



CITY OF NOVI
Finance and Administration Committee Meeting
January 20, 2026, 4:00 p.m.
Mayor's Conference Room | Novi Civic Center | 45175 Ten Mile Road
(248) 347-0445

CALL TO ORDER: 4:00 p.m.

ROLL CALL: Mayor Fischer, Mayor Pro Tem Casey, Councilmember Staudt

STAFF LIAISON: Victor Cardenas, City Manager

ALSO PRESENT: Jeff Muck, PRCS Director
Sheryl Walsh-Molloy, Communications Director
Karen Lancaster, Financial Services Consultant
Katherine Oppermann, Recording Secretary
Kristin Kolb, City Attorney Representative
Todd Fenton, Plante Moran Realpoint
Brian Weber, Plante Moran Realpoint

APPROVAL OF AGENDA

Motion: Casey; Seconded: Staudt; Approved: 3:0

APPROVAL OF MINUTES – November 24, 2025

Motion: Casey; Seconded: Staudt; Approved: 3:0

PURPOSE OF THE MEETING

1. Plante Moran Realpoint Public Safety Construction Governance Documents

City Manager Cardenas stated that they are here today to discuss governance and financial decision-making documents with Plante Moran Realpoint, for which two representatives are present.

Mr. Fenton started with a brief overview of the current activities related to the Public Safety Buildings Project. This included site due diligence, site analysis, the firms that had recently been selected for Architecture/Engineering, Construction Management, and technology. Looking ahead at the next six months they could anticipate formal program validation and a design concept, as well as a schematic design. He then went on to the reporting and governance documents. He shared an example of a public-facing dashboard, emphasizing that decision will not be "made in the dark" but that there will be full accountability and visibility, including the change order log. Also discussed were the expectations for meeting and update tempos, and what would be included therein. He showed how the RASIC document detailed both upcoming approvals that will go before City Council and the Finance & Administrative Committee (FAC).

Mayor Fischer requested further detail on the Change Order process to which Mr. Fenton replied that they will provide a bi-weekly report that includes any change orders and that anything in excess of \$100,000 would automatically be flagged as needing to go before the FAC. He noted that he did not expect, based on his experience in Royal Oak, that anything approaching that number or scale would come up but they have included it in the document as matter of course and to ensure the City's protection. Mr. Fenton noted that there was still room for discussion with the FAC on change orders as well as the approval of transfers within budget line items.

Councilmember Staudt asked where the current excavation work was included in the budget and Mr. Fenton and Weber stated it was from the Roads Budget. Councilmember Staudt then asked for clarification for where the point is that we switch from the road budget to project budget, Mr. Fenton said that once City contractor Spalding DeDecker finalizes the new leveling and hands over a new land survey it would then switch over, this has been included in prior updates to Council. Councilmember Staudt then expressed concern for the 20mil Roads portion of the budget, wanting to know what the cost set aside for the excavation/removal of "the mountain" is. City Manager Cardenas stated that they would provide a clearer budget for the 20mil in an upcoming administrative ePacket, to reflect the PMR template as requested by Mayor Fischer. Ms. Lancaster briefly explained that all of these expenditures are in a new, single fund for the Public Safety Project and there will be a budget amendment going before City Council soon that includes proceeds from the long-term debt, noting that it is not unusual to incur expenditures before the bond sale.

Mr. Cardenas asked how soon a draft version of the Novi dashboard can be made live for City Council and Mr. Weber said that he can prep it and send it on for review by the FAC soon.

Mayor Pro Tem Casey asked for clarification on if there is a time where an element comes in under the budgeted amount and they want to transfer the leftover funds to another line item if that decision would come to the FAC for recommendation to the full City Council and Mr. Fenton said that yes, that would be the process.

Mr. Weber then went over the updated budget, looking at those items that have been adjusted since they initially set it back in March 2025. He noted that it showed the actual land cost to date, and that there had been some savings already on design and Construction Management services. The chart demonstrates the template they plan to use going forward which will show both the original budget and any adjustments made, therefore allowing for the FAC to easily see and make decisions as to where savings get applied as the move down the road. They are consciously and purposefully keeping various items separated as individual line items and categories, and that each step along design estimation is closely tracked. He noted that Fire Station #4 is a bit unique as it was added later and the scope is still developing, it is currently set at a 2mil budget. Overall this budget exists to show history and track any changes line by line so everyone always knows where dollars are going. Mr. Fenton said that they will bring the full budget before the FAC at a later date for a longer discussion. Mayor Fischer asked that the excel version show

today be provided to the Committee members so they can examine it more closely outside of meeting time. He also spoke on understanding the escalation contingency setup in case bids come in higher and likes the separate project contingency that can be used as needed/allows on other items. He continued that we are going to have to be careful that everything is spent appropriately and legally under the constraints of the bond presented to the people.

