

**City of Northville**  
**CITY COUNCIL REGULAR MEETING MINUTES**  
**September 5, 2018**

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, Councilmembers Nancy Darga, Sam Ekong, Patrick Giesa, and Marilyn Price

**Absent:** None

**Also**

**Present:** City Manager Patrick Sullivan, City Clerk Dianne Massa, Finance Director Sandi Wiktorowski, Downtown Development Authority Director Lori Ward, City Attorney Robert Marzano, and three citizens

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**

Novi City Council member Kelly Breen introduced herself as a candidate for the 38<sup>th</sup> District State Senate.

Bill Flohr, Northville High School Assistant Baseball Coach, questioned why this request to reserve Ford Field for the Armed Forces Week concert in May 2019 was denied. 2019 would be their second year holding this event, and 100% of the proceeds go to a military charity. Flohr understood the request needed to be made at least one year in advance of their event. He acknowledged their application was submitted about three months late. Mill Race Village has a wedding scheduled the same date as the concert date. However, the wedding is scheduled for 5:00pm and their event does not begin until 7:00pm with a 6:15pm sound check. The event equipment will not be seen or heard. Mill Race had a wedding in 2018 and the special event being held in Ford Field was not an issue.

It was explained that the Ford Field rental policy requires special events applications be submitted at least one year in advance. The application was submitted three months late, and Mill Race now has a scheduled wedding. The rental policy was put in place due to previous Ford Field events held the same day as weddings at Mill Race. Past issues included lack of parking for wedding guests, noise levels that disturbed the wedding, and unsightly equipment in Ford Field that is seen from Mill Race Village. The policy was adopted to set rental parameters to avoid these issues.

Flohr believed his event would not interfere with the Mill Race Village wedding. All set up could be done early. Event staff would remain on-site to patrol the area. All deliveries could be done early that day.

City Council reiterated the rental policy was adopted two years ago to avoid conflicts between Mill Race Village and special events, and to remove Council and City staff from a mediating role. It was also explained that, in 2018, Mill Race Village scheduled the wedding after the Armed Forces Week concert event was approved. When making the wedding reservation, the bride was aware that Ford Field would be in use for a special event. Comments from Council suggested Flohr talk to Mill Race Village to see if something could be worked out. Any agreement between the two entities should address parking, deliveries, set up, etc. The agreement must be signed off by Mill Race Village and provided to City administration. It does not need to come back to Council.

### **APPROVAL OF AGENDA AND CONSENT AGENDA**

**Motion Price, seconded by Ekong** to approve the agenda and consent agenda as presented.

Approve City Council Minutes of:

- Regular Meeting of August 6, 2018
- Regular Meeting of August 20, 2018

Receive Bills List:

- Accounts Payable Week of August 13, 2018

Receive Board and Commission Minutes: None

Receive Departmental Reports: None

Board and Commission Appointments:

- Beautification Commission: Appoint Carol Pankow to fill a vacancy, term expires 6/30/19

Proclamation / National Recovery Month

Street Closure Request / Horton Street Block Party / September 9, 2018

Street Closure Request / Eaton Block Party / September 9, 2018

Special Event Request / Northville High School Homecoming Parade / September 28, 2018

Amendment to the Western Wayne County Special Operations Team Memo of Understanding

Quarterly Investment Report / June 30, 2018

Request to Canvass / Clean Water Action

**Motion carried unanimously.**

### **NEW BUSINESS**

#### **A. Information Technology Service Contract**

Since February 2013, Northville Township has provided the City's Information Technology (IT) services. Recently, Northville Township informed the City that, as of January 1, 2019, they would stop providing help desk support due to time constraints. Northville Township also provides server support with the assistance of an outside firm. While server support will not expire at the end of the year, it is expected to in the near future. The two functions are tied closely together.

City staff met with IT Right to discuss the City's IT service needs. Staff recommended City Council award a service contract to this firm rather than issuing a Request for Proposals for the following reasons:

- 95% of IT Right's 500+ clients are county and municipal offices.

- Their experience with 200+ police departments as it pertains to CLEMIS and LIEN, State Records Management System, cameras for police vehicles, and body cameras for officers.
- All employees are fingerprinted and their background checked with the State Police.
- IT Right is a partner with BS&A Software, which is the City's software for accounting, assessing and taxes, permits, etc.
- Professional services are not required by City Ordinance to be bid out.

The service contract includes the following services:

- All labor related to computer or network repair including maintenance and troubleshooting for the servers and computer equipment in the City's offices.
- Troubleshooting computer, printer, fax issues (help desk).
- Assistance in making hardware purchasing decisions.

