving around the City throughout the day as we come and go from the hospitals. He said the advantage, as the Chief mentioned, it is a three-ambulance contract with 15 more to back it up. He said that advantage of the vehicles and the personnel coming and going anytime there is an operational EMS hub in a community, the community always benefits. He stated if there is stacking of calls, we say kind of jokingly, in our business, sometimes if there are 10 calls a day, and they are all at once, and when we are responsible for every one of them, so that investment in the community, the resources in the community, the buildings, including using the city fire stations, and the resources that are coming and going from the hospital, they are all available to run that emergency call, you know, truck number one, two, and three maybe all dedicated to the city in the contract. He explained if truck number four is closer to the emergency call when they are coming through the are going to be sent, and that benefits the patient. He noted another thing that he thought was important and Mayor Pro Tem Staudt you attended our safety conference with the vehicle and with the number of vehicles coming and going from the hospital. Ideally, we will cut down the number of emergency responses, the number of ambulances running lights and siren from one side of town to the other or from two miles away to another part of town. He said as EMS systems evolved in our country, the recognition of the dangers of emergency response and the benefit to the patients who received the emergency responses is really getting a lot of attention right now, with a hospital in town with the ambulance is coming and going to serve the hospital, the residents and visitors of the city really benefit from it.

Mayor Pro Tem Staudt asked if Mr. Miller could give us a brief overview of the cap that we have put on the costs. He stated one of the things we were concerned about is how much our residents must pay for service, and one of the things that is negotiated in this contract. He said there are a couple of things, one is having a contract with the health insurance companies, and another is capping what we would pay for services. He asked

if he could give us a little overview of that. Mr. Miller explained there is increasing pressure on EMS providers to work with insurance companies to make sure that our reimbursement for services maintains our service. He said they are a little bit beholden to the insurance companies because it is not really a negotiation, they just tell us at the start of each year what their reimbursement rates are going to be. He said we as an industry, we work with the insurance providers in the region, Blue Cross, HAP, Priority Health to get reasonable rates. He stated some of the EMS agencies in the region have decided to not participate with the insurance companies and just direct bill the patients. He said there are two issues you do not get the advantage of the insurance program that your employer or you purchase yourself, and you are left completely exposed to whatever the EMS provider chooses to bill you. He said in a normal billing situation Medstar sends out a bill, it its \$700 to \$800 dollars and the insurance company say we are going to pay \$400, and the patient's responsibility is \$50, and we send you a bill for \$50 dollars. He said in the situation where an EMS provider does not participate with an insurance company, they send you a bill for \$6,000 and you are on the hook for \$6,000. He said they although we believe that there are some difficult negotiations yet to be had with the insurance companies. He said the Medstar as an organization did not believe in putting the patient in the middle of that negotiation. He said they are going to negotiate with the insurance companies, and we are going to do our best with reimbursement but using the patient as a chip in our discussions with the insurance company is not how we think it should be done. He said knowing that some patients have high deductible insurances and because of the work that the City did, we put a cap and he did not have the document in front of him, but he believed it was \$700 sounded like the number. He said \$700 sounded like a lot. He said that is about the average charge for an emergency call. He said he could tell you that for the providers that are direct billing the patients \$700 is about 20% of what patients are seeing bills for right now, he was even surprised to see some of the bills that are coming out from the other organizations. He thought that was a reasonable cap. He said that discussion, even that \$700 number, we will see that in three or 4% of the patients that we serve. He said many patients have commercial or government insurance, the co pays and deductibles are negotiated trough the insurance companies and by and large, the out-of-pocket expenses, exactly what patients expect.

Mayor Pro Tem Staudt thanked Mr. Miller very much. He also wanted to thank the Consultant Review Committee, we spent two years working o this, and it was an up and down experience. He thought the result was a huge benefit to the residents of Novi. Therefore, he wanted to make a motion to approve the recommendation.

CM 23-08-106 Moved by Staudt, seconded by Fischer; CARRIED UNANIMOUSLY

Approval the recommendation from Consultant Review Committee to award the City's Emergency Medical Services contract to Medstar Ambulance, Inc., with a zero \$0 subsidy for five (5) years effective January 23, 2024, subject to final review of the form of agreement by the City Manager's office and City Attorney.

Member Fischer said as you mentioned earlier Mr. Mayor, this is obviously a very important

contract in the City. He didn't want to echo a lot of the comments that were made. He thought some of the points that Mayor Pro Tem Staudt talked about, were very important and he wanted to thank him for his leadership and talking those issues. He thanked staff, the support that we got, as the Consultant Review Committee from staff was tremendous. He stated they looked through all the bids and provided a lot of input, then the Consultant Review Committee spent around two to three hours with the Chiefs and Mr. Miller. He thought we could tell from some of Mr. Miller's answers, the passion, the knowledge, the intelligence that he brings to this industry. He thought we will be very well served. He said he was a little apprehensive, obviously, when we first started talking about it because change is not easy, especially when it comes to this. He said the comfort that we got from Mr. Miller in those two or three hours, he believed showed that evening, so happy to support this contract. He said he looked forward to working with your company.

