

City of Northville
CITY COUNCIL SPECIAL MEETING MINUTES
May 11, 2015

Mayor Pro Tem Allen called the meeting to order at 6:30 p.m. in the Northville City Hall Council Chambers, 215 West Main Street, Northville, Michigan.

Present: Mayor Pro Tem James Allen, and Councilmember Nancy Darga, Sam Ekong, and Ryan McKindles

Absent: Mayor Christopher Johnson (excused)

Also Present: City Manager Patrick Sullivan, Finance Director/Treasurer Sandi Wiktorowski, Director of Public Works James Gallogly, City Clerk Dianne Massa, reporter from Northville Record, and three citizens

CITIZENS COMMENTS

None

APPROVAL OF AGENDA

Motion McKindles, seconded by Darga to approve the agenda as presented. **Motion carried unanimously.**

STREET IMPROVEMENT MILLAGE

In 1997, voters approved a dedicated street millage for streets, drainage, sidewalk improvements, and maintenance. This dedicated millage is expected to bring in \$584,000 in FY2017. This revenue is being distributed as follows:

- Street, drainage and sidewalk improvements throughout the City \$368,000
- Annual Crack Sealing Program \$ 25,000
- Annual Sidewalk Repair/Replacement Program \$ 35,000
- Local and Major Street Maintenance and Operations \$156,000

For the past few years, City Staff, with professional assistance from Spalding DeDecker Associates, Inc., studied the City's street improvement needs and the revenue available to address those needs. Based on this review, it became clear that the streets are deteriorating faster than the City's current revenue sources can improve them.

City Staff was hopeful that the State Legislature would come up with an acceptable plan to fund street improvements. However, with the defeat of Proposition 1, it is clear that the City of Northville should plan on addressing its own street improvement needs with its own funding resources.

A pavement condition survey performed by Spalding DeDecker Associates, Inc. revealed that Northville’s streets had an Overall Condition Index (OCI) rating of 51 on a 100 point scale, indicating that Northville’s streets, on average, are in a fair condition. Without additional street funding this rating is expected to drop to 43.9 in the next ten years.

It is proposed the City create a program designed to raise the OCI rating to 60 in the next ten years, and then to continue to improve City streets with a goal of reaching an OCI rating of 70. To accomplish this, City Staff has created a ten-year capital improvement plan based on sound pavement management principles, which was provided to City Council for review. This plan was designed to spread improvements throughout the City with a goal of keeping good streets in good condition, and incrementally addressing the poor roads, which is necessary for improving the quality of life in this community. It was proposed that this plan be reviewed every five years and that it be extended prior to the completion of the ten year plan.

It is proposed that the City increase its funding for street improvements from \$368,000 to \$1,000,000. Total funding needed for streets is as follows:

\$1,000,000	Proposed Average Annual Street Improvement Program
156,000	Contribution to Street Funds for Maintenance Costs
35,000	Annual Sidewalk Repair Program
25,000	Annual Crack Sealing Program
121,000	Contingency
\$1,337,000	Total Annual Funding Needed

Anticipating an annual street improvement need of \$1,337,000 and subtracting the current dedicated street millage amount (\$584,000) already in place, leaves an additional funding need of \$753,000. In Northville this amount equates to 2.25 mills. A 2.25 mill increase would increase the average homeowner’s taxes in Northville by \$270 per year based on the 2014 tax year.

For the City to obtain a dedicated annual amount for streets improvements of \$753,000, it would be necessary for City Council to select an election day in which voters would be asked to approve a 2.25 millage increase. Ballot language has been prepared and it is recommended that the election day be set for August 4, 2015.

City Council Comment and Discussion: The City Manager further explained that that Act 51 funds strictly go to maintenance and are not included. Had State Proposal 1 passed, it would have provided an additional \$235,000 of funds by 2018. However, this would not have solved the City’s street funding issue. It would have allowed the City to request a lower millage rate increase from voters.

It was also explained that the proposed ballot millage proposal would request a Headlee Override. Under the Headlee Amendment, the City’s charter tax limitation has been reduced from 20 mills to 15.8345 mills. A Headlee Override would allow the City to levy up to 20 mills. A Headlee Override cannot specifically designate a purpose for the millage increase. Per Section 9.1 of the City’s Charter, the City Charter authorization is a general authorization for the levy of taxes. As such, the Headlee Override question needs to be a general authorization. To ensure that the 2.25 mills is used for street improvements, City Council could adopt an ordinance requiring its use be restricted to street improvements.

Comments from Council voiced concern with how the streets are prioritized and how the prioritization was made. For example, Summerside Lane is scheduled for improvement in 2017. Elmsmere, which is in far worse condition, is falling apart, and is used to connect two subdivisions, is scheduled for

improvement in 2026. It should be prioritized earlier. It was explained that the purpose of a street improvement program is not only to improve failing streets, it is also to improve streets in a good condition in the attempt to keep them in good condition at a lower cost. Improvement priorities were set by Spaulding DeDecker using a PASER rating. The last study was done in 2013.

The process for reevaluating streets was discussed. It was suggested the proposed street improvement list be reprioritized before it is released to the public. City Council could also review the list and recommend adjustments during the annual budget cycle discussion. It was countered that people may be upset if they see their street up higher on the list and then the street gets bumped down in priority.

Discussion ensued pertaining to the need to educate the citizens on the use of the 2.25 mills, especially since the ballot question is not allowed to note that the millage increase will be exclusively used for street improvements. It was suggested that the resolution language include the word “exclusively” to point out that the City intends to use these funds exclusively for street improvements.

Motion McKindles, seconded by Ekong to approve a resolution and ballot language, which is to be presented to City voters on August 4, 2015 asking for a 2.25 millage increase dedicated for streets, drainage and sidewalks as outlined as outlined above. **Motion carried unanimously.**

MAYOR AND COUNCIL COMMUNICATIONS

None

There being no further business to come before Council, the meeting was adjourned.

Adjournment: 6:59 p.m.

Respectfully submitted,

Dianne Massa, CMC
City Clerk

James C. Allen
Mayor Pro Tem

Approved as submitted: 6/1/15