CITY OF NOVI
Administrative ePacket
September 18, 2025

Council Action/Attention

Meadowbrook Commons Town Hall Summary and Next Steps - Kieser

Shawood Lake Stakeholder Meeting - Mahoney

Plante Moran Realpoint Update

Departmental Updates

Certification of Delinquent Assessment Roll for Walled Lake Improvement Board - Ziozios

Quarterly Investment Report - Glenn

The Buzz Report

For Your Information

2025 Second Quarter Road Report – Road Commission for Oakland County (RCOC)

MEMORANDUM

Mayor and Council –

Please see a summary of a recent town hall held at Meadowbrook Commons, and the next steps on how staff plans on addressing concerns shared

- Victor

CITY OF NOVI
cityofnovi.org

TO: VICTOR CARDENAS, CITY MANAGER
JEFF MUCK, PRCS DIRECTOR

FROM: KIT KIESER, OAS MANAGER

SUBJECT: MEADOWBROOK COMMONS TOWN HALL – SUMMARY AND NEXT STEPS

DATE: SEPTEMBER 11, 2025

Meadowbrook Commons is accounted for in the City's Senior Housing Fund (an Enterprise Fund). The City has contracted with a management company, KMG Prestige, since 2006. KMG provides overall management of the property, leasing, marketing, maintenance, and daily operations. KMG staff collaborates with PRCS/OAS staff on capital improvement projects, programming, and services at the facility and resident issues.

On September 8, 2025, a town hall meeting was held for Meadowbrook Commons residents, facilitated by Samantha Harkins of Hundred Place Consulting, LLC. The purpose of the meeting was to provide residents with an open forum to share their experiences, identify areas that are working well, and suggest improvements. Both verbal feedback and anonymous written comments were collected, and a report was provided by the consultant summarizing the key themes.

Residents expressed appreciation for the opportunity to be heard and highlighted both strengths of the community and areas needing attention. Common themes included building maintenance, communication around work orders, safety, and the importance of having regular channels for feedback. Several of the concerns raised align with initiatives already underway, while others have been identified for new action.

Planned Actions:

- Implementing an annual resident survey to capture ongoing input.
- Scheduling quarterly "Meetings with the Manager" to maintain open dialogue.
- Installation of additional security cameras (planning underway; estimated cost $40,000).
- Contracting annual pressure washing and HVAC unit cleanings to improve building upkeep.
- Directing KMG to review the work order process and strengthen communications (both online and paper).
- Reviewing and updating website content and move-in instructions to establish clearer expectations with future residents.
- Providing next five years of projected CIP projects (courtyard, carpet and furniture repairs, elevator replacement, etc.) for resident awareness.
- Providing a Work Order FAQ for residents outlining how to submit, track, and follow up on requests.

Prior to the Town Hall, serious concerns were shared privately by residents about potential "retaliation" or "repercussions" for reporting/raising issues. No such comments were made during the meeting or submitted in writing. After the meeting, these concerns were brought to the City Staff's attention by two residents. In private discussions with the concerned residents, they clarified their problems did not involve rent increases, ignored work orders, or property damage; instead, they described interpersonal issues with the assistant manager of Meadowbrook Commons, a KMG employee—specifically perceived unfriendliness and favoritism. KMG has since informed us that the assistant manager has resigned and will be relocating out of state.

Report-out to Residents:
Staff will prepare and distribute a summary to Meadowbrook Commons residents in the coming weeks. This report will outline the planned actions and actions currently underway.

MEMORANDUM

TO: VICTOR CARDENAS, CITY MANAGER
FROM: DANIELLE MAHONEY, ASSISTANT CITY MANA
SUBJECT: SHAWOOD LAKE STAKEHOLDER MEETING
DATE: SEPTEMBER 17, 2025

Mayor and Council –

Please see the following summary from a recent meeting held with staff and ELGL, along with members of Council, regarding Shawood Lake and possible/allowable options for changes to it.

- Victor

Key Highlights

- Stakeholders, led by the Michigan Department of Environment, Great Lakes, and Energy (EGLE), met with City staff and council members of the Environmental Sustainability Committee to discuss Shawood Lake's ecological health and recreation potential.
- An on-site meeting was held at Shawood Lake in October 2024 to address these same issues, and staff have been awaiting a clear, written recommendation from EGLE since that time.
- The City's 2022 purchase of the Shawood Lake island increased City ownership of the lake area from ~75% to ~95% and spurred conversation about programming and non-motorized recreation opportunities.
- Council's August 2025 motion directed the Parks, Recreation & Cultural Services Commission to develop plan options for Shawood Lake and the island for discussion during the FY 2026 budget planning process.
- EGLE emphasized that historical vegetation patterns in Shawood Lake have been consistent since the 1930s and cautioned against the use of aeration and bio-augmentation.

Background

In January 2022, City Council approved the purchase of two properties on Shawood Lake, including an island parcel, for $175,000. The purchase increased City ownership of the lake from approximately 75% to 95%, including ownership of the island itself. The existing home on the island was deemed unusable, with the City's intent to remove it and restore the site for passive and recreational purposes.

This acquisition sparked renewed conversations about Shawood Lake's recreational potential, particularly opportunities for non-motorized uses such as kayaking. City staff envisioned limited vegetation removal to support lake access, while intentionally avoiding wholesale dredging or the elimination of lily pads.

Building on this momentum, in August 2025 Council unanimously approved Motion CM 25-08-114, directing the Parks, Recreation & Cultural Services Commission to develop programming options for Shawood Lake and the island. These options will be presented to the Council for discussion during the initial budget planning session in January 2026.

Against this backdrop, a stakeholder meeting was convened by EGLE (facilitated by Sue Tepatti) to provide technical input on the lake's condition and appropriate management practices. The meeting included EGLE staff, the Michigan Department of Natural Resources, City staff, and members of the Environmental Sustainability Committee.

Discussion Summary

The discussion began with EGLE staff sharing historical imagery of Shawood Lake, which showed that the lake's vegetation patterns have remained largely unchanged since the 1930s. They noted that natural oxygen levels in the lake are already sufficient, making aeration unnecessary, and they raised concerns about the long-term effectiveness of bio-augmentation. From their perspective, the most important factor in maintaining lake health is addressing nutrient inputs, which if left unmanaged could accelerate cultural eutrophication (the human-accelerated process of nutrient enrichment in a body of water, such as a lake or river).

Council members and staff emphasized that the City's recent purchase of the island has created new opportunities to enhance Shawood Lake for residents, particularly for passive and non-motorized recreational activities, such as kayaking. The conversation explored how limited vegetation clearing might support access, while also recognizing the ecological value of maintaining native vegetation such as lily pads. Balancing environmental health with recreation potential emerged as a central theme of the discussion.

In addition to ecological and recreation considerations, EGLE representatives reminded participants of the legal requirements that must be met before any physical interventions can occur. Riparian rights and bottomland ownership must be clearly documented, as permits for vegetation management or structural improvements cannot be issued without proper authorization.

Conclusion and Action Items

Ultimately, EGLE advised the City against altering the lake through bio-augmentation and instead encouraged the City to provide education outreach to residents while encouraging passive recreation opportunities (such as kayaking and bird watching). Additionally, the following action items were noted:

- Ownership/Riparian Rights: City of Novi to further investigate riparian rights around Shawood Lake to clarify permitting requirements.

- Recreation Access Planning: City of Novi to explore access points and other amenities tied to the island purchase to support kayaking and non-motorized recreation.

- Resident Education: City of Novi to consider outreach on fertilizer use and nutrient management practices.

- EGLE Guidance: EGLE to provide a clear, updated summary of recommended practices for Shawood Lake.

- Parks & Recreation Commission Planning: As directed by Council's August 2025 motion, and now with clear guidance from EGLE, the Parks, Recreation & Cultural Services Commission will develop plan options for Shawood Lake and the island for discussion at the January 2026 budget planning session.

City of Novi - Project Status Overview

Status Summary	Novi City Council Weekly Update #32

As of:	9/17/2025	Overall Status	In progress

PMR Previous Activities (October 2024 – August 2025)

PMR Procurement Activities

- FAC interviewed two A/E firms on 9/15. Both firms were acceptable. Per FAC direction, PMR will negotiate fees and scope with one (or both) firms for all (or a portion of) the design scope of the public safety project.
- City Admin and PMR have agreed to interview 3 CM firms on 9/24.

