

**City of Northville**  
**CITY COUNCIL REGULAR MEETING MINUTES**  
**February 6, 2017**

Mayor Roth called the meeting to order with the Pledge of Allegiance at 7:00 p.m. in the City of Northville Municipal Building, City Council Chambers, 215 W. Main Street, Northville, Michigan, 48167.

**ROLL CALL**

**Present:** Mayor Ken Roth, Mayor Pro Tem James Allen, Councilmembers Nancy Darga, Sam Ekong, and Marilyn Price

**Absent:** None

**Also Present:** City Manager Patrick Sullivan, City Clerk Dianne Massa, Public Works Director James Gallogly, Housing Director Sherry Necelis, and Finance Director/Treasurer Sandi Wiktorowski. No citizens were present.

Mayor Roth read a statement informing those present that the City Council meeting was being recorded for rebroadcast on the City's website. By remaining at the meeting, consent is inferred by those present to have their voice and image recorded and posted on the City's website.

**PRESENTATIONS**

**A. Citizens Comments** None

**APPROVAL OF AGENDA AND CONSENT AGENDA**

Amended Resolution for March 2017 Board of Review was added to the consent agenda.

**Motion Darga, seconded by Allen** to approve the agenda and consent agenda as amended.

Approve City Council Minutes of:

- Special Meeting of January 9, 2017
- Regular Meeting of January 17, 2017

Receive Bills List:

- Accounts Payable Week of January 18, 2017

Receive Board and Commission Minutes: None

Receive Departmental Reports: None

Board and Commission Appointments: None

Amendments to the 2016-2017 Budget through December 31, 2016 and Investment Report

Amended Resolution for March 2017 Board of Review

**Motion carried unanimously.**

**PUBLIC HEARING**

**A. First Public Hearing for Proposed Uses of Wayne County Community Development Block Grant Funds – Fiscal Year 2017**

The City of Northville is expected to receive \$25,471 from Wayne County Community Development Block Grant (CDBG) program for fiscal year 2017. CDBG funds are used to target low to moderate-income residents or to provide an urgent community need. The City of Northville has no low/moderate income census tracts for project eligibility; however, the category of senior citizens qualifies as a presumed benefit group eligible for CDBG expenditures.

The CDBG application process requires a public hearing where residents are allowed to provide input on the proposed uses of the funds. Recommendations for uses of FY2017 CDBG funds:

<u>Project Description</u>	<u>Amount</u>
<i>Public Services – Senior Services</i> CDBG funds may be used for the operation of Senior Citizen Centers for transportation, staffing, etc,	\$ 3,821
<i>Rehab Public Residential - Allen Terrace</i> CDBG funds may be used to facilitate improvements: Activity Room atrium; interior doors; arc fault circuit breakers; roof ventilation etc,	\$19,103
<i>General Program Administration</i> The CDBG program allows a percentage of the annual allocation for program administration.	\$ 2,547
<b>Total Estimated Allocation – Wayne County</b>	<b>\$25,471</b>

A second public hearing will be held on February 21, 2017 at 7:30 p.m.

Public hearing opened at 7:03 p.m. As there were no residents present, there were no public comments. Public hearing closed at 7:03 p.m.

City Council Comment and Discussion: In response to a question from City Council, Staff explained that the estimated allocation of \$25,471 is a reduced amount from previous years. In the past, the City has received up to \$60,000 in CDBG funding. Discussion ensued pertaining to Wayne County’s plan to change how CDBG funds are allocated.

**Motion Ekong, seconded by Price** to receive public input for the use of the fiscal year 2017 Wayne County Community Development Block Grant Funds as proposed. **Motion carried unanimously.**

**NEW BUSINESS**

**A. Electrical Maintenance and Repair Services Contract Extension**

In 2015, City Council awarded a contract to Allied Building Services for electrical maintenance and repair services. Routine electrical repair and maintenance services need to be performed or supervised by a licensed electrician. Electrical assistance is sometimes needed at the following City-owned and/or operated locations:

City Hall	Allen Terrace	Community Center	Mill Race Village
Water Reservoir	Elevated Water Tank	DPW Facility	Main Center Deck
Cady Deck	DDA Walk-Thru	DDA Street Lights	Town Square
Taft Rd. Street Lights	Ford Field	Community-wide parks	

Allied Building Services quickly learned the City’s operations and electrical needs. The company has provided excellent service. Services were provided during regular work hours and during overtime hours when an emergency situation require it.

The contract with Allied Building Services expired January 31, 2017. City staff negotiated a two-year contract extension. The agreement and standard rates listed in the 2015 agreement are proposed to remain the same for the next two years as follows:

Licensed Rates per hour:	\$60 Regular Rate (7am-4pm)	\$90 Overtime Rate (4pm-7am)
Non-Licensed Rates per hour:	\$50 Regular Rate (7am-4pm)	\$75 Overtime Rate (4pm-7am)

Each Department requests and uses the electrical services they require from the contractor and pay for that service per the agreed unit prices. Locking in 2015 rates for the next two years will result in no impact to existing budgets.