Member Thomas said she had a couple of questions. She said she was trying to find some information on how this compares to what our residents are currently experiencing. She wondered as far as the caps of costs, she said the items that are important is the time of response that you are going to get the care that you get when you are in the care of emergency medical, and then what the bills are going to be afterwards. She said this states that the caps apply to Novi residents, what if it is a non-resident of Novi, if you have a visitor or there is an accident that happens within the City limits and it is not a Novi resident. She wondered if the caps still apply. She said this question was for anyone who could answer. Mr. Miller replied, he said this was the first contract with a cap on it, so his initial answer is that it applies to Novi residents only. Member Thomas asked if we have any indication of what would happen if a visitor needed emergency services or if a family member or something. Mr. Miller said they would be billed in the standard bill. He said we are putting a cap in our bills to prevent something that we do not do anyway. He said very few of our patients receive a gross charge bill, because they participate with all the insurance companies. He stated if your guest has Medicare, Medicaid, Blue Cross, HAP, or Priority that they are covered, they are going to get a standard copay or deductible. He said we submit the bill to the insurance company, the insurance company, it is a little strange, we bill one amount, the insurance company approves another amount, and then there is a residual passed along to the patient decided by the insurance company. He said if your copay has not been met your spend down, whatever it is, and then we bill you for that amount. He thought the average bill to a patient right now was about \$70 across our emergency service area. He said there are other companies in our space, who have taken themselves out of this insurance structure and are now seeing gross charge bills to patients and they have a much higher fee schedule than we do. He said so that emergency patient is now seeing a \$3000 to \$5000 bill for the same thing that we would bill them \$76 for. He said we are putting a cap in your contract so that the City is confident that won't happen with us, but in that cap, we have extended that protection to City residents only, but he did thing that the risk of seeing what is happening in the Medstar contract is a very low risk because they don't bill that way.

Roll call vote on CM 23-08-106

**Yeas: Crawford, Fischer, Smith, Thomas, Gatt,
Staudt, Casey**
Nays: None

2. Consideration of a request from BKYK, Inc (Hotaru Japanese Restaurant) for a new Class C quota license to be located at 39723 Grand River Ave, Novi, MI 48375, and Agreement on the Prohibition on Profiteering by Class C Liquor License Holders.

City Manager Cardenas mentioned this was on the last Agenda for or requesting one of these six available quota licenses. He believed the petitioners were there in the audience and were available for questions if Council had any.

Mayor Gatt asked the petitioner to step up to the podium to answer any questions. He said we missed you last time. The petitioner said he would stand by for any questions.

Mayor Pro Tem Staudt said this restaurant opened three years ago during the height of COVID. It was an extremely difficult time to start a business and know why we have standards for these licenses because they are extremely valuable. He said working through and persevering through difficult times is a good reason for him. He said he would like to make a motion.

Member Fischer said he was a little confused on some of the material he saw in the packet and that the business has been there three years, is that correct. The petitioner replied, yes. Member Fischer said he thought he saw somewhere else where it seemed like it was six years, but it is three years that you have been there. The petitioner replied, yes. Member Fischer asked if he could give us a little more sense for what you will be offering as part of the alcohol package. He explained one thing he liked to look at, as we are considering giving one of these licenses as we talk about often, we had seven through the new census, and we only have so many, and they are very important from an economic development tool to be able to retain different businesses. He asked the petitioner to tell him why, what you are going to offer is going to be kind of different than what we would see in Novi, because that is what he likes to see in order to support. The petitioner explained that he took over this restaurant two years ago, and this restaurant was served with sushi and Japanese Kitchen food. He said after he took over this restaurant, Covid was a hard time, but we overcame luckily. He said his dream was serving authentic Japanese food, food to people living here because there are so many Japanese restaurants around here, he believed they served Americanized sushi, like dragon, or rainbow, or something like deep fired, so if he wanted to make more money, he took out the sushi menus to focus on authentic Japanese food which is a good pair with Japanese coco, sake, and beers. He said in this past three years, when he has a chance, he made some traditional Japanese food which is a good pair with alcohol as a complimentary to his customer. He said he tried a lot, and he thought it is time to move on with liquor license to introduce authentic Japanese food to his customer and future customers.

Member Fischer thanked him for his explanation. He said he was excited to support this. He said he looked through all the materials. He said again, a lot of times we saved these to attract a big restaurant. He thought this was very important to recognize some of those

smaller restaurant tours in here and he was so happy to support this and looked forward to coming in and enjoying your pairings. Thank you.

CM 23-08-107 Moved by Staudt, seconded by Gatt; CARRIED UNANIMOUSLY

Approval of the request from BKYK, Inc (Hotaru Japanese Restaurant) for a new Class C quota license to be located at 39723 Grand River Ave, Novi, MI 48375 and Agreement on the Prohibition on Profiteering by Class C Liquor License Holders because the addition of the license to this business will improve the diners experience by allowing them to offer unique beverage selections consistent with theme of the restaurant. Other businesses in the same shopping center operate with a liquor license and such use is not incompatible with other uses in the area, the use will not adversely affect surrounding uses, because the use provides for a unique dining experience, and because the applicant appears to qualify for a license under the City's ordinance.

Roll call vote on CM 23-08-107

**Yeas: Fischer, Smith, Thomas, Gatt, Staudt,
Casey, Crawford
Nays: None**

CONSENT AGENDA REMOVALS FOR COUNCIL ACTION: None

AUDIENCE COMMENT: None

COMMITTEE REPORTS: None

MAYOR AND COUNCIL ISSUES: None

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 7:56 P.M.

Cortney Hanson, City Clerk

Robert J. Gatt, Mayor

Transcribed by Deborah S. Aubry

Date approved: August 28, 2023