Upcoming Activities

PMR Procurement Activities

- ~~The Finance and Administration Committee (FAC) will interview two A/E firms at its 9/15 meeting from 5-7pm. As of today, PMR is recommending bifurcating the design program for this project and will discuss approach in person.~~
- ~~The Committee's recommendation of the A/E firm is scheduled to be made to City Council at the 9/22 Council meeting. PMR to provide recommendation letter.~~
- PMR/City interviews of CM firms to take place 9/24. FAC interview of two finalists will occur on 10/6, with a final CM award recommendation to be made at the 10/21 City Council meeting (tentative).

Governance

- PMR preparing governance documents clarifying roles and responsibilities for City Council, City Admin, PMR and other third parties as project moves forward.
- A draft will be circulated to City Admin for comments/feedback the week of 9/15.
- Once approved by City Admin, a draft will be sent to the FAC as a future committee discussion item.
- City Council's anticipated approvals consist of 1) Owner's Rep; 2) A/E firm; 3) CM firm; 4) Technology firm; 5) Governance Documents/Program budget; 6) Schematic design; 7) Design development; 8) Furniture vendor; 9) Contractor bid packages; 10) Change orders in excess of $100,000 and/or change orders that exceed project contingency or program budget.

Areas for Discussion

Site Due Diligence / Budget Items Checklist:

- City / PMR to review Due Care Plan and strategize path forward.
- City / PMR to review any outstanding due diligence items for all three sites and to begin coordinating site analysis.

City of Novi Road Project

- Approx. $20 million, which includes property acquisition and utilities
- PMR's assumption is that it is responsible for activities within the project sites, and that utilities are available at lot line; if not, City/OHM coordination needed with road project to ensure PSB and FS project sites are ready with utilities.

Procurement and Contracts

- Intent is to award A/E in September or October and CM in October or November, with one year of design leading to a package for bid in Fall 2026 and construction in 2027.
- Site work/land clearing to occur 3rd Quarter 2026
- PMR working with PFM to further refine construction timeline in response to alternate bond issuance timeline(s).
- PMR to submit a contract amendment reaffirming Owner's Representation scope of services and site responsibilities in addition to project budget. No new terms or fees are being presented to the city.

Next PMR/City Administration meeting is 10/6/25

Agenda will include setting regular design meetings with the City and the A/E firm(s), governance, and CM interviews with FAC that night.

MEMORANDUM

cityofnovi.org

TO: CITY COUNCIL

FROM: JAN C. ZIOZIOS, CITY ASSESSOR

SUBJECT: CERTIFICATION OF DELINQUENT ASSESSMENT ROLL FOR WALLED LAKE IMPROVEMENT BOARD

DATE: SEPTEMBER 18, 2025

Please be advised that pursuant to the Section 30917 of the State of Michigan Natural Resources and Environmental Protection Act (PA 451 of 1994) and paragraph 6 of Resolution #5 of the Walled Lake Improvement Board, I am required to notify you of the delinquencies on the above referenced special assessment roll. MCL 324.30917 states in part:

"If the treasurer reports as delinquent any assessment or part of an assessment, the lake board shall certify the delinquency to the assessing official of each local unit of government, who shall reassess, on the annual tax roll of the local unit of government of that year, in a column headed "special assessments", the delinquent sum, with interest and penalties to September 1 of that year, and an additional penalty of 6% of the total amount."

Attached is a letter dated September 17, 2025 from Ms. Megan Mikus, Secretary/Treasurer of the Walled Lake Improvement Board regarding the 2024 delinquent assessment amount and the accrued penalties. The letter states the Lake Board has certified the delinquent tax roll in the amount of $3,017.54, having a principal balance of $2,768.33 and penalty/interest in the amount of $249.21. The delinquent roll includes 23 parcels in the City of Novi.

Therefore, I hereby notify you that the Lake Board has certified the above referenced delinquent roll in the amount of $3,017.54, which includes penalty/interest in the amount of $249.21. I, as Assessor for the City of Novi, only need to report this delinquency to the City Council, and this does not require any action by City Council.

If you have any questions about this matter, feel free to contact me.

Attachments:
- Certification letter from Ms. Mikus
- 2024 Walled Lake Improvement Board Special Assessment Delinquent Roll for the City of Novi
- Resolution #5 Confirming Assessment Roll 2021 - 2025

WALLED LAKE IMPROVEMENT BOARD
c/o CITY OF NOVI
26300 LEE BEGOLE DRIVE
NOVI, MI 48375

VIA EMAIL ONLY

September 17, 2025

Jan Ziozios, City Assessor
City of Novi
45175 Ten Mile Road
Novi, Michigan 48375

Re: Certification of Delinquent Assessments
Walled Lake Improvement Board

This letter is to notify you that the Walled Lake Improvement Board has approved at our September 16, 2025 meeting to certify the 2024 delinquent assessments reported by the City of Novi for 23 parcels (attached).

The Lake Board is required by paragraph 6 of Resolution #5 (attached) to certify the delinquency to the City Assessing Official for the City in which the property is located, who shall then report the delinquency to the City Council in which the property is located to reassess on the City's annual tax roll of that year the delinquent sum and accrued interest (0.5% per month since February 16, 2025) plus an additional penalty of 6% of the total amount reported.

Please forward the copy of the delinquency report provided to your City Council to the Walled Lake Improvement Board for our records. Please contact me with any questions.

Sincerely,

WALLED LAKE IMPROVEMENT BOARD

Megan K. Mikus

Megan Mikus
Secretary/ Treasurer

Attachments via email:
2024 Walled Lake Improvement Board Special Assessment Delinquent Roll from the City of Novi
Resolution 5 Confirming Assessment Roll 2020-2024

cc: Tina Glenn, Novi Assistant City Treasurer
Tina Miller, Lake Board Chairperson

City of Novi, Delinquent Lake Board Assessments

Parcel # *Owner*	Principal 2024 Delinquent Balance	1/2% per month Penalty	Additional 6% Penalty	City of Novi Total Installment
50-22-02-327-007 I YOUNG, MARTIN	$ 196.34	$ 5.89	$ 11.78	$ 214.01
50-22-02-327-018 I LEVY, KIMBERLEE E	$ 196.34	$ 5.89	$ 11.78	$ 214.01
50-22-02-327-019 I LEVY, KIMBERLEE E	$ 196.34	$ 5.89	$ 11.78	$ 214.01
50-22-02-355-010 I CHAMPAGNE, DAVID M	$ 196.34	$ 5.89	$ 11.78	$ 214.01
50-22-02-355-011 I CHAMPAGNE, DAVID	$ 196.34	$ 5.89	$ 11.78	$ 214.01
50-22-03-126-014 I KALLURI, YOGESHWAR REDDY	$ 19.65	$ 0.59	$ 1.18	$ 21.42
50-22-03-151-009 I CORRIVEAU, MARC R.	$ 39.26	$ 1.18	$ 2.36	$ 42.80
50-22-03-152-016 I PNC BANK	$ 39.26	$ 1.18	$ 2.36	$ 42.80
50-22-03-153-046 I EBERLEIN, GREG & TEHVA	$ 39.26	$ 1.18	$ 2.36	$ 42.80
50-22-03-155-020 I COON, RONALD	$ 196.34	$ 5.89	$ 11.78	$ 214.01
50-22-03-201-001 I PRIOR, JOHN M	$ 39.26	$ 1.18	$ 2.36	$ 42.80
50-22-03-328-004 I DAVIS, BRANDON R	$ 196.34	$ 5.89	$ 11.78	$ 214.01
50-22-03-329-004 I GOMEZ, REBECA M. DELGADO	$ 196.34	$ 5.89	$ 11.78	$ 214.01

