

REGULAR COUNCIL MEETING MINUTES - MONDAY, APRIL 19, 1999 - PAGE 1

Present: President Craig; President Pro-Tem Lison; Members: Buterbaugh, Downey, Kennedy, Stearn and Walsh

Absent: None

Also Present: Village Manager, Hanlin
Assistant to the Manager, Pasieka
Finance Director, Wiszowaty
Village Attorney, Ryan
Village Clerk, Marshall

President Craig called the meeting to order at 7:45 p.m. in the Village municipal building at 18500 W. Thirteen Mile Road.

APPROVE MINUTES OF A REGULAR COUNCIL MEETING HELD ON MONDAY, APRIL 5, 1999

MOTION by Lison, supported by Kennedy, that the minutes of a regular Council meeting held on Monday, April 5, 1999 be approved as submitted.

Motion passes unanimously.

PUBLIC COMMENTS ON ITEMS NOT ON THE PUBLIC AGENDA

Norm Downey of 23042 Nottingham Drive expected a discussion of the “pay as you go” program on the agenda. He understands that the “pay as you go” program for sewer and road improvements is underfunded by approximately \$2.5 million and will not be completed unless the Council takes some positive action. He questioned if the program is still underfunded by that amount; why there is a shortfall at all; and staff recommendations for recovering the shortfall. He commented that residents who approved 2 mills for sewer and road repairs thought that the dedicated millage would cover the entire program.

Craig stated that projected revenue from the 2 mills was estimated based on property values over the next 12 years. There have been several comments in Council meeting minutes between April and July of 1997 from a variety of sources estimating revenue from the dedicated millage from \$10.6 to 16.7 million.

Downey disputed that the dedicated millage projections range from \$10 to \$16 million.

Craig stated that the Hubbell, Roth and Clark sewer system report estimated the cost to complete the program at \$10.69 million for sewers only. The road repair program was another \$5 million. In addition to the dedicated millage, Council is transferring one mill a year from the General Fund to the Local Road Fund. The dedicated millage will not be the only source of income to pay for the sewer and road repair.

Ryan affirmed that the question has been asked and answered. During the 12 year period of this millage, the exact taxable value in 8-10-12 years from now is not known. Council intends to fund any shortfall on a "pay as you go" basis every year transferring money from the Local Road Fund to fund part of the project.

Kennedy stated that this Council is committed to move forward and complete the sewer project. Craig added that the first phase of the project came in under budget. Both income and costs are projected over 12 years. It is our continued position that Council will be transferring money from other funds to complete the project as necessary.

PUBLIC HEARING TO REVIEW AND CONFIRM THE 1998 ASSESSMENT ROLLS FOR DUST CONTROL, WATER AND SEWER CHARGES, SOUTHFIELD ROAD MAINTENANCE, SIDEWALKS, WATER MAINS AND OTHER MISCELLANEOUS ASSESSMENTS TO THE 1999 TAXES

Each year a public hearing is held to review and confirm the assessment roll and billings that are to be added to the tax roll for dust control, water and sewer charges, Southfield Road maintenance, sidewalks, water mains and other miscellaneous assessments.

RESOLVED by Stearn, supported by Lison, to adopt the following resolution:

Whereas the 1998 Dust Control (asphalt) for 19 properties cost \$358.14, and
Whereas the 1998 Dust Control (chloride) for 131 properties cost \$4,549.62, and
Whereas the 1998 Water and Sewer charges for 70 properties cost \$32,005.81, and
Whereas the 1998 Southfield Road Maintenance for one property cost \$502.99, and
Whereas the 1998 Sidewalks for 10 properties cost \$2,394.00, and
Whereas the 1998 Sunnyslope/Norwood Water Mains for 9 properties cost \$8,066.77, and
Whereas the 1998 Kennoway Water Mains for 13 properties cost \$19,764.68, and
Whereas the 1998 Weed Control for one property cost \$103.68, and
Whereas the 1998 Special trash pick up for one property cost \$150.00,
Whereas the notice of public hearing was published in the Eccentric newspaper on April 8 and April 11, 1999,
Whereas copies of the affected tax rolls are available in the office of the Village Clerk for public inspection;
Be it resolved to confirm the 1998 dust control special assessment rolls and to place the charges along with unpaid water and sewer bills, unpaid Southfield Road maintenance charges, unpaid water main assessments, and unpaid weed control and special trash collection services on the 1999 tax bills.

