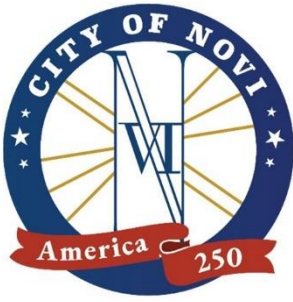


MEMORANDUM



TO: VICTOR CARDENAS, CITY MANAGER
DANIELLE MAHONEY, ASSISTANT CITY MANAGER
FROM: TIA GRONLUND-FOX, DIRECTOR OF HUMAN RESOURCES
SUBJECT: NEGOTIATIONS UPDATE
DATE: JUNE 12, 2026

CONFIDENTIAL

Michigan Association of Public Employees (MAPE)

We are happy to report that we have reached Tentative Agreements (TA) with both MAPE groups (Novi Professionals/City Hall and DPW/Parks Maintenance). We have settled both agreements below the authority that was given by City Council, and below what was budgeted for the 26/27, 27/28, and 28/29 fiscal years. A summary, as well as the red-lined and clean versions of both Agreements are included with this memorandum.

City Hall

The significant changes to this contract are as follows:

- Define the disciplinary process;
- Add state-mandated Earned Sick Time language;
- Updated and more comprehensive Management Rights language;
- Add 1 additional leave day (to mirror non-union schedule);
- Increase insurance opt-out payment by \$25.00 per month (mirror all other contracts);
- Re-classify 6 positions to align with both internal and external wage comparisons;
- Wage increases - 3%, 3%, 2.75%

The re-classified positions referred to above include the Bond Coordinator, Project Coordinator, Water & Sewer (Utilities) Billing, two Customer Support positions, and the City's Geographic Information Systems (mapping) technician. Four of these positions are located in the Community Development Department and are responsible for leading the building, permitting, and development processes.

As indicated above, even with the re-classification of these positions throughout the three-year contract term, the net increase to the budget over the contract period is

9.50%. The three-year budget projections reflected a 10% increase over this same time period for this group.

DPW/Parks Maintenance

Many of the specifics of this agreement are identical to what was mentioned below. This Agreement also includes the following:

- The elimination of Out-of-Class pay (Est. annual savings of \$6,000 - \$8,000);
- Increased winter maintenance overtime requirement (from 40% to 60% response);
- The creation of a professional development plan for all field staff;
- Wage increases - 3%, 2.25%, 2.25%

The professional development plan mentioned above allows for upward mobility through the salary ranges for all field staff. Currently, staff are primarily restricted to two salary ranges, Range 10 and 11. By implementing this plan, staff would have the ability to move from range 9 to range 12, allowing for professional growth and enhanced knowledge, skills, and technical abilities.

The ability to move to a higher range will be based on specific criteria such as years of experience, specific training, certifications, licensing, or any combination thereof.

As mentioned above, the wage and benefit projections for this group over the next three fiscal years was budgeted at 10%. The negotiated net impact for the next three-year contract period is 9.40%. The impact on the General Fund is significantly less as wages and benefits for the majority of this group are charged back to either local roads or enterprise funds such as Water & Sewer or Drains.

Police Command

The police command group has rejected our most recent offer. That proposal mirrored the police officer contract, which was settled last year. They have indicated they will be proceeding to Act 312 Binding Arbitration. We should expect to receive that notice within the next five to seven days.

I have requested cost projections from our labor attorney, Howard Shifman, for the arbitration process. That projection is as follows:

- Arbitrator fee – estimates are between \$3,000-\$5,000, depending on the number of days of hearing.
- Expert witness fees, assistance with exhibit preparation, attorney fees \$40,000-\$60,000.

I will keep you advised of the process as it develops.