The service contract provided for City Council's consideration was reviewed by the City Attorney and the City's insurer and was found to be acceptable. The contract is for a term up to ten years with the cost unchanged for the first three years. It may be terminated at any time with 30-days notice.

The service contract with IT Right is an annual fixed cost of \$16,000. During the past twelve months, the City paid Northville Township \$18,500 for IT services. Most of the Township's cost was charged on an hourly basis. In years that the City implemented new technology, the costs were higher. In addition, outside support from another IT firm is sometimes required if the service requires a higher technical level (i.e. installing new servers) or due to time constraints. Therefore, this change in service providers should result in a savings which varies from year to year. The contract would begin November 1, 2018.

City Council Discussion: Questions pertained to the fixed cost versus the hourly rate. There was concern whether the City would get full attention during large events or large upgrades. Staff explained that the fixed rate is all inclusive. References from other municipalities were excellent. Staff also explained that in years four through ten, the rate would need to be negotiated. Either party may terminate the agreement with a 30-day notice. Comments from Council voiced surprise that Northville Township chose to end their IT services and chose to not hire additional staff. This is counter to State goals for municipalities to combine services when possible.

**Motion Price, seconded by Giesa** to waive the sealed bid process and award the service contract to IT Right for a term of ten years at an annual cost of \$16,000 for the first three years and authorize the Finance Director to sign the agreement on behalf of the City. **Motion carried unanimously.**

## **B. Information Technology Backup System**

Since February 2013, Northville Township has provided the City's Information Technology (IT) services. Recently, Northville Township informed the City that, as of January 1, 2019, they would stop providing help desk support due to time constraints. Northville Township also provides server support with the assistance of an outside firm. While server support will not expire at the end of the year, it is expected to in the near future. The two functions are tied closely together.

With the approval of the IT Right service agreement, a new offsite network backup system is required to meet their best practices. The current network backup system is located at Northville Township. IT Right prefers a more distant site in the event of a disaster. In addition, IT Right cannot monitor or manage the daily backup in the Township's offices. Therefore, IT Right is requiring that the City purchase hardware that is consistent with their other customers.

The cost for the hardware for this system is \$5,228.96, and the annual licensing fees are \$1,840. The total of \$7,068.96 can be absorbed within the Technology budget as there is a small contingency budgeted each year for unknown hardware and software needs.

City Council Discussion: Questions pertained to the backup server location (Bath, Michigan), and what happens to hardware if the City terminates the agreement (City-owned so it would be returned to the City). A new firm would transfer the backup data. Further discussion pertained to the amount of storage space and if this amount was sufficient. Staff explained that the storage amount was determined by IT Right after analysis, and conferring with Northville Township. Additional storage space may be purchased if needed. Before November, the Finance Director will verify these numbers with the vendor.

**Motion Ekong, seconded by Giesa,** to waive the sealed bid process and approve the purchase of the Ctera backup system and annual licensing for \$7,068.96 from IT Right. **Motion carried unanimously.**

### **C. General Fund Transfer for Fiscal Year Ended June 30, 2018**

The accounting for the City's fiscal year ended June 30, 2018 is complete, and the annual audit began September 4, 2018. Before the financial accounting is finished, City Council was asked to consider a final year-end operating transfer.

City staff continues to closely monitor expenditures. As of today, the General Fund is expected to end with a surplus of approximately \$165,000 for FY2018. It was budgeted to end with a surplus of approximately \$5,000. The additional \$160,000 is due to the following:

- Investment earnings generated an additional \$13,000 above what was expected. Net earnings are unpredictable due to the recognition of the unrealized gain or loss which must be recorded for accounting purposes.
- Professional service categories are hard to predict as they are not consistent from year to year. The general, prosecution, labor, and tax appeal attorney services came in \$13,000 under budget while contracted planning and zoning services came in \$13,000 under budget.
- Overall DPW costs for maintenance of property and administration were approximately \$31,000 under budget. DPW services are allocated to the fund in which they actually worked. Lower than projected DPW services were performed in the General Fund.
- The Police Department came in \$17,000 under budget primarily due to less overtime pay and fringe benefits required.
- The Fire Department came in \$37,000 under budget. This is primarily related to wages and fringes which are dependent upon the number of runs.
- Technology came in \$13,000 under budget primarily related to a contingency for software and hardware upgrades or purchases that were not required.
- The remaining surplus of \$23,000 is spread throughout the administrative portions of the General Fund budget.