Parcel # *Owner*		Principal 2024 Delinquent Balance		1/2% per month Penalty		Additional 6% Penalty		City of Novi Total Installment
50-22-03-330-006 I ANTOUNPOUR, CLAUDINE	$	196.34	$	5.89	$	11.78	$	214.01
50-22-03-351-016 I AL-MUFTI, BECKER	$	196.34	$	5.89	$	11.78	$	214.01
50-22-03-379-013 I ASHBAUGH, MARK	$	39.26	$	1.18	$	2.36	$	42.80
50-22-03-380-005 I UNGER, KRISTEN	$	39.26	$	1.18	$	2.36	$	42.80
50-22-03-402-002 I VAUGHN, ANDREW	$	196.34	$	5.89	$	11.78	$	214.01
50-22-03-404-009 I NAPIERALA, HALINA	$	196.34	$	5.89	$	11.78	$	214.01
50-22-03-453-007 I SIMMONS, NANCY J	$	39.26	$	1.18	$	2.36	$	42.80
50-22-03-455-005 I BATES, KEVIN & RENEE	$	39.26	$	1.18	$	2.36	$	42.80
50-22-03-481-011 I KOZELL PROPERTIES LLC	$	39.26	$	1.18	$	2.36	$	42.80
50-22-04-429-018 I YANG & LI FAMILY TRUST	$	39.26	$	1.18	$	2.36	$	42.80
23	**$**	**2,768.33**	**$**	**83.07**	**$**	**166.14**	**$**	**3,017.54**

STATE OF MICHIGAN

COUNTY OF OAKLAND

WALLED LAKE IMPROVEMENT BOARD

WALLED LAKE IMPROVEMENT BOARD SPECIAL ASSESSMENT DISTRICT

<u>RESOLUTION CONFIRMING ASSESSMENT ROLL</u>

R E C I T A T I O N S:

It has been determined that the Walled Lake Improvement Board will implement a renewed five-year aquatic weed control program for Walled Lake (the Project).

The Project is intended to make annual improvements to Walled Lake for the years 2021, 2022, 2023, 2024 and 2025 for the benefit of the properties identified in Exhibit 1, which properties together shall constitute The Walled Lake Improvement Board Special Assessment District, hereinafter referred to as the "Lake Board SAD", and for administrative purposes to be known as SAD 177 in the City of Novi and SAD 175 in the City of Walled Lake.

Plans for the Project, the estimated cost of the Project, and the special assessment district boundaries were approved by Resolution of the Walled Lake Improvement Board following a public hearing on November 5, 2009, and the Project is renewed for another five year period commencing in 2021. The Lake Board resolution further directed the Assessors for the City of Novi and for the City of Walled Lake to prepare a proposed assessment roll.

In accordance with the direction of the Walled Lake Improvement Board, the City Assessors have prepared a proposed special assessment roll allocating the total cost of the Project to the property within the Lake Board SAD and the Assessors have filed such roll with the Lake Board.

A public hearing to review the proposed special assessment roll was set and duly noticed in accordance with law for the purpose of hearing objections to the proposed assessment roll.

The public hearing was conducted in accordance with the notice, and the Walled Lake Improvement Board determined that it would be appropriate to approve and confirm the proposed assessment roll.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The special assessment roll for the Walled Lake improvement Board Project, the Lake Board SAD, in the total amount of $496,003.93 ($99,200.78 annually for years 2020 through 2024), attached as Exhibit 1 to this resolution, shall be and is hereby adopted and confirmed, and shall be collected from the properties benefited within the Lake Board District.

2. The Walled Lake Improvement Board Secretary/Treasurer is directed to endorse on the assessment roll the date of this confirmation.

3. All amounts of an assessment shall be assessed against each parcel of land in the Lake Board SAD as described on the Special Assessment Roll (Exhibit 1) to be due and payable in five installments, the first to be due on the **16th** day of **February**, **2021**, and the several subsequent installments shall be due and payable successively in intervals of twelve (12) months from the due date of the first installment.

4. Any portion of an assessment which has not been paid on or before the **1st** day of **September** of the tax year in which it becomes due shall be reported to the City Council for the City in which the property is located for reassessment upon that City’s tax roll, including a six percent administration fee.

5. The Clerks for the Cities of Novi and Walled Lake are directed to attach their warrants as required by law to the roll and to direct the roll, with their warrants attached, to the respective City Treasurer. The City Treasurer for the Cities of Novi and Walled Lake shall thereupon collect the special assessment from those properties listed in Exhibit 1 which are located within

each City's jurisdiction in accordance with the terms of this Resolution, the warrant, and the statutes of the State of Michigan.

6. If the City of Novi or the City of Walled Lake Treasurer reports as delinquent any assessment or part of an assessment on a property located within its jurisdiction, the Lake Board shall certify the delinquency to that City's Assessing official, who shall reassess on that City's annual tax roll of that year the delinquent sum plus a six percent administrative fee, and additional penalties as provided by law.

AYES: Miller, Ambrose, Markham, Mikus, Warren
NAYS:
ABSTENTIONS:
ABSENT:

CERTIFICATION

It is hereby certified that the foregoing Resolution is a true and accurate copy of the Resolution adopted by the Walled Lake Improvement Board located within the Cities of Novi and Walled Lake at a meeting duly called and held on the 9th day of September, 2020.

WALLED LAKE IMPROVEMENT BOARD

BY: Megan K. Mikus
MEGAN MIKUS, SECRETARY-TREASURER

6266004

Exhibit 1

M

Mayor and Council –

FYI, we are providing an update on the status of the City's investment activity. Please note that on the last page, we've added the performance of the Retiree Health Care Funds.

- Victor

CITY OF NOVI
cityofnovi.org

TO: VICTOR CARDENAS, CITY MANAGER

FROM: SABRINA LILLA, INTERIM FINANCE DIRECTOR
TINA GLENN, ASSISTANT CITY TREASURER

CC: CORTNEY HANSON, CITY CLERK

SUBJECT: QUARTERLY INVESTMENT REPORT – JUNE 30, 2

DATE: SEPTEMBER 2, 2025

Attached to this memo is the investment report for the City of Novi as of June 30, 2025. This memo outlines the investment factors and trends that were playing a role in our investment decisions for the second quarter of the fiscal year.

Nationally

According to the minutes of the Federal Open Market Committee (FOMC) meetings held on June 17 – 18, 2025, "The information available at the time of the meeting indicated that consumer price inflation remained somewhat elevated. The unemployment rate continued to be low, and labor market conditions were solid. Available indicators suggested that real GDP was expanding at a solid pace in the second quarter."[1]

According to the Bureau of Labor Statistics News Release, "Total nonfarm payroll employment increased by 147,000 in June, and the employment rate changed little at 4.1 percent, the U.S. Bureau of Labor Statistics reported today. Job gains occurred in state government and health care. Federal government continued to lose jobs."[2]

The City is continuing to invest pursuant to the Investment Policy and the Retirement Health Care Investment Policy. The City's funds are invested in a variety of instruments including commercial paper, money market accounts, certificates of deposit, agencies, and pooled accounts. The primary focus and order of priority is on safety of capital, liquidity, and lastly return on investment.

Risk

As required by the Governmental Accounting Standard Board, GASB 40 identifies several reporting and disclosure requirements for public funds that are designed to manage and limit risk in deposits and investments. These disclosures are only required as part of the year-end financial statements, the applicable risks are as follows:

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment or the government's cash flows. Disclosure of interest rate risk addresses the exposure of investments to changes in market value as interest rates increase or decrease from current levels. In accordance with the City investment policy, the City limits its exposure to possible decline in fair market value by

[1] https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20250618.pdf
[2] https://www.bls.gov/news.release/archives/empsit_07032025.pdf

controlling duration or maturities. Investment maturities for operating funds shall be scheduled to coincide with projected cash flow needs, considering large routine expenditures (payroll, debt service), as well as considering sizable blocks of anticipated revenue (taxes, state revenue sharing payments).

Credit Risk: Credit risk is the risk that the investment counterparty will not fulfill its promise to pay the government when required. There is credit risk associated with the financial institutions, brokers, and investment instruments the City does business with. The City's investment officer must also be held to the highest standards. The City's investment policy utilizes the prudent person rule: "Investments are made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." Any commercial paper purchased must be rated within the highest classification established by at least two standard rating services. Obligations of the State or its subdivisions must be rated of investment grade by at least one rating service. Because the State of Michigan does not require collateralization of public funds, the City's policy restricts Certificates of Deposit investments to those with financial institutions that are members of the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration.

Concentration of Risk: Governments must disclose any single issuer that comprises more than 5% of the investment value in the portfolio. This disclosure is to ensure that there is proper diversification and not a concentration of public funds with any one issuer. While CD's and commercial paper are being used only occasionally for diversification, the City's funds are primarily invested in guaranteed accounts and treasuries. To reduce concentration risk, the City's investments are diversified amongst several highly rated financial institutions.