President Craig declared the public hearing open at 7:58 p.m. No one wished to be heard; therefore, the public hearing was closed at 7:59 p.m.

Buterbaugh requested clarification of an item which was provided by Wiszowaty.

Roll Call Vote:

Resolution passes unanimously.

CONSIDER SUBCOMMITTEE'S RECOMMENDATION FOR AUDITING SERVICES

Stearn stated that a meeting was held to interview three prospective auditing consulting services -- Plante & Moran, Guest, Olds and West, and Doeren Mayhew. He asked the subcommittee chairperson Donald MacDonald to present the recommendation of the committee.

MacDonald stated that the subcommittee to review the audit selection was comprised of Mr. Stearn and Mr. Buterbaugh from the Village Council, himself and Mr. Gracely from the Finance Committee, and Mr. Wiszowaty, the Village Controller. The committee interviewed representatives from three firms out of four proposals that were received. Doeren Mayhew was eliminated by the subcommittee because of the clerical and mathematical errors in their proposal.

The committee considered the proposal of the Village's current auditor, Guest, Olds and West. They are a small audit-only firm and have performed the Village's audit for a number of years. A concern discussed at the meeting was that their firm had only four or five people who understood municipal audits and the firm only audited two or three municipalities.

Plante & Moran currently prepares over 125 municipal audits and is known as the expert in municipal audits. They offered to conduct a municipal financial seminar for the Council, Finance Committee, and other Village boards. Plante & Moran has a professional standard review on the audit meaning that they have multiple partners looking at the audit before it is filed. They keep current on new municipal standards. The firm automates clerical portions of the audit so they can spend their hours in the value added portion of the report.

It was the unanimous decision of the subcommittee to choose Plante & Moran as its number one choice with Guest, Olds and West being the second choice.

Wiszowaty stated that the proposals were for a three year period. Guest, Olds & West quoted \$57,025; Doeren Mayhew was at \$60,000; and Plante Moran quoted \$60,842 assuming a 2% CPI adjustment in years two and three.

MacDonald stated that the subcommittee looked at the cost of the current auditor and considered the value the Village would receive from Plante & Moran. They have a knowledge of municipalities and are in touch with the Michigan Municipal League. Plante & Moran is in the front of new legislation and can keep the Village current with legislative changes.

RESOLVED by Stearn, supported by Lison, that the Village of Beverly Hills Council authorize administration to contract with Plante & Moran to provide auditing service to the Village of Beverly Hills for the next three years from 1999 to 2001 at a cost of \$60,842 subject to 2% CPI adjustment in years two and three.

Roll Call Vote:

Resolution passes unanimously.

RESOLUTION SUPPORTING CURRENT DESIGNATION OF SOCRRA'S MADISON HEIGHTS FACILITY

Hanlin stated that the Oakland County Solid Waste Planning Committee is meeting and reviewing all issues surrounding waste disposal and transfer in the County. The resolution before Council indicates the Village's support of maintaining the current designation of the SOCRRA Madison Heights facility as a transfer station/material recovery facility in the Oakland County Solid Waste Plan Update. Council is being asked to support the position of SOCRRA to keep all of its options open to include all types of recycling that are currently available and may be available in the future.

RESOLVED by Lison, supported by Kennedy.

