

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, NOVEMBER 13, 2012 AT 7:00 P.M.
COUNCIL CHAMBERS – NOVI CIVIC CENTER – 45175 W. TEN MILE ROAD**

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, Fischer, Margolis, Mutch, Wrobel

ALSO PRESENT: Clay Pearson, City Manager
Victor Cardenas, Assistant City Manager
Tom Schultz, City Attorney

APPROVAL OF AGENDA:

CM-12-11-177 Moved by Fischer, seconded by Wrobel; CARRIED UNANIMOUSLY:

To approve the Agenda as presented.

Roll call vote on CM-12-11-177	Yeas:	Staudt, Casey, Fischer, Margolis, Mutch, Wrobel, Gatt
	Nays:	None

PUBLIC HEARING - None

PRESENTATIONS

1. Keep Michigan Beautiful Awards – Robert Ramsey, President, Beautification Council of Southeast Michigan and Executive Director of Keep Michigan Beautiful noted the City of Novi was awarded four of their thirty-nine awards at the October Annual Awards Ceremony. Two of the awards were the President's Plaque, the highest award that they give, and two were the Michigan Plaque. The Michigan Plaque was for the Toll Gate Garden which is a MSU project. The Presidential awards were for the Baseline Historical Marker and for the Nine Mile pathway. Mrs. Bronwen Evans, representative from Keep America Beautiful, was in attendance to present the awards, also. They presented the awards to the recipients. The Michigan Plaque for Tollgate Gardens and Baseline Marker was accepted by Roy Prentice. The Nine Mile Pathway was accepted by David Beschke, City of Novi Planning Department.

2. 2012 National Citizen Survey Perception Results – Dr. Thomas Miller, President of the National Research Center stated that they are located in Boulder, Colorado. He has had the great pleasure of being out here on a number of occasions to present the results. The City is among their most schooled and professional group given all the times that he has talked about the surveys. They have been doing the surveys in Novi since 2006. It is the fourth iteration that he has the privilege to talk about. He assured them that the voice that is heard in the survey is a different voice than is typically heard.

About 82% of the people that participated in the survey have never been to a public hearing. It is an opportunity to listen to a broad cross section of the public. They have worked in over 300 jurisdictions around the Country. They do the survey in partnership with the International City - County Management Association for more than eleven years. He thanked Sheryl Walsh for the work as liaison for the National Research Center to make sure the best questions are answered. He thought everyone would be pleased with the results. It is an opportunity to take a look at six years of data to evaluate how things are going. It shows policies and programs that might have made a difference to the public. It is an opportunity for staff to think about the results and to make modifications if necessary. They sampled approximately 1,200 households at random and with roughly 350 respondents make it a valid scientific survey. When the data comes back, they statistically weigh them so the demographic profile of the sample mirrors the profile of the City from the 2010 Census. The Community ratings continue to be very strong. They are very positive. He noted that the period from 2006 – 2012 in which the United States was going through a great recession. Community design ratings were similar in other places or better. People's perspective about traffic flow on major streets has gone up. The ratings in 2012 are higher than in 2006. The same is true for transportation services. Virtually all of them have improved since 2006. Since the last iteration, the amount of public parking has improved from the residents' perspective. The availability of affordable housing and variety of housing opportunities is still above the national benchmark. Land use planning and zoning and overall appearance of the City is appreciated and better than in other places. It has improved since 2006. Same is for the quality of new development in Novi. Economics and sustainability has very strong ratings. Novi is a good place to work and the employment opportunities are higher now than they were. Novi is a very safe place from the perspective of actual crime reports and from the perspective of residents. They feel safe in their neighborhood and downtown during the day and night. It is a high percentage of people who feel safe and is stronger than in other places. The ratings of the services of public safety are all high ratings. The environmental sustainability of the Community was given very strong ratings compared to other places. There is an untypical rating that has a lower percentage of residents that recycles from their home on average than in other communities. Ratings for utilities, also, have improved from 2006. They are better than compared to elsewhere. In terms of recreation and wellness, the City park ratings, facilities, and recreation opportunities were above and have improved since 2006. The trend seems to continue to rise incrementally. It was so remarkable that they looked at the demographics to see if there was something about the sampling that could explain it but they could not find any quirks. They feel confident that the residents felt this improvement. Cultural and Arts did improve since the last time they did the survey. Community inclusiveness and civic engagement ratings were also higher than in other places. Sense of community, place to retire, and affordability of quality child care ratings were significantly lower in 2006. Services to low income residents did drop from last iteration but was still higher than 2006. There are great opportunities to volunteer according to residents surveyed. The time spent volunteering and watch or attend meetings was high. Public trust had very high ratings. The rating that the overall direction the City is taking is at 80%. The key driver analysis looks at how ratings of services in Novi correlate with the overall quality of City of Novi service rating. The key drivers are the ones that link most closely to residents overall perspectives of the