Investment Report

Attached is a summary listing of investments by issuer that the City held on June 30, 2025 (excluding Retiree Healthcare and Pension Investments that are not subject to Public Act 20 Investment Limitations). The listing includes the market value, type of investment, days to maturity, interest rate (yield) and amount of investment (book value). The book and market value for the Fifth Third checking account represents the bank balance on June 30, 2025, and does not include any month end reconciling items. A separate summary report is included for the Retiree Health Care Funds held by Morgan Stanley.

A comprehensive detailed listing of each investment's details and maturity date is maintained in the Treasurer's office. The report includes all investment accounts by issuer including all pooled fund accounts. Please note that all investments included in this report are in accordance with the City's Investment Policy and State statutes and meet the City's investment objectives including Safety of Capital, Liquidity, and lastly Return on Investment. The issue of non-compliance with the MERS Retiree Health Care Account is currently being addressed and remedies are being considered.

City of Novi
Quarterly Investment Report
June 30, 2025

Investment Officer's Certification: This report is prepared for the City of Novi in accordance with Chapter 2256 of the Public Funds Investment Act (PFIA). Section2256.023 (a) of the PFIA states that "Not less than quarterly, the investment officer shall prepare and submit to the governing body, a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Finance Director and includes the disclosures required in the PFIA. Market prices were obtained from Various Brokerage Accounts: Huntington Bank, UBS, Comerica, Fifth Third Securities and J. P. Morgan .

PERFORMANCE VALUES

TRR-MV	Total Rate of Return - Market Value	1.170%
Annualized TRR-MV	Annualized Total Rate of Return - Market Value	4.780%
YTM@Cost	Yield to Maturity @ Cost	3.361%

BENCHMARKS

Treasury 6 Month 4.300%
Treasury 1 Year 4.060%

FISCAL YEAR TO DATE

Investment Income 956,219
TRR-MV 1.170%

Security Sector	Face Amount/Shares	Market Value	Book Value	% of Portfolio	YTM @ Cost	Days To Maturity
Cash	5,674,836.00	5,674,836.00	5,674,836.00	7.13	0.00	1
Certificate Of Deposit	15,135,000.00	15,007,315.19	15,055,058.67	18.92	3.70	739
Corporate	1,000,000.00	992,248.92	992,303.98	1.25	4.37	64
Local Government Investment Pool	19,008,407.23	19,008,407.23	19,008,407.23	23.88	4.37	1
Money Market	11,185,441.76	11,185,441.76	11,185,441.76	14.05	4.28	1
Municipal	12,865,000.00	12,485,990.78	13,109,049.27	16.47	2.47	1,369
US Agency	13,735,000.00	13,652,080.00	13,663,924.07	17.17	2.89	737
US Treasury	900,000.00	922,149.00	895,427.03	1.13	4.50	1,645
Total / Average	**79,503,684.99**	**78,928,468.88**	**79,584,448.01**	**100.00**	**3.35**	**512**

Sabrina Lilla

Sabrina Lilla - Interim Finance Director

9/2/25

Date

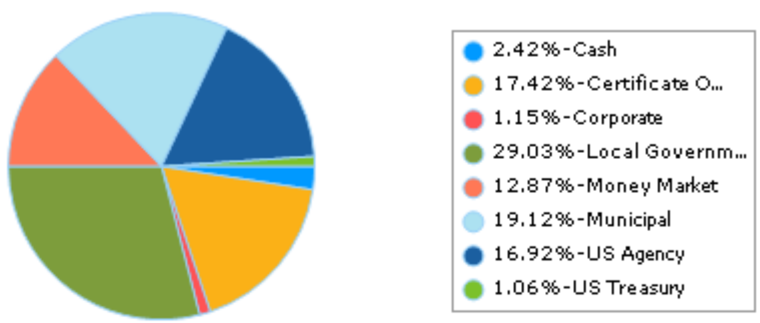
City of Novi
Distribution by Security Sector - Market Value
All Portfolios

Begin Date: 3/31/2025, End Date: 6/30/2025

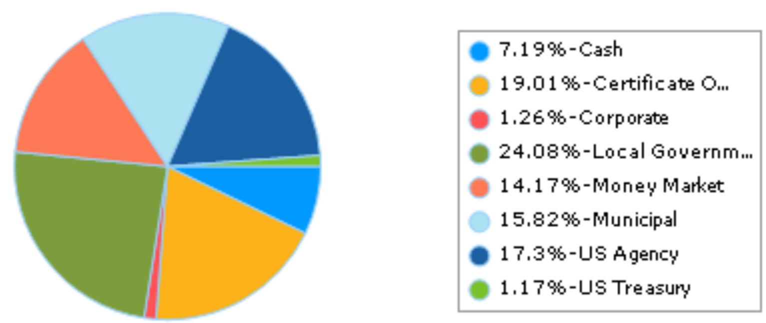
Security Sector Allocation

Security Sector	Market Value 3/31/2025	% of Portfolio 3/31/2025	Market Value 6/30/2025	% of Portfolio 6/30/2025
Cash	2,084,699.23	2.42	5,674,836.00	7.19
Certificate Of Deposit	14,982,500.50	17.42	15,007,315.19	19.01
Corporate	991,099.46	1.15	992,248.92	1.26
Local Government Investment Pool	24,969,595.43	29.03	19,008,407.23	24.08
Money Market	11,069,129.22	12.87	11,185,441.76	14.17
Municipal	16,443,219.95	19.12	12,485,990.78	15.82
US Agency	14,549,425.25	16.92	13,652,080.00	17.30
US Treasury	915,255.00	1.06	922,149.00	1.17
Total / Average	**86,004,924.04**	**100.00**	**78,928,468.88**	**100.00**

Portfolio Holdings as of 3/31/2025



Portfolio Holdings as of 6/30/2025



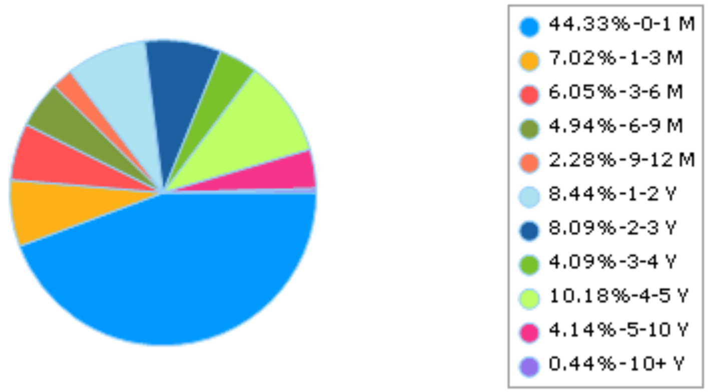
City of Novi
Distribution by Maturity Range - Market Value
All Portfolios

Begin Date: 3/31/2025, End Date: 6/30/2025

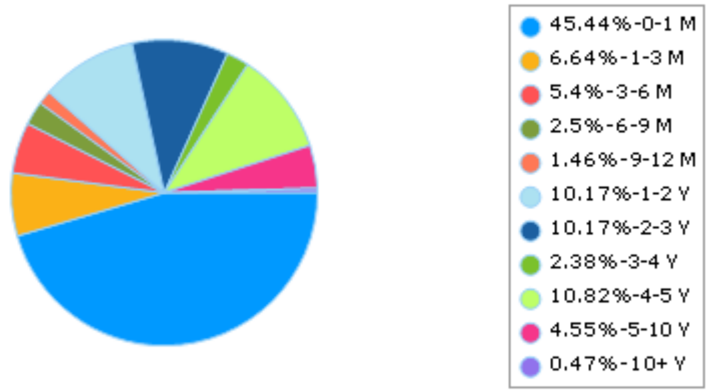
Maturity Range Allocation

Maturity Range	Market Value 3/31/2025	% of Portfolio 3/31/2025	Market Value 6/30/2025	% of Portfolio 6/30/2025
0-1 Month	38,123,423.88	44.33	35,868,684.99	45.44
1-3 Months	6,036,388.16	7.02	5,237,547.90	6.64
3-6 Months	5,203,610.80	6.05	4,260,537.50	5.40
6-9 Months	4,244,893.75	4.94	1,973,740.00	2.50
9-12 Months	1,964,460.00	2.28	1,156,282.50	1.46
1-2 Years	7,255,217.48	8.44	8,027,170.38	10.17
2-3 Years	6,961,668.50	8.09	8,025,634.40	10.17
3-4 Years	3,520,401.80	4.09	1,878,045.75	2.38
4-5 Years	8,757,623.47	10.18	8,536,757.46	10.82
5-10 Years	3,561,309.60	4.14	3,591,178.80	4.55
10+ Years	375,926.60	0.44	372,889.20	0.47
Total / Average	**86,004,924.04**	**100.00**	**78,928,468.88**	**100.00**