WHEREAS, the Oakland County Solid Waste Planning Committee is considering the designation of SOCRRA's Madison Heights Facility, and

WHEREAS, State law requires a solid waste processing plant license for those facilities which separate the recyclable portion of solid waste from the non-recyclable portions, and

WHEREAS, in order to maximize the Authority's ability to utilize its own property for providing comprehensive solid waste management services to its member municipalities, a solid waste processing plant license is required, and

WHEREAS, it is necessary for a facility to be designated in the Oakland County Solid Waste Management Plan in order to receive State permits to construct and operate such facilities, and

WHEREAS, designation of a facility in the Oakland County Solid Waste Management Plan as a Transfer Station/Material Recovery Facility permits a processing operation for the purpose of recovering materials from a solid waste stream;

NOW THEREFORE BE IT RESOLVED that the Village of Beverly Hills approves a request to the Oakland County Solid Waste Planning Committee to designate the property owned by the Southeastern Oakland County Resource Recovery Authority, 29470 John R, Madison Heights, Michigan as a Solid Waste Transfer Station/Material Recovery Facility (MRF) in the County's 1999 Solid Waste Plan Update.

Questions from Council and the public were answered by Hanlin. She clarified that the resolution would allow SOCRRA to recycle material, specifically cardboard and chipped wood products.

Roll Call Vote:
Resolution passes unanimously.

REQUEST AUTHORIZATION TO SEEK BIDS FOR REFUSE, YARD WASTE AND RECYCLING COLLECTION

Stearn stated that the current one year extension of the Village's contract with Great Lakes Waste Services for the collection of refuse, yard waste and recycling expires on June 30, 1999. Administration is requesting authorization to seek proposals for this contract. There have been significant changes in the industry and the Village has not gone out for bids in four years. It was noted that there have been an increasing number of complaints with the current refuse management.

MOTION by Stearn, supported by Kennedy, to authorize administration to seek proposals for refuse collection for a three year term.

Buterbaugh referred to copies of letters distributed to Council from Mr. Robert Colladay, President of Village Pines Condominium Association, referring to instances where the current contractor's truck has done damage in that neighborhood.

Motion passes unanimously.

VILLAGE PRESIDENT S RETIREMENT BOARD TRUSTEE POSITION

The liaison positions assigned to Council members were announced at the April 5 meeting. At that time Craig mentioned that he would withdraw his name as liaison to the Retirement Board due to a potential conflict of interest. Craig works for Comerica Bank which owns Munder Capital Management, the main administrator of the Public Safety Retirement System.

The Municipal Code states that the council president is to serve by virtue of that office on the Board of Trustees for the Retirement System. Council members have received a copy of a letter dated April 15, 1999 from Village Attorney Tom Ryan stating that the president pro-tem could fill that role if the council president is unable to perform that duty as member of the Retirement Board.

Ryan stated that Mr. Craig was elected council president on March 15. One of the duties of the president of the Village is to serve on the Public Safety Retirement Board. The Council recognizes the inherent conflict between his job and his avocation of serving as Village president. Ryan asked that Council excuse him from serving in this capacity and have the president pro-tem serve in his stead.

MOTION by Kennedy, supported by Walsh, to excuse Council President Craig from serving on the Retirement Board and allow the President Pro-Tem to serve in his stead.

Sharon Tischler of 21415 Virmar Court questioned why Craig would not be able to serve considering that there are other voting members of the Retirement Board. She does not think Craig could influence a vote in favor of an interest of Comerica Bank.

Craig responded that his employer pays him to look out for their best interests and the Village elected him to look out for its best interests. Those interests may be opposed in certain circumstances on this Board. He may be relied upon by the Retirement Board because of his financial background. Craig feels it is appropriate to step down.

Stearn emphasized that the appearance of impropriety must be avoided when a person has a fiduciary duty such as Mr. Craig has to the Village and to his employer.

Dorothy Pfeifer of 31287 Heath Court agrees that any suggestion of impropriety should be avoided at all costs. She agrees with the solution suggested by Village legal counsel.