**Motion Darga, seconded by Allen** to approve a two-year extension to the City’s current Electrical Repair Services Agreement with Allied Building Services of Rochester Hills, Michigan. **Motion carried unanimously.**

### **B. Randolph Street Drain Special Assessment Roll**

On December 22, 2016, the Randolph Street Drain Inter-County Board met and approved a special assessment roll for the maintenance of the Randolph Street Drain for fiscal years 2017 to 2019. This special assessment roll totals \$367,545 and is the established amount needed to cover cost incurred by the board for the maintenance of the Randolph Street Drain.

The City of Northville is obligated to pay 62.19039% of this cost which totals \$228,577.67. The City has received an invoice for this amount which is due to Oakland County in February 2017. The City of Northville was made aware that this special assessment roll was being considered, and that the special assessment will cover routine maintenance cost on the drain, as well as the cost to dredge and repair a pond along the Randolph Street Drain located at the northwest corner of Taft and Eight-Mile roads. Materials from the dredge will be taken to a Type 2 landfill. The Randolph Street Drain Inter-County Board awarded a contract for the pond project and work could begin on this project at any time.

For FY2017 the City budgeted \$219,313 for this assessment. In addition to this amount the City also budgeted \$3,200 for annual routine maintenance work on the Randolph Drain which is typically provided by Oakland County for the Drainage Board. This total amount of \$222,513 of revenue is \$6,064.67 short of the total amount of the special assessment required of the City. Therefore, a budget amendment is requested to pull \$6,064.67 from FY2016 Uncommitted Breakage Revenue to cover the full special assessment cost.

City Council Comments and Questions: Further explanation by Staff noted that the repairs and maintenance needed are divided into two separate projects and both affect Northville. This first project is for the pond at Taft and Eight Mile roads and additional projects are expected. Discussion ensued pertaining to the project scope. A comment from Council voiced concern with cleaning and dredging downstream before addressing the upstream. A second downstream cleanout might be needed to clean

out what was deposited from the upstream clean out. Other comments pointed out that the downstream project includes improvements to the weirs at the pond entrance and exit. This is the likely reason that the downstream project is being done first. \$229,577.67 is the City's cost for only this project. It is a one-time payment and not a reoccurring cost.

City Council requested Staff secure an estimated timeline for the other projects planned, to be used by Council during the budget process. These additional projects could be of significant cost to the City. Staff also noted that Oakland County does not have a capital improvement plan for drains. Instead, they address issues as they occur.

**Motion Darga, seconded by Price** to authorize payment of \$228,577.67 to Oakland County to cover the City's share of the Special Assessment Roll for Maintenance of the Chapter 21 Randolph Street Drain for Fiscal Years 2017 to 2019; and to approve a budget amendment to use \$6,064.67 from the FY2016 Uncommitted Breakage Revenue to cover the entire City cost of this assessment. **Motion carried unanimously.**

### **C. Professional Services Contract Extension for the Municipal Cross Connection Control Program**

In 1980, the City adopted the Water Supply Cross Connection Rules of the State Department of Public Health. These regulations are designed to prevent contamination of the City's water supply system through inappropriate "cross" connections to the water system. In 1981 the City contracted with Wayne County Division of Environmental Health to inspect commercial and industrial businesses in Northville to assure compliance with these rules.

In 2004 when the annual cost of this program averaged \$6,000 and was as high as \$9,000 per year, the City of Northville found a private firm, Hydro Designs, Inc. (now called HydroCorp) to perform this inspection service. The City's current agreement with HydroCorp is set to expire, and it is now time to renew this contract for the next three years.

HydroCorp has performed well for the City of Northville on this program and provides these same services for most of the communities in the Detroit metro area. Based in Troy Michigan, HydroCorp has clients of every size throughout the state and in four other states throughout the country. They have proven to be a quality firm and provide a critical service in protecting the City's drinking water from cross connection contamination.

Following discussions with HydroCorp, City Staff has received a proposal with a new monthly rate of \$633 for the next three years. This amount is higher than the past amount due to the fact that the number of annual non-residential inspections has increased from 55 to 70 inspections. HydroCorp plans on servicing Northville's account the same as they always have, and are holding the line on any cost increase per inspection for its work. The City's FY2017 water and sewer budget includes funds for this program.

City Council Comments and Questions: Staff further explained the program, noting that all businesses will be inspected during the three-year period. HydroCorp creates an inspection plan, which is submitted to the Michigan Department of Environmental Quality for review and approval. Annual inspections are performed for businesses that have a greater potential to cross-contaminate. The process of notifying businesses of the required inspection was reviewed. There is no fee to the businesses for the inspection; however, the business must pay the costs to correct any deficiencies.