Portfolio Holdings as of 3/31/2025



Portfolio Holdings as of 6/30/2025



City of Novi
Portfolio Holdings
Investment Portfolio - by Issuer, Summary
As of 6/30/2025

Description	YTM @ Cost	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
Allendale MI Pub Sch Dist Unltd tax go ref bonds	1.757	1,022,620.79	880,180.00	2,315	3,523.61	1.26
Bank of America CD	5.000	1,000,000.00	1,007,670.00	326	5,342.47	1.26
Capital One NA	3.354	2,800,000.00	2,779,548.00	439	34,215.61	3.52
Chippewa Valley Mich Schs	2.237	1,000,000.00	969,407.30	670	3,666.19	1.26
City of Ishpeming MI	1.800	307,396.77	280,096.75	1,401	1,009.72	0.38
Cocord Minutemen CAP CP	4.370	992,303.98	992,248.92	64	0.00	1.26
Federal Farm Credit Bank	1.366	1,232,900.68	1,224,965.00	78	1,953.56	1.55
Federal Home Loan Bank	1.760	4,998,196.82	4,951,790.00	189	25,312.50	6.29
FHLB	4.568	1,484,734.93	1,496,070.00	1,292	29,750.00	1.89
FHLMC	3.389	4,488,748.62	4,489,260.00	1,080	23,884.03	5.66
Fifth Third	0.000	5,674,828.08	5,674,828.08	1	0.00	7.14
First Source Bank CD	4.400	1,000,000.00	999,920.00	1,092	723.29	1.26
Flagstar Bank CD	4.400	1,000,000.00	999,620.00	112	12,416.44	1.26
FNMA	4.804	1,459,343.02	1,489,995.00	1,554	845.83	1.89
Homer Cmnty SD	2.400	805,991.47	785,204.10	670	5,146.11	0.99
Huntington National Bank	4.281	11,185,441.63	11,185,441.63	1	0.00	14.07
Jackson CNTY MI Transprtn Fund Bond	2.455	254,819.12	233,479.20	1,980	720.94	0.30
JP Morgan Chase CD	4.397	4,557,763.30	4,564,502.46	1,253	37,482.52	5.81
Ken Mi Hosp Fin Auth	2.000	1,154,060.30	1,105,480.80	745	13,799.22	1.43
Kent MI Hosp Fin Auth Revenue	1.936	103,310.37	94,501.00	1,476	1,292.96	0.13
Macomb Cnty MI	2.739	1,385,043.63	1,298,258.00	1,950	8,790.67	1.64
Michigan Class	4.371	19,005,850.39	19,005,850.39	1	0.00	23.91
Michigan Fin Auth	1.509	1,471,741.64	1,445,231.43	670	7,191.36	1.84
Michigan St Fin Auth	1.412	1,273,004.38	1,239,462.50	373	11,722.29	1.57
Michigan St Hsg Dev Auth	2.340	89,847.34	84,109.20	2,345	229.38	0.11
Michigan ST Strategic	7.729	447,513.29	457,070.00	1,524	7,768.06	0.63
Michigan State University Federal Credit Union	1.350	1,000,008.05	1,000,008.05	381	53,445.21	1.26
Morgan Stanley Bank	1.846	1,697,295.37	1,653,404.73	507	2,463.90	2.15
Oakland County	4.097	2,556.84	2,556.84	1	0.00	0.00
Oakland Univ Muni Bond	4.192	198,784.54	175,777.20	7,914	2,975.00	0.23
State of Michigan	2.846	3,022,529.06	2,877,640.40	1,756	12,881.25	3.71
Treasury	4.502	895,427.03	922,149.00	1,645	0.00	1.13
UBS Bank USA CD	4.000	2,000,000.00	2,002,650.00	712	4,126.03	2.52
Wayne MI ST UNiV	2.601	107,386.57	101,879.00	1,234	625.00	0.13
Ypsilanti MI	3.264	465,000.00	458,213.90	678	2,487.35	0.58
Total / Average	3.361	79,584,448.01	78,928,468.88	508	315,790.50	100

City of Novi
Date To Date
Investment Income - Market Value
Begin Date: 3/31/2025, End Date: 6/30/2025

Description	Interest Earned During Period-MV	Unrealized Gain/Loss-MV	Realized Gain/Loss-MV	Investment Income-MV	TRR-MV	Annualized TRR-MV
Cash	0.00	0.00	0.00	0.00	0.00	0.00
Certificate Of Deposit	132,348.04	26,004.69	-1,190.00	157,162.73	1.08	4.38
Corporate	0.00	1,628.44	15,803.94	17,432.38	1.12	4.56
Local Government Investment Pool	238,812.04	0.00	0.00	238,812.04	1.09	4.41
Money Market	116,312.54	0.00	0.00	116,312.54	1.05	4.27
Municipal	108,138.16	86,869.53	15,901.30	210,908.99	1.47	5.99
US Agency	96,143.91	93,624.75	9,030.00	198,798.66	1.37	5.57
US Treasury	9,898.14	6,894.00	0.00	16,792.14	1.82	7.46
Total / Average	701,652.83	215,021.41	39,545.24	956,219.48	1.17	4.78

Investment Summary Dollar Weighted Returns

Retiree Health Care Funds
Morgan Stanley Investments Only

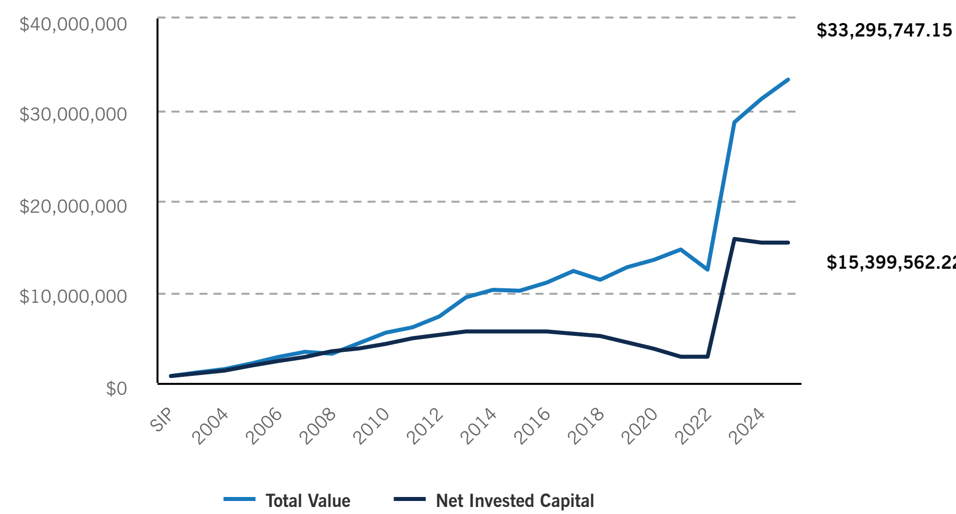
Novi Performance

Data as of August 26, 2025

DOLLAR-WEIGHTED RETURN % (NET OF FEES)

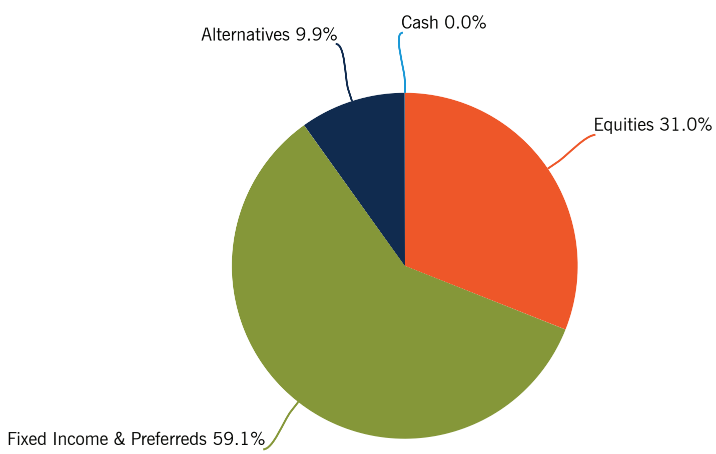
	Year to Date ($) 12/31/24-08/26/25	Previous Year ($) 12/31/23-12/31/24	Performance Inception ($) 04/25/03-08/26/25
Beginning Total Value	**31,161,494**	**28,615,094**	**750,000**
Beginning Accrued Income	83,793	74,437	0
Net Contributions/Withdrawals	0	-401,642	14,649,562
Investment Earnings	2,134,253	2,948,042	17,896,185
Ending Total Value	**33,295,747**	**31,161,494**	**33,295,747**
Ending Accrued Income	123,825	83,793	123,825
DOLLAR WEIGHTED RATE OF RETURN (%) **(Annualized for periods over 12 months)**			
Return % (Net of Fees)	6.85	10.35	8.01

TOTAL VALUE VS. NET INVESTED CAPITAL



Does not include Performance Ineligible Assets.