Ryan remarked that a recent topic of discussion by the Retirement Board has been whether there should be another fund manager. Pension funds often put managers in competition to see who does better. If that vote came up before the Retirement Board, it would not be in Mr. Craig's interests to vote on that issue. He is removing himself from potential conflict.

Motion passes unanimously.

REVIEW PROCEDURE FOR SELECTING BOARD AND COMMITTEE MEMBERS

At the April 5 Council meeting, Stearn proposed that selection committees should start interviewing potential candidates for new appointments to Village boards and committees. He is asking for Council discussion of this proposal at tonight's meeting. Stearn referred to a 1983 motion that adopted a policy for selection of village boards. Stearn questions whether Council has been following adopted policy for appointments to boards and committees.

Stearn expressed the view that there should be input from a member of the board or committee in addition to two Council members serving on the subcommittee chosen to review applications and select candidates. He thinks it would be a good idea to meet the candidates and ask them a couple of questions before they are appointed.

Craig questioned in which way the policy has not been followed. Stearn referred to paragraph five and six of the revised policy for new appointments to boards stating that the committee shall choose two or three candidates listing order of preference. Paragraph six says the Council liaison shall consult with the Board chairman on those chosen candidates and recommend the first ranked candidate unless the chairman has a valid objection.

Craig stated that he has served on a selection committee a couple of times and the committee has always considered each candidate and ranked them. Someone from the board in question was contacted and asked if they concurred with the selections in order of rank.

Buterbaugh stated that the established policy for appointments to boards has been followed as long as he has sat on the Council. He thinks it is a good idea to have the board chairman or designee take part in the selection process. Buterbaugh thinks that there are other questions that should be addressed relative to limits on the nomination process. If only one person has applied, can Council keep looking for additional candidates until there are two or three people to consider.

Council discussed revising the policy to state that the selection committee shall consist of two Council people and the chairman of that board or a designee. There were members of Council who favored this change and others who were satisfied with the current procedure. There was consensus

that the selection committee should have the option of interviewing candidates. Volunteer time is valuable and it was suggested that a streamlined process would best serve the Village.

Stearn envisions a selection committee comprised of two Council members and a person from the board or committee with the committee having discretion to conduct short interviews if it desires. He is suggesting that the people interested in positions be invited to the subcommittee meeting in case the members have any concerns or questions. It is difficult for the committee to make a decision on several interested candidates based on a one-page application.

Craig stated that the Village office calls the candidates to determine their interest in serving on the board or committee. The individual could be informed of the meeting to consider candidates and invited to attend without making it a requirement. The three members would be open to ask that person questions. The candidate could be told to expect a phone call from a committee member. Candidates who are not able to attend the committee meeting would not be precluded from consideration.

Bill Pfeifer of 31287 Heath Court thinks that the current policy for selection of board members has worked well for years and should not be changed. He does not favor a board member being a part of the selection committee.

Sharon Tischler of 21415 Virmar Court commented that an issue that has been important to previous councils was to consider where candidates live so that there is representation on the board by people from the east and west sides of the Village.

Dorothy Pfeifer of 31287 Heath Court favors the idea of three members of Council on the selection committee. Board members can be invited if the committee wishes their involvement. Pfeifer suggests selecting the committee when the first announcement of a vacancy is made and allowing the committee to decide how to proceed depending on the number of candidates.

Stearn commented that the issue of changing the make up of the committee to include two council members and a board member seems to be controversial. His main concern is to change the policy to allow the committee to conduct interviews. He does not think good decisions can be made without the opportunity to ask a couple of questions. There was agreement to invite the candidates to the subcommittee meeting so that they can answer questions and allow the committee an opportunity to learn more about them.

Stearn suggested tabling this discussion until the next meeting to give him the opportunity to frame a motion to amend this policy and present it to Council for consideration.

MOTION by Stearn, supported by Kennedy, to table discussion of procedure for selecting board and committee members until the next Council meeting.

Motion passes unanimously.