community. They do a new analysis each time the survey is done. Finally, the survey asked questions that were unique to the Community. A majority of the residents felt the questions asked were essential or a very important direction for the Community. The major source of information was the newsletter, Engage. Social media may change over time. There are reports on how all the data varies depending on the geographic areas. There are some differences but they are not large. They concluded that new residents are less involved in the community. In conclusion, there were so many positive things in the results compared to other places. The ratings are improving over time. He suggested resetting the thresholds and, or self-reflective why the ratings are going up. The bigger challenge would be how to keep the positive trends. Mayor Gatt said he appreciated his report and excellence is our goal.

Member Fischer said it is information we use in goal setting and throughout the year. He asked if he would give more detail as to how the key drivers are derived. Dr. Miller said it is a statistical analysis that looks at the ratings for each individual service. It is the extent to which residents gave ratings to that service and in relation to overall quality of services. The things that are linked and that are the strongest were the key drivers. Member Fischer noted the statistical weighting Dr. Miller talked about and asked him to explain it. Dr. Miller explained that if you don't weight the data sample, the various voices are fine-tuned from the perspective of the census. Member Fischer noted there is a gap between the feelings of safe at night and during the day and asked if he had any perspective on the size of our gap in relation the National benchmark. Dr. Miller said he does not have the numbers. We have not created a benchmark for that difference. He said the climb from day to night in Novi is much smaller than in many places. The decline is less than half the people are feeling safe in their own neighborhood. The ratings start at a high level and compared to most places the decline is very small. Member Fischer thanked him for coming and that he explained the results in a way that we all can learn from.

Member Margolis said she appreciated the analysis and asked to explain why the key driver didn't stay steady over time. Dr. Miller said it is not unique to Novi that these change from place to place. The City staff had the same question and he had a chance to look at it. Over the three iterations, he thought they were closely linked when people think about the Community's performance. Safety, open spaces, public information, education are aspects that speak of the characteristics of the Community. Member Margolis asked if the sample size causes variability a piece of this. Dr. Miller said he didn't think so. He said over 300 respondents is a substantial number to be looking at these relationships. They can change even with larger samples.

Member Mutch noted that the trends that he highlighted are one of the strongest elements of these reports. The survey results are factored into our decision making process. He would be interested, if possible, getting additional breakdown in some other areas of demographics and regional perspectives of the City showing those trends. Dr. Miller said the statistics can be done and will arrange to get that done. Member Mutch commented that City Administration does use the survey for direction but he would like to tie initiatives or investments in having this as part of our benchmarking process. Nothing gives us the results better than the statistics. When

there is a positive impact from actual responses from residents, it helps to confirm the results. He appreciated presentation and finds it useful.

3. 2013 Employee Health Care Benefit Plan Overview – Tia Gronlund-Fox, Human Resources Director and Kelly Demiryran, Gallagher Benefit Services, Inc. presented the 2013 Health Care renewal. Blue Cross Blue Shield cost went up 12.87% with a net City increase of 10.6% after employee contributions. City Council voted to have the City participate in the 80-20 cost sharing. The City pays 80% of the employees' health care premiums and the employee pays 20%. All of the employee groups are participating in the cost sharing beginning January 1, 2012 except Dispatchers and Police Command Officers will begin July 1, 2013. The Health Alliance Plan went up 7% which is a 6.6% increase after employee contributions. The Priority Health Plan went up 10.6% with a net increase of 9.4%. Ms. Gronlund-Fox said every year they look at different options to reduce the employee and City's costs. This year they looked at Blue Cross Blue Shield product called, Simply Blue. They are reviewing the plan to see if it works for the needs of the City. They have found it would reduce City and employee costs but because it is a Blue Cross product, it would require everyone to switch to the one plan. Another aspect they are looking at is regarding Retiree Health Care. They are looking at a Medicare Advantage Plan that would significantly reduce the cost share for those over 65 years old. There is an eighty day enrollment process. They will conduct meetings with the Retirees for a possible switch to that Plan.

Member Mutch commented that he was concerned about the equity impact on the different health care plan selections. The differential of the HAP and the Priority Health Plans was about \$750 to \$800 per employee where the Blue Cross Blue Shield Plan was about \$1,500 dollars for the City. It is a significant difference. He recommended City Administration look at ways to encourage employees to choose the lower cost plans. He thought the differential is not fair to the employees who choose the lower cost plans.