ASSET ALLOCATION



INCOME AND DISTRIBUTION SUMMARY

	Rolling 12 Months ($) 09/01/24-08/26/25	Year To Date ($) 01/01/25-08/26/25
ASSET CLASS		
Cash	80,960.75	48,295.68
Equities	260,341.23	83,212.57
Fixed Income & Preferreds	616,959.20	472,228.00
Alternatives	33,284.64	27,513.52
Total Asset Class	**991,545.82**	**631,249.77**
TAX CATEGORY		
Taxable Account(s)		
Taxable	991,545.82	631,249.77
Tax-Exempt	-	-
Total	991,545.82	631,249.77
Tax Qualified Account(s)	-	-
Total Tax Category	**991,545.82**	**631,249.77**

Taxable and tax-exempt income classifications reference the underlying securities, not account type.

Buzz Report

September 18, 2025

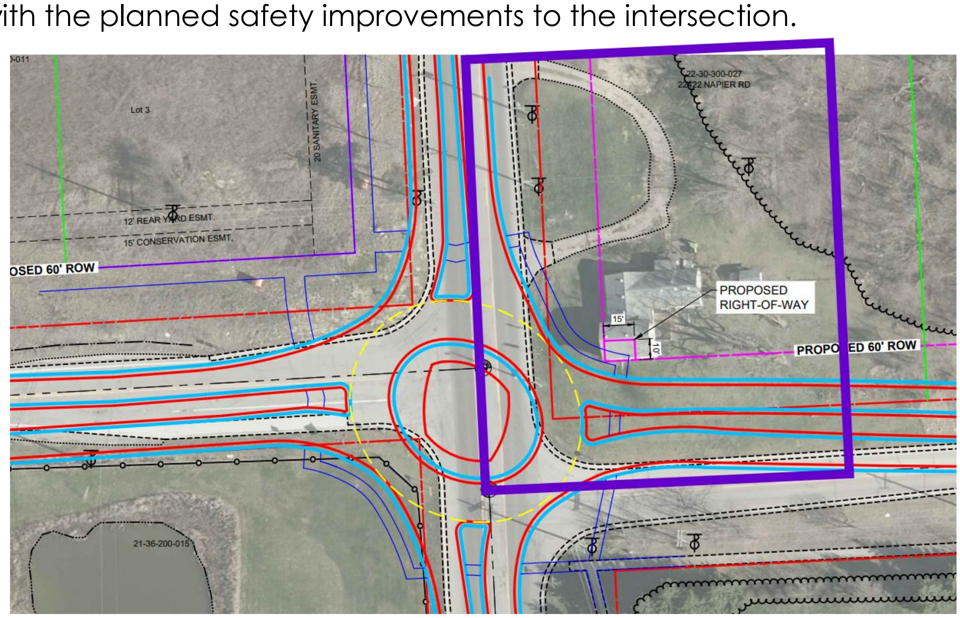
Hot Topics:

- **Scam Alert**
  We're seeing an uptick in impersonation emails targeting board/committee applicants, most recently the Zoning Board of Appeals, where scammers pose as City staff and solicit payment. The City of Novi will never request payment via wire, gift cards, or cryptocurrency. We are monitoring this with IT and, as a mitigation step, will begin scrubbing personal email addresses from public packets and tightening how contact info is displayed. Please direct constituents to use official City payment channels only and forward any suspicious messages to the IT Help Desk (helpdesk@cityofnovi.org); do not reply to the sender.

- **Village Wood Lake**
  Residents have recently reached out to the City offices with concerns regarding the condition of Village Wood Lake, which has been experiencing algae blooms for several weeks. The Village Oaks HOA maintains both lakes in the subdivision with an annual aquatic treatment program, one of which the HOA indicated was made earlier this month. The HOA has stated that drought conditions and lack of water movement in the lake are contributing to the increase in algae. City staff also agree with this assessment and EGLE does not feel any additional follow up is necessary at this time.

  Staff has provided the HOA with contacts for aquatic treatment services if they would like to seek another opinion as well as educational brochures containing tips for maintaining healthy waterfronts that can be shared with residents.

- **Nine Mile/Napier Road Parcel**
  The new owner of the parcel (outlined in purple) on the northeast corner of Napier and 9 Mile Road has expressed their displeasure with the planned roundabout by RCOC on the county road. The new owners planned to construct a home there, but that may not be possible with the planned safety improvements to the intersection.



- **Barricade on 10 Mile Road**
  You'll notice that just east of Cortland Blvd. in the eastbound 10 Mile Road lane, there is a barricade in the road, on top of a County structure "manhole". We've been in contact with the county regarding the issue but have received too many conflicting answers. We hope to have that resolved soon.

- **ITC Restrooms Closed**
  Ongoing plumbing problems causing back up and overflow at the ITC Community Sports Parks have been found to be primarily caused by insufficient slope going out to the first main connection point. This may require replacing the pipe from each of the toilets on both sides of the building and running a new transfer line with consistent acceptable slope to the connection point that runs towards the lift station. Our plumbing contractor is preparing an estimate for his proposal, and further steps will be determined following review of said proposal. We will be unable to open the Soccer restrooms until such time as the repairs have been completed. Signs and barricades will be posted at each of the restroom doors. Additionally, Port-A-Johns have been placed and are in-service including a handicap accessible unit.

- **Ice Arena HVAC**
  The ice arena has been experiencing high humidity issues related to the installation of the new HVAC equipment. Suburban staff and Director Muck have been working diligently with OHM Advisors and the contractors to resolve the issue.

- **West Park Drive Rehabilitation (12 Mile to Pontiac Trail)**
  The Department of Public Works received word from MDOT today that the contract for the West Park Drive Rehabilitation (12 Mile Road to Pontiac Trail) project, which was not previously definitively known to be moving forward this year, has been approved and awarded to Cadillac Asphalt, LLC. Unfortunately, this means we will need to get started very soon, with little notice, to complete the project this year. Construction started the week of July 21st.

- **Luna (east side of Main St.) Property Maintenance**
  They were given a 90-day (07/03/2025) deadline. The scope of work to be performed:
  1. Replace all bollards – currently on order
  2. Remove all planter boxes and replace them with ground-level tree grates. The tree grate style was provided by Rick Meader. City of Novi to replace trees.
  3. Repair all concrete.

  As of 7/17 the original deadline has not been met though progress continues, staff is maintaining contact to ensure completion, an updated deadline may be issued soon.

Development Project Updates:

Map of Development projects

- **CAVA Restaurant (Former Boston Market) -**
A popular fast-casual Mediterranean restaurant is under construction at the Novi Town Center, in the former location of Boston Market. The brand's first location in Michigan recently opened in Canton. At this stage all necessary permits have been issued and inspections though the "rough" construction phase have been approved.

- **Taft Knolls III – Taft Rd, north of 10 Mile Rd**
The Site plan for a Single-Family Residential Development of 13 new homes is now under construction.
https://cityofnovi.org/media/ryra1v4p/241211jsp19-34.pdf

- **Culvers** - Novi Road and West Oaks
Building and site improvements underway
Estimated Completion Date: **Late 2025**

- **Former Border Cantina** – Novi Road north of Eight Mile
New restaurant by the owners of Benstein Grille in Commerce. Modified site plan with building additions and remodel has been approved by Planning Commission, next to ZBA.
Estimated Completion Date: Unknown

- **The Grove**
Staff has received updated plans from the proposed development on 12 Mile east of Meadowbrook. Per Council direction, the number of units has been scaled down. Council should see a revised plan presented in the near future.
https://cityofnovi.org/media/qyrmlaxj/241216matter6.pdf

- **Novi 10 (10 Mile and Novi Road)**
Similarly, the applicant for the proposed development at 10 Mile and Novi Road has also returned with a revised concept for their proposal. More information to come as details
https://cityofnovi.org/media/y4nju5wq/241216matter5.pdf

- **Novi Acres (FKA Station Flats)**
The owners of the property in between Target and Sam's recently submitted a new Preliminary Site Plan, under the new name of Novi Acres. The previous planned project known as Station Flats has been scuttled.