**Motion Ekong, seconded by Allen** to approve a three-year extension of the City's Cross Connection Contract with HydroCorp to perform the City's ongoing Municipal Cross Connection Control Program for a total not-to-exceed amount of \$22,788. **Motion carried unanimously.**

#### **D. Refer First Floor Residential Issue to Planning Commission**

Current zoning ordinances for the vacant Foundry Flask property and the old McDonald Ford property prohibit residential development on the first floor. At the time these restrictions were put in place, it was thought that this would encourage further commercial development in these areas and help to diversify the local economy and tax base. Developers who have looked at these sites over the past few years have clearly been interested in having first-floor residential uses. It is thought that the first-floor residential restriction may be an impediment to redevelopment of these sites. Planning Consultant Sally Elmiger prepared a memo presenting background on this issue and was provided to City Council for review.

The Downtown Development Authority is in the process of updating its Downtown Strategic Plan. A key recommendation of that plan will be to encourage residential density close to the downtown. A retail market analysis, performed as part of the plan, projects that the downtown can accommodate perhaps 50,000 square feet of additional retail space. The Foundry Flask site alone is 4.7 acres (204,732 square feet). Requiring commercial uses on the first floor may not be supported by market conditions.

An alternative to barring residential on the first floor could be offering incentives to developers to propose mixed uses on the first floor. Such incentives could include allowing more units per acre or higher height limitations than standard zoning provisions. Such changes would have to be considered by the Planning Commission and proposed as zoning ordinance amendments.

City Council Comments and Discussion: Lengthy discussion ensued pertaining to residential use in this area. Consensus was needed before the Planning Commission spent time and energy to explore and recommend ordinance amendments, only to have Council change the direction.

Comments from some Councilmembers voiced concern with zoning amendments to allow first-floor residential including the need to diversify the tax with more commercial and light industrial uses to remove some tax burden from residential property owners, the belief the property needs improved marketing efforts, the land is contaminated and the cleanup needed makes it better suited for commercial uses, and the impediment for any redevelopment is not the allowed use but the unrealistic price for the property. Expensive luxury houses would need to be built in order for the developer to see a return on investment. There was support for incentives to encourage mixed-use provided the incentives included non-luxury housing that was affordable to those that cannot afford luxury housing and senior citizens wanting to downsize. The City should be a partner in any cleanup efforts as the pass-through for federal funding.

Other comments from Councilmembers pointed out that allowing first-floor residential would allow diversification, allow projects to be financially viable for developers, and incentives would allow for alternative mixed uses. Right now, this part of the tax base is abandoned property. The properties have sat vacant for 10-20 years and redevelopment in this area is needed. It takes two years to secure federal funds. Developers do not want to bid on the property and take a two year risk waiting for federal funds. It was noted that any proposed zoning ordinance amendments would be for these two areas of the Cady Street Overlay District (old Foundry Flask and McDonald Ford properties).

There was consensus to consider some type of development flexibility and incentives to attract quality projects that offered mixed uses.

**Motion Darga, seconded by Ekong** to request that the Planning Commission reexamine the issue of prohibiting first-floor residential, and explore zoning ordinance amendments that would permit residential uses and incentives for mixed uses on the first floor. **Motion carried unanimously.**

### **E. Appointment of Assessing Firm**

Since 2010, the City has employed an in-house assessor. The current assessor was expected to terminate her employment with the City effective May 1, 2017. In anticipation of this termination, a job posting was distributed through Michigan Municipal League and the Assessor's Association. Two applicants applied and two firms submitted proposals for services. Personal matters have moved that date up and the current assessor will not be returning to work.

Assessment Administration Services, L.L.C. submitted a proposal to perform the role of City Assessor for a term of three years. References have been checked and they all came back favorable. It is preferred by Staff that this position be contracted out going forward. This will provide for various resources within their firm to provide the varying levels of support needed, from basic field work and sketching, to signing the assessment roll. The City Attorney and MMRMA, the City's insurer, are both currently reviewing the agreement.

The current budget provides for \$36,000 for the assessor. The proposed agreement is for \$48,000 for year one. A budget amendment in the current year may not be necessary as that line item is currently under budget. Years two and three are proposed to have a 2% increase each year.

City Council Comments and Discussion: It was clarified that the cost increase for assessing services will provide more assessor office hours and other levels of support.

**Motion Darga, seconded by Ekong** to appoint Assessment Administration Services, L.L.C. as the City's Assessor for a three-year term beginning February 7, 2017, for \$48,000 annually with 2% increases in years two and three, subject to the agreement being acceptable to both the City Attorney and MMRMA.

**Motion carried unanimously.**

### **MAYOR AND COUNCIL COMMUNICATIONS**

**A. Mayor and Council Communications** None

**B. Staff Communications** None

Being no further business, the meeting was adjourned.

**Adjournment: 7:50 p.m.**

Respectfully submitted,

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Dianne Massa, CMC  
City Clerk

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Ken Roth  
Mayor

Approved as submitted: 2/21/17