Member Wrobel asked whether the Blue Cross Plan was a standard plan or a Blue Care Network Plan. Human Resource Director Gronlund-Fox said they offer two Blue Cross plans. He asked if they have looked at the Blue Care Network Plan. Ms. Gronlund-Fox said that they have and the cost didn't come back competitive enough with HAP to move to that Plan.

Member Fischer clarified for the higher deductible plans they would be looking at Simply Blue versus the Priority Plan. Ms. Gronlund-Fox said they would still keep the Priority Health Plan with some moving to the Blue Cross Plan but the Simply Blue would take the place of the Community Blue -4 and Community Blue – 2 Plans they offer now. She hasn't had any feedback from the employees regarding this change. It would be an ongoing discussion and the active employees would have to move to that plan.

REPORTS:

1. MANAGER/STAFF - None

2. ATTORNEY - None

AUDIENCE COMMENT – None

CONSENT AGENDA REMOVALS AND APPROVALS (See items A-K)

CM-12-11-178 Moved by Fischer, seconded by Casey; CARRIED UNANIMOUSLY:

To approve the Consent Agenda as presented.

- A. Approve Minutes of:
 - 1. October 22, 2012 – Regular meeting
- B. Enter Executive Session immediately following the regular meeting of November 13, 2012 in the Council Annex for the purpose of discussing pending litigation, labor negotiations, property acquisition and privileged correspondence from legal counsel.
- C. Approval of Resolution regarding Temporary Holiday Promotional Signage allowing temporary relief from Sign Ordinance from November 23 through December 26, 2012.
- D. Approval of an agreement with Community Publishing and Marketing, a division of Printwell, Inc., to produce Novi Today, a quarterly publication, at no charge to the City of Novi.
- E. Approval of the FY12/13 Winter Maintenance Agreement between the City of Novi and the Road Commission for Oakland County for snow and ice control on selected County roads in Novi; and adoption of resolution authorizing Novi to provide winter maintenance of County roads.
- F. Approval of a new Taxicab License for 123 Flight Cab, 20823 Crestmont Lane, Dearborn Heights, MI 48127, with one (1) taxicab.
- G. Approval to award the first of two one-year extensions of the unit price contract with Brien's Services Inc., for Pathway Snow Clearing in the estimated amount of \$29,000.
- H. Approval to award the second of two one-year extensions of the as-needed contract with Rotondo Construction Corporation for Backup Snow Removal Support Services.
- I. Approval of three quit claim deeds for parcel 22-30-200-004 (located at the southwest corner of Ten Mile Road and Wixom Road, adjacent to Fire Station No. 4) to dedicate the master planned right-of-way along Ten Mile Road and Wixom Road as follows: 1) Approval of Quit Claim Deed to the Road Commission for

Oakland County to dedicate the master planned 60-foot wide right-of-way for Ten Mile Road, 2) Approval of a Quit Claim Deed to the City of Novi to dedicate the master planned 86-foot wide right-of-way for Wixom Road south of Ten Mile Road, and 3) Approval of a Quit Claim Deed to the City of Novi for the resultant 1.375 acres located west of Wixom Road; AND acceptance of Wixom Road (south of Ten Mile Road) and adoption of Act 51 New Street Resolution accepting Wixom Road as a public street adding 0.07 miles of road way to the City's street system.

J. Approval of Traffic Control Orders 12-55 through 12-59 to formally revise the location of a prohibited parking zone on Olde Orchard Street.

K. Approval of Claims and Accounts – Warrant No. 879

Roll call vote on CM-12-11-178

**Yeas: Casey, Fischer, Margolis,
Mutch, Wrobel, Gatt, Staudt**

Nays: None

MATTERS FOR COUNCIL ACTION

1. Approval of the Fire Department Automatic Mutual Aid Agreement between the City of Novi and the City of Wixom.

City Manager Pearson said this is significant because it is an automatic aid whereby it gives resources to certain structure fires. It is the wave of the future since not every community can afford all the equipment that is on stand-by. He applauded Director Johnson and Chief Molloy for conducting the collaboration.

Member Fischer clarified that we would have people on standby at station 2 and 4 that have the apparatuses that would be sent to assist Wixom. He noted that we would have backfill procedures to make sure we are covering the entire City. He asked if those protocols would be in place if we responded to Wixom. City Manager Pearson said it would be just as if we would be responded to calls in Novi.