A transfer of \$125,000 from the General Fund to the Public Improvement Fund is requested to be committed for contingency/grant match opportunities until a specific use is identified. This transfer would be disclosed in the financial statements as an unbudgeted transfer at year end. The net effect is that the fund balance of the General Fund will still increase by approximately \$40,000.

City Council Discussion: City staff confirmed that any transfer from the Public Improvement Fund requires City Council action. Brief discussion pertained to the Cemetery Fund, and the OPEB (Other Post-Employment Benefits) analysis from MERS (Municipal Employees Retirement System).

**Motion Darga, seconded by Ekong** to authorize City staff to transfer \$125,000 from the General Fund to the Public Improvement Fund as of June 30, 2018 for contingency/grant match reserves. **Motion carried unanimously.**

#### **D. Town Square Use Policy**

The Downtown Development Authority (DDA) promotes using Town Square and manages Town Square rentals. DDA staff reviewed the past Town Square Use Policy utilized by the Parks and Recreation Department and updated the policy to reflect the DDA's involvement in its rental and maintenance. Rates were lowered to encourage additional use of the facility and a half-day rental fee was instituted to allow affordable use of the facility for classes and other short rentals. Additionally, the language was modified to allow more casual use of the square for musicians and other performers. The pavilion is treated much like a park pavilion. If a user wants to guarantee that they will have use of the structure, a reservation is required. However, if a user wants to drop by and use the stage and nobody has reserved it, they are welcomed to do so. Rentals require insurance and a Hold Harmless Agreement. The Town Square Use Policy was reviewed by the City's insurer, and recommended changes were incorporated into the policy document.

DDA staff proposed the rate of \$100/day or \$50/up to four hours for the reservation of Town Square.

City Council Discussion: Brief discussion ensued pertaining to the various activities being promoted in Town Square, including fitness activities like yoga. Council questioned the insurance requirement for a wedding ceremony and asked for clarification from the City's insurer. The policy appears to require \$1M homeowners' policy, which seemed excessive for a simple wedding ceremony. It was also questioned whether the City should be named as an additional insured on the homeowner policy. City Council is interested in protecting the City. If insurance is required, it should benefit the City. Other comments noted that people can purchase a one-day "additional insured" rider from their insurer.

In response to a question, Staff explained that insurance is not required for drop-in use if Town Square is available. However, there is a risk of not being able to use Town Square on a drop-in basis due to a previously scheduled use.

The City Attorney was asked to comment on indemnification and hold harmless language and the City being named as an additional insured, and whether tying the two together provides an additional layer of protection for the City. It was also explained that indemnification language is only as good as the funds the party has available to pay against a claim or lawsuit.

The DDA Director was directed to clarify the wedding insurance requirements with the City's insurer and forward an update memo to City Council. If the City is not named as an additional insured, then providing a homeowners' policy should not be required. The goal is to have Town Square used and not have the insurance requirements be an impediment.

**Motion Darga, seconded by Ekong** to approve the Town Square Use Policy for the rental of Town Square subject to clarification of the insurance limits, and having the City named as an additional insured. **Motion carried unanimously.**

### **E. Closed Session to Discuss Written Legal Opinion of the City Attorney**

The Michigan Open Meeting Act permits City Council to go into closed session to consider material exempt from discussion or disclosure by State or Federal statute. Council has recently received a written opinion of the City Attorney. Information or records subject to the attorney-client privilege are exempted from disclosure by the Michigan Freedom of Information Act.

**Motion Ekong, seconded by Darga** to go into Closed Session for the purpose of considering a written legal opinion of the City Attorney. **Roll Call Vote. Yes: Darga, Ekong, Giesa, Price, Roth. No: None. Motion carried.**

Meeting recessed at 7:49pm. Meeting reconvened at 9:38pm.

### **MAYOR AND COUNCIL COMMUNICATIONS**

#### **A. Mayor and Council Communications**

Roth spoke of the Street Improvement Bond Proposal on the November 6<sup>th</sup> General Election ballot. The City's goal is to foster an informed electorate. On September 20<sup>th</sup> at 6:00pm, there is a public forum at Community Center. A second public forum will be held in October. The forums will provide voters an opportunity to gather information and ask questions about the bond proposal. City Council is invited to attend.

#### **B. Staff Communications** None

Being no further business, the meeting was adjourned.

**Adjournment: 9:38p.m.**

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Dianne Massa, CMC  
City Clerk

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Ken Roth  
Mayor

Approved as submitted: 9/17/18