2. Novi Ice Arena Evaluation

City Manager Cardenas stated that they had previously discussed what they want to do with the Ice Arena facility now that it has been paid off. As requested, revenue/expenditures have been compiled alongside projected project expenditures over the next 10 years. Mayor Fischer expressed concerns over the data that had been provided by Suburban, indicating errors in presented materials as well as a view that it is being presented as a rosy story rather than reality. Councilmember Staudt asked why we wouldn't use the fund balance and what requires us to maintain the funds for the Ice Arena, Ms. Kolb stated it is because it was set up as an enterprise fund by the City. Ms. Lancaster pointed out that the listed price is the valuation of the asset and not liquid cash, both Mayor Fischer and Councilmember Staudt expressed a desire for something that clearly shows actual cash value/cash flow. Councilmember Staudt stated that he doesn't know why we are continuing to hold onto this asset, he thinks that the facility is going to continue to become more run down over time and is concerned about where the funds for the necessary capital improvements will come from. He doesn't know how we can continue to hold onto it without a clear plan. Mayor Fischer noted that the sale of the building would generate around 4mil that could then be used to benefit a larger portion of the community than the arena currently does. Mayor Fischer further stated his frustration and stressed that we are not going to stay with the status quo on this matter, he expects more options from staff for them to review. He further requested that Suburban provide a full listing of revenue by user. Councilmember Staudt agreed, noting that it feels like a community asset not being used by the community. Mr. Muck agreed that, as far as Novi Ice Hockey goes, the majority are not Novi residents. Mayor Fischer requested that better options be provided including 1. Staff presenting a compelling argument for why and how the ice arena can be kept and 2. That City Manager Cardenas get quotes from appropriate firms (such as Plante Moran Realpoint) on what it would cost for them to advise the City on the sale of the building. HE also noted that he wants information on all options for selling the property, such as if the City could be ensured 1st right of refusal before a resale as he would be less interested in selling to a private equity firm. Mr. Cardenas affirmed that he and staff would work to get Council the clarity and answers being requested, and that they will have them back to them by next week. Councilmember Staudt noted once more that he does not think the City should be in the ice arena business, and doesn't believe anything will change his mind on the subject.

3. Council Chambers Refurbishment Feedback

Communications Director Walsh stated that when they had built the new Studio VI a few years ago there had always been the intent for a phase 2 that would include a re-visioning of the Council Chambers. The current Chambers have changed very little

over the past 40 years. In reimagining the space, she would like to see, ideally, a larger screen, the removal of columns (if structurally feasible), and the removal of the wood paneling. This could be a major overhaul, a smaller reimagining, or just a simple technology refresh depending on what Council wants. She is here today to receive direction from the Committee. Both Mayor Pro Tem Casey and Councilmember Staudt agreed that they'd like to see the wood removed, as it can be visually disorienting. Mayor Fischer stated that he liked all the suggestions Ms. Walsh had made and that he thinks there are many things that can be done with the space. He'd like to see a menu of options, including pricing, that they can select from. Ms. Walsh noted that she and the Communications department would need to bring in outside assistance to approach the project further and Mayor Fischer agreed. Mayor Pro Tem Casey said that she would be interested in any technology available for close captioning, especially anything that would work like at meetings. Ms. Walsh thanked the group for their direction, affirming that she would move forward looking for assistance on the project.

AUDIENCE COMMENTS

Dorothy Dusheneau comment that she would like to see a big display for Council Chambers and for the microphone system to be fixed so that everything can be better heard. Michael Duscheneau agreed that from an audience standpoint a bigger monitor should be installed. He also noted that he doesn't think that the comment countdown clock is currently in a good position for audience commenters and that they should remove the wood slats. Beyond that he noted that the meeting had been very interesting, he likes "seeing how the sausage is made".

ADJOURNMENT: 5:47 p.m.

Motion: Casey; Seconded: Staudt; Approved: 3:0