- **Camelot Parc/Avalon** by Village of Stonebrook
Townhomes for sale with garages, fewer units (currently zoned PSLR so a special land use approval will come before council for a decision)

- **El Car Wash # 2 will take over the Original $6 Car Wash on Novi Road and 96**

- **Elm Creek PRO (Meadowbrook and 12 Mile development)**
The residential development **proposed by Toll Brothers** (two-phased 134-unit multiple-family townhome development) has been halted, and they will not be proceeding for approval at

this time. It would appear this is a result of a property dispute between the owners of the parcel.

- **El Car Wash** (Former PNC Bank) – Grand River Ave/12 Mile Rd
  Permits have been issued, foundations are in, and the building shell is enclosed.
  Estimated Completion Date: ***Fall 2025***

- **Cantaritos Fiesta Mexican Restaurant** (Former Chili's Grill & Bar) – 8 Mile/Haggerty Road
  The former Chili's location in the City's southeast corner is planned to soon become a new Mexican restaurant following necessary renovations and upgrades to the interior of the building. *Estimated Completion Date:* ***Fall 2025***

- **Raising Cane's Chicken Fingers** (Former Wendy's) – Novi Rd/Grand River Ave
  The Novi Wendy's location at 26245 Novi Rd recently closed as part of a company plan to shutter 140 locations nationwide. The Louisiana-based fast food chain Raising Cane's is planning to take over the space in the near future. A preliminary site plan was submitted for review in late May. Subsequent reviews underway.
  Estimated Completion Date: **Late 2026**

- **Primrose School** (Former Whitehall nursing home) – 10 Mile/Novi Road
  The former Whitehall nursing home at 43455 Ten Mile Rd has been demolished and Primrose School, a 13,586 square feet private preschool and daycare center, is currently being built on the former site. When completed, is estimated to be able to have 202 children during its peak hours.
  Estimated Completion Date: ~~Summer~~ Fall 2025

Frequently Asked Questions:

None at current

RCOC's

ROAD COMMISSION for OAKLAND COUNTY

2nd Quarter 2025

Road Report

A publication of the Road Commission for Oakland County for public officials serving Oakland County www.rcocweb.org

RCOC Board cancels contract for new admin building

At its special meeting on June 23, the Road Commission for Oakland County (RCOC) Board voted to cancel the contract with Frank Rewold and Sons to build a new Road Commission administration building on the agency's Waterford Twp. campus. The Board also opted not to move ahead with the previously discussed purchase of the Oakland County Executive Office Building (EOB).

At the last RCOC Board meeting, on June 12, Hubbel, Roth and Clark (HRC) architect Jane Graham, had presented the Board with an analysis of the EOB that concluded it would have cost close to $60 million to renovate the EOB to meet the specifications of the new RCOC administration building, compared to the $43 million price to build the new building.

At the June 23 meeting, Graham noted that the County had just recently provided drawings from the County's 2006 renovation of the EOB, which revealed the building is likely to need more hazardous materials remediation than previously thought, and that it would cost approximately $1.5 million to connect the building to the public water system.

The architect's rendering of the new RCOC administrative building.

She noted the building is currently connected to the water system for the County complex, but this would not be allowed when the County sells the building.

"Fiscally, the new building is not the right thing do right now," Board Vice Chair James Esshaki said when making his motion to cancel the new building contract. "We see challenging times going forward."

Managing Director Dennis Kolar noted there is never an ideal time to build a new building, but the Road Commission had saved non-gas-tax dollars for years for the building to avoid going into debt or taking dollars away from road work. "We need a new building," he said, "and the best location is our Waterford site. It makes the most sense to have everybody at one location."

It was not clear following the meeting how much cancelling the Rewold contract would cost the Road Commission or whether RCOC would consider other vacant office buildings for its administrative offices in the future, as Esshaki suggested during the meeting.

Quarles resigns from RCOC Board

After four and half years on the Road Commission for Oakland County Board of Road Commissioners, Nancy Quarles has resigned from the position.

Quarles was appointed to the Board in January of 2021. She resigned on May 22, citing her appointment by Governor Gretchen Whitmer to the state's Tax Commission. The Commission supervises the administration of property tax laws in Michigan and is responsible for the education and certification of assessing officers.

Nancy Quarles

"We appreciate Nancy's contributions to the Road Commission and wish her the best in her new role," stated RCOC Managing Director Dennis Kolar. "Nancy, with her extensive knowledge of legislative procedure and public administration, was always a source of knowledge and a voice of reason on our Board. She will be missed."

RCOC Board members are appointed by the Oakland County Board of Commissioners and serve for six year terms, though the Road Commission is an independent agency, not part of County general government and not funded by the County.

Prior to her appointment to the Road Commission Board, Quarles served on both the Oakland County Board of Commissioners and in the Michigan House of Representatives. She served in the state

CON'T ON PAGE 2 — SEE *QUARLES*

What's Inside

ROAD COMMISSION for OAKLAND COUNTY

Follow RCOC on Facebook, X and Instagram.

Road Commission seeking partners to test electric trucks for road maintenance work

The Road Commission for Oakland County (RCOC) is continuing to purse partnerships with electric truck manufacturers to determine if there is a role for such vehicles in a road-maintenance fleet.

The agency learned in April that it was not selected to receive a state grant that would have funded two electric trucks. The grant would have made RCOC the first county road agency in the state to deploy electric trucks.

The trucks were to be supplied by Oak Park-based EV truck manufacturer Bollinger Motors and would have been used by the RCOC Highway Maintenance Department.

An example of a Bollinger truck. The two RCOC would have used would have been outfitted differently.

"This was to be a test to see how well electric trucks meet our needs," explained Managing Director Dennis Kolar. "We're disappointed that we did not receive this grant, but we are looking for other opportunities." The trucks would not have been used to plow snow, but for a variety of other tasks.

The grant application was coordinated by the RCOC Planning and Environmental Concerns Department, while RCOC Fleet Manager Steve Guerra worked closely with Bollinger Motors on the process.

The grant would have been through the state's 2025 One-Time Mobility Fund.

"We're interested in partnering with other EV companies that are in or looking to get into the heavy truck market," Kolar noted.

RCOC's Troy maintenance garage staff move into new office space

The Road Commission for Oakland County (RCOC) has completed the reconstruction of the office portion of its Troy Highway Maintenance garage, located on Stevenson Highway.

The reconstruction was necessary after a water line break under the floor of the previous office portion of the building damaged the building's structure integrity. Additionally, the previous office portion, built in the 1960s, was outdated and did not comply with the Americans with Disabilities Act.

The new building provides much more efficient and comfortable office space, restrooms, locker rooms and staff lunchroom. The Troy garage serves the communities in the southeast part of Oakland County, including Troy, Royal Oak, Hazel Park, Madison Heights, part of Rochester Hills, part of Rochester, Pleasant Ridge, Huntington Woods, Oak Park, Royal Oak Township, Ferndale, Berkley and Clawson.

Above left, the exterior of the new office portion of the Troy garage. At right is the new lunchroom area.

<u>RCOC construction season is underway</u>:

17.5 miles of new paved surfaces, bridge and culvert replacements etc.

The Road Commission for Oakland County (RCOC) is well underway with its 2025 road construction program, including improvements ranging from major resurfacing projects to bridge replacements to culvert replacements to bridge preventative maintenance jobs.

In all, RCOC will put a new surface on approximately 17.5 miles of paved roads, replace three bridges, perform preventive maintenance on another seven bridges and replace or repair 10 culverts.

The total cost for all the improvements is approximately $50 million.