CM-12-11-179 Moved by Fischer, seconded by Wrobel; CARRIED UNANIMOUSLY:

**To approve the Fire Department Automatic Mutual Aid Agreement
between the City of Novi and the City of Wixom.**

Roll call vote on CM-12-11-179

**Yeas: Fischer, Margolis, Mutch, Wrobel,
Gatt, Staudt, Casey**

Nays: None

2. Approve the Program Year 2013 Community Development Block Grant Application in the approximate amount of \$86,923 and authorize the Mayor to sign the Application and Sub-recipient Agreement.

transfer of on-premises liquor licenses does not require approval of the local unit of government.

City Manager Pearson explained that the Liquor Control Chairman released a bulletin this summer saying they would not be following a long standing practice whereby local units of government do background checks and interviews and then make a recommendation to the Liquor Control Commission for liquor licenses, particularly transfers. He believed it is an important issue because it has a lot to do with the character and nature of retail restaurant uses. He noted that more than half of the calls on a weekend are alcohol related from bars and restaurants. It is an issue where if it got out of control, it could jeopardize our resources. In light of the abrupt change administratively by the State, it is warranted to ask the Attorney General to formalize an opinion. He spoke with Representative Crawford and Senator Kowall regarding this issue.

CM-12-11-182 Moved by Margolis, seconded by Casey; MOTION CARRIED: 6-1

To approve a resolution requesting State Representative Hugh Crawford or State Senator Mike Kowall to request a State Attorney General Opinion regarding the recent interpretation by the Liquor Control Commission (LCC) that the transfer of on-premises liquor licenses does not require approval of the local unit of government.

Mayor Pro Tem Staudt asked if the new interpretation precluded the City from following through its previous action in reviewing a transfer. City Attorney Schultz explained it does not preclude us if we get all of the information that we normally get. His concern is that not everyone would still agree to go through the formal process as described in our ordinance. We would take the information the LCC gives us and do what we can with it and then communicate that. That would still be permitted. Member Staudt asked if it would be likely that the LLC would proceed with the transferable license without notifying the City. City Attorney Schultz said they would definitely have to notify the City. What is changing is Council's ability to say they do not approve the transfer. Council has the ability to make their position known but it wouldn't be binding. Mayor Pro Tem Staudt asked if we received a ruling from Attorney General that was negative to our position, what would be the next steps.

City Manager Pearson thought that it would be important for them to explain as to whether they have the ability to do it. Next, we suggest that Council start now to research and do the hearings and it is tied as to whether or not Council wants to proceed with item #5. Mayor Pro Tem Staudt said next would be to create a new administrative process to regulate liquor license transfers as opposed to our current ordinance. City Manager Pearson said it would ensure some local review. One of the concerns is whether we would have the information to make a review because they aren't necessarily required to provide that information. We may find out about something while we are in the process and we may be too late by the time we receive the notice. Member Staudt asked if the Liquor Control Commission's process for reviewing the license transfers is incomplete or is it just an extra check from the City's

perspective. City Manager Pearson said it is just an assurance so Council has that as a thorough review. Member Staudt could not support the resolution to our State representatives nor the Special Land Use item. Additional regulation on businesses in our community should serve a purpose. He didn't hear that the State was doing an inadequate job of reviewing the licenses.

Member Mutch will support the request because the decision needs clarification. How it works out has to be done through some process by an opinion by the Attorney General's Office that would be binding. He felt the appropriate way to do that is through a formal request from the City. The other issue is maintaining the local control over the transfers. Something may come up in an investigation. We don't know if the Liquor Control Commission would flag anything that may come up. He thought the request was appropriate.

Mayor Gatt said that both of our State Representatives have been contacted and agree with our approach. He is appalled that Liquor Control Commission would take over our governing duty to approve or disapprove a transfer request. There have been only a few occasions where Council had to turn someone down because of an inconsistent background check. It is important for our residents to enjoy our establishments. He welcomed the Attorney General's opinion on this matter.

Roll call vote on CM-12-11-182

**Yeas: Wrobel, Gatt, Casey, Fischer,
Margolis, Mutch**
Nays: Staudt

5. Approval to refer to the Planning Commission to review and recommend Zoning Ordinance Text Amendments to apply Special Land Use standards for liquor license holders.