"This is a robust road construction program," noted RCOC Managing Director Dennis Kolar. "Of course, the challenge of road construction is that it affects many drivers, homeowners and businesses. While we try to minimize the impact on the community as much as possible, often, there is simply no way to conduct a major road or bridge project without disrupting traffic, residents and businesses, and we thank the community for its patience as we work to improve the road system."

A full list of RCOC road projects can be found on the RCOC website — www.rcocweb.org (click on the "Road Projects" icon on the home page).

Roads fun fact

The Road Commission for Oakland County (RCOC) maintains approximately 1,500 traffic signals across Oakland County.

***QUARLES* — CONT'D FROM FRONT**

House from 1996 to 2002 and on the County Board of Commissioners from 1995 to 1996 and again from 2011 to 2020.

She holds a PhD in public administration and public affairs from Western Michigan University, a master's degree from Central Michigan University and a bachelor's degree from the University of Detroit.

As of *Road Report* press time, the Oakland County Board of Commissioners had not yet appointed a replacement for Quarles.

Attacks on Public Act 51 are misguided; problem is level of road funding

By Dennis Kolar, PE
Managing Director, Road Commission for Oakland County

Recently, there have been several public statements suggesting that the problem with Michigan's road funding is related to the law that governs the distribution of state-collected road funds: Public Act 51. This is simply wrong and is a worn out argument made by those who are opposed to increasing road funding in the state.

This argument was made recently in a Crain's Detroit Business editorial. The editorial asserted the problem with Michigan's roads is Public Act 51, and not the abundantly well documented fact that Michigan has grossly underfunded its roads for decades compared to most other states, and especially compared to our peer Great Lakes states.

The erroneous editorial was based on a recent Citizens Research Council (CRC) report on road funding. For decades, the CRC was a strong partner in advocating for additional road funding for the state. Recently, though, the organization seems to have mysteriously forgotten the history of road funding in the state for the last 25 years.

Let's take a look at Act 51 for a moment. It was originally enacted in 1951. However, it has been revised numerous times since then to adapt to modern times.

The act has a tough job: It must determine a fair way to disperse the state's road funding among all the competing eligible agencies in the state. These include: the Michigan Department of Transportation, the 83 county road agencies, the more than 500 cities and villages and the numerous public transit agencies across the state (among others).

I believe the criteria the state Legislature has placed in the Act over the last 75 years does a good job of fairly distributing woefully insufficient resources among these many and varied competing needs. Is it perfect? Of course not.

But I will guarantee you that there will never be a formula, tasked with this challenge, that 100 percent of the recipients will think is completely fair. To scrap the current formula and start over, as CRC suggests, is incredibly politically naïve, and would initiate a Lansing brawl the likes of which we have not before seen. Nor do I have any confidence that the Legislature could have any hope of coming up with a formula that works any better, or that it could even hope to create a workable formula in less than a decade.

Rather, I argue that the existing formula is actually doing a good job of fairly distributing the available funds. Focusing on the formula, though, is simply a way to draw the public's attention away from the real problem. There is simply not enough money going into the formula.

Recent governors and Legislators have repeatedly spearheaded studies of the adequacy of road funding in Michigan, going back to Governor Engler, and including Governors Granholm and Snyder and the Legislatures that served during their terms. In each case, they were determined to prove that the problem was really inefficient road agencies or wasteful bureaucracies.

However, in every single case, the objective studies documented, again and again, that Michigan simply does not spend enough on its roads, and typically no where near as much as its neighboring states.

Ohio is great example. It is a state with a similarly sized road system. And yet for the period between 1995 and 2017, Ohio spent about $1 billion more per year on its roads. Ohio did not have a better road-funding formula, it did not use better materials than Michigan, its engineers did not have some secret road design that eluded Michigan engineers. It simply spent more money on its roads than Michigan.

That means it resurfaced more roads more often than Michigan. This is not rocket science. It is road construction and maintenance.

We in Michigan know how to build and maintain roads as well as anyone in the nation. Give us the adequate resources to do so, and we will give you a road system that remains largely in good shape the majority of the time.

It's time we stop trying to take the public's eye off the real problem by making diversionary arguments, such as flawed criticisms of Act 51, and address the real problem: Adequately fund Michigan roads.

RCOC saves time, money by bundling three similar bridges into one contract

Traditionally, a bridge replacement project would be designed, bid and constructed as a standalone project. However, Road Commission for Oakland County (RCOC) engineers recently realized they had an opportunity to save money and time by combining three similar bridge-replacement projects into a single "bridge bundling" project.

The three bridges are similar in design, cross the same body of water, are within close proximity and all had a similar time horizon for replacement. "It made sense," explained RCOC Deputy Managing Director/County Highway Engineer Gary Piotrowicz. "We recognized there were cost savings and efficiencies to be had by bidding the three bridges as a single project."

The bridges in question include the Spaulding Road, 12 Mile Road and Martindale Road bridges over the Novi-Lyon Drain in Lyon Township.

All three bridges had been approved for funding from the state's Local Bridge Program, one in 2025 and the other two in 2026. Consequently, RCOC asked MDOT to move the funding for the Martindale and Spaulding bridges from 2026 to 2025, so they could be bundled.

Helping in the design process, each of the replacement bridges will be a precast concrete box span, two at 23 feet long and the third at 27 feet.

The efficiencies accomplished through the bundling process include:

- A single preliminary-engineering contract.
- A single MDOT construction contract.
- A simplified process for consultants (survey, geotechnical engineering and site review).
- Combined meetings for all three bridges (with EGLE, utility companies, contractors, etc.).
- A single detour route for all three bridge closures.

The bundling also saved money. The construction contract for the three bridges came in 40 percent below what the projects likely would have cost individually.

RCOC saved approximately $50,000 by bundling the consulting services required for the bridges. It appears the project will save $300,000 to $500,000 per bridge.

ROAD COMMISSION
for OAKLAND COUNTY
31001 Lahser Road
Beverly Hills, MI 48025

RCOC Board meetings time changed to 1:30 p.m.

The Road Commission for Oakland County (RCOC) Board of Road Commissioners has changed the time of its twice-monthly board meetings.

Previously, the Board met at 9 a.m. Thursday mornings, typically the second and fourth Thursday of every month (though in some months, it is the first and third Thursday).

Starting with the June 12 meeting, the Board meetings start at 1:30 p.m. The change was made to accomodate Board member schedules.

The meetings take place at RCOC's administrative offices at 31001 Lahser Road in Beverly Hills. A full Board meeting schedule can be found on the RCOC website, www.rcocweb.org (see the calendar on the site home page).

Board meeting agendas are posted in the "Agenda Center" on the website. RCOC Board meetings are open to the public.

***The beat goes on*:**

No new developments yet on road funding in Lansing

Though there remains widespread agreement that Michigan needs increased road funding, there remain differences between Democrats and Republicans in Lansing on how to accomplish the increase.

"Unfortunately, the two parties have not yet found the common ground needed," Road Commission for Oakland County (RCOC) Managing Director Dennis Kolar noted of discussions of road funding at the state capitol. "The Republicans want to increase road funding without increasing any taxes, and the Democrats believe some tax increases are needed to back fill the potential hole in the state budget resulting from redirecting $3 billion per year to roads."

Kolar encourages legislators to continue conversations on the topic. "I suspect there will be a bit of compromise on both sides," he said. "I think we're getting closer."

RCOC Strategic Planning meetings underway

The Road Commission for Oakland County (RCOC) Strategic Planning meetings are now underway.

For the biennial Strategic Planning process, top RCOC administrators, planners and engineers meet with officials of virtually every city, village and township in Oakland County. The Road Commission has conducted the Strategic Planning process every other year since 1985 to ensure the community officials play an active role in setting Road Commission strategy for coming years.

"These meetings provide a clear understanding of the needs and priorities for all Oakland County communities," RCOC Managing Director Dennis Kolar noted. "They reflect our philosophy of open communication with our customers."

The Strategic Planning meetings are expected to be completed in August. Once they are completed, RCOC will compile a report summarizing the information gathered at the meetings.

Contacting RCOC

If your constituents need information about a road project or want to report a pothole, traffic-signal concern or other road issue, they should call RCOC's **Department of Customer Services** toll free at:

(877) 858-4804

OR

Fill out a report via the RCOC Web site:

www.rcocweb.org

ROAD REPORT

***Road Report** is published quarterly by the Road Commission for Oakland County. Have a question or comment about **Road Report**? Call Senior Communications Manager Craig Bryson at (248) 645-2000, ext. 2202.*