Member Mutch asked what type of request this would apply to. City Attorney Schultz answered it would be open to the Planning Commission to design depending on the Council's comments. We had the ability to regulate transfers of liquor licenses under the City Code but if we lost control under the City Code is it appropriate to do it as part of a Special Land Use and not technically regulating the transfer of the license. Communities have done it recently because of the reinterpretation or have done it for years, essentially, consider places that serve alcohol have a different land use. Member Mutch confirmed that it could be all liquor license requests with City Attorney Schultz. He understood the process of Special Land Use requests within our zoning ordinance do not come to City Council and require the Planning Commission to make a finding for a Special Land Use to proceed, then it would come to Council for a finding. City Attorney Schultz said it is a suggestion that Council could make a deviation. Member Mutch said he is not comfortable with this due to the process. He felt Special Land Use would be more difficult. The process now is pretty straightforward for the applicant. He asked City Attorney Schultz to do more research for another mechanism with options until we get the Attorney General's opinion. He would not be inclined to hand it off to the Planning Commission.

Member Margolis thought the idea was that the Planning Commission could tailor their requirements for this Special Land Use that would mirror the kind of review process that we are doing now for liquor transfers or would there be additional things that have to be added. City Attorney Schultz said there would be the public hearing process and many of the standards pulled out of the City Code and put into the Zoning Ordinance. Member Margolis asked if there is something in making it a Special Land Use that would add other requirements on the applicants. City Attorney Schultz said no, there wouldn't have to be. Member Margolis said this isn't ideal but we are backed into a corner. She would be more comfortable asking the Planning Commission to review until we get the opinion. They may have another solution. She doesn't like the City not having the ability to review.

CM-12-11-183 Moved by Margolis, seconded by Gatt; MOTION FAILED: 2-5

To approve to refer to the Planning Commission to review and recommend Zoning Ordinance Text Amendments to apply Special Land Use standards for liquor license holders.

Member Fischer confirmed that the main issue is that the LCC no longer requires Council to approve but will take our recommendation into consideration. He asked what if a transfer happened and Council denied based on a Special Land Use review if they would be looking at the same criteria. City Attorney Schultz said he didn't think all of those things would be in the Zoning Ordinance provision. The LCC would have their licensing process and the City would review it as a Land Use decision under a different set of State law enabling statutes. He thought that is why a number of communities have already set it up like this. Member Fischer asked if we would be concerned that we are denying the approval based off of something that the LCC has approved that the transfer has been based on and could they have standings to take it to court. City Attorney Schultz said they always do. Member Fischer agreed that they are being backed into a corner and would like to see additional research by City Attorney Schultz. Hopefully, it would give us other alternatives. It would be done before the referral to the Planning Commission.

Member Wrobel could not support this motion and didn't want to be reactionary in this case. He didn't want to put additional work on the Planning Commission.

Member Casey could not support this motion and would wait for other options from the City Attorney.

Mayor Gatt said the City was backed into a corner by the LCC. He asked the City Manager and City Attorney to come back with another solution to this problem. If it was referred to the Planning Commission, it would still come back to the City Council for a decision.

Mayor Pro Tem Staudt asked to find out exactly what is the process of LCC. We need a clear overview of what they are doing. Maybe make a comparison of what they do versus what we are currently doing. He shared the Mayor's concern that we have lost

control of something that we previously had and piling on new regulation is not the answer. The best thing is to find another alternative. He felt that the Attorney General would not overturn their decision. There may be many reasons why the LCC is moving down this path. They probably have already made their decision. State Representative Crawford is the Chairman of the Committee that has some oversight in this area. Working with our legislators would be the best option. He asked to withdraw the motion.

Roll call vote on CM-12-11-183

Yeas: Gatt, Margolis

Nays: Staudt, Casey, Fischer, Mutch, Wrobel

6. Appointments to Board of Review Alternate Positions.

James Staschke and Beverly Valente were appointed to the Alternate positions.

7. Approval of request to change the City Council Budget Session scheduled for Saturday, April 13, 2013 to Monday, April 15, 2013 at 5:30 p.m.

CM-12-11-185 Moved by Fischer, seconded by Casey; CARRIED UNANIMOUSLY:

To approve the request to change the City Council Budget Session scheduled for Saturday, April 13, 2013 to Monday, April 15, 2013 at 5:30 p.m.

Roll call vote on CM-12-11-185

**Yeas: Casey, Fischer, Margolis, Mutch,
Wrobel, Gatt, Staudt**

Nays: None

AUDIENCE COMMENT – None

COMMITTEE REPORTS - None

MAYOR AND COUNCIL ISSUES - None

CONSENT AGENDA REMOVALS FOR COUNCIL ACTION - None

COMMUNICATIONS - None

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 8:37 P.M.

Robert J. Gatt, Mayor

Maryanne Cornelius, City Clerk

Transcribed by Jane Keller

Date approved: November 26, 2012