CONSIDER REQUEST BY THE BEVERLY HILLS GARDEN CLUB FOR USE OF BEVERLY PARK PAVILION ON MAY 22, 1999 AND WAIVE RESTRICTIONS ON SALES

MOTION by Downey, supported by Walsh, that Council approve the request of the Beverly Hills Garden Club for use of the Beverly Park pavilion on May 22 and waive the restriction for sales in the park.

Motion passes unanimously.

APPROVAL OF BILLS RECAPPED AS OF MONDAY, APRIL 19, 1999

MOTION by Stearn, supported by Kennedy, to approve the bills recapped as of April 19, 1999 for payment in the following amounts:

\$149,472.54	General Fund
44,736.34	Major Road Fund
7,528.83	Local Road Fund
656.16	Dedicated Millage
45,272.08	Water/Sewer Operation Fund
7,021.27	Trust & Agency Fund

Motion passes unanimously.

LIAISON S REPORTS

Stearn thanked the Parks and Recreation Board for welcoming him at the first meeting he attended as liaison. The Parks and Recreation Board is organizing a Rouge River Cleanup effort to take place at the Douglas Evans nature preserve on Saturday, June 5. There are concerns about the deed restrictions at Douglas Evans with respect to parking and organizing to clean up the area. Stearn is bringing this to Council's attention to request an opinion from the Village Attorney so that the Board will know whether to proceed with the June 5 activity. Stearn was asked to mention that the deed restrictions state that one of the responsibilities of the Village is to clean up the park. Ryan will prepare an opinion letter prior to the next Parks and Recreation Board meeting.

The Beverly Park Clean up is scheduled for May 8, 1999 at 10:00 a.m. Everyone is encouraged to attend. Volunteers should bring gloves, rakes, and other lawn or garden implements.

As liaison to the Finance Committee, Stearn remarked that he will do everything he can to provide clear answers to the questions that the Finance Committee has raised over the course of the last few months.

Kennedy stated that the Planning Board met last week and conducted its final review of the updated Land Division Ordinance. It was the unanimous recommendation of the Board that Council adopt this Ordinance. Kennedy anticipates a May 17 date for a Council public hearing on the Land Division Ordinance. A Planning Board public hearing on site plan and special approval for the addition to Our Lady Queen of Martyrs school and parish center will be held on May 12, 1999.

Kennedy noted that the Planning Board suggested that the Village take precautions to limit its liability with respect to clean up efforts at the Douglas Evans nature area. Stearn added that he thinks this is intended to be a clean up of the nature preserve with people being advised not to go near the river.

Buterbaugh remarked that the Cablecasting Board will meet on Wednesday morning at 7:45 a.m. in the Baldwin Public Library.

MANAGER S REPORT

Hanlin brought it to everyone's attention that the Road Commission of Oakland County has a web site (www.rcocweb.org) with a real time traffic map. This may be useful to people considering the construction that will occur this summer in the County.

PUBLIC COMMENTS

Sharon Tischler of 21415 Virmar Court made further comments relating to the earlier agenda item on the procedure for selecting board and committee members. Dorothy Pfeifer of 31287 Heath Court also commented on this subject.

COUNCIL COMMENTS

Stearn thanked Hanlin and Wiszowaty for helping him through his first budget meeting. He thanked Pasieka for his comments at the last Parks and Recreation meeting.

Kennedy stated that it was announced at the last Planning Board meeting that the City of Wixom received a \$270,000 grant for its bike path program. Council was informed that Pasieka entered the Village into the 16th Annual Michigan Municipal Achievement Awards for recognition for the Winter Family Snow Day. This will be good publicity for all the activities that take place in this community.

Downey commented on recent heavy traffic on Lahser Road probably due to traffic diverted from construction on Telegraph. It is a busy intersection in the Village and it is receiving very high traffic volumes.

Buterbaugh stated that the next meeting of the Friends of the Rouge will be on Monday, May 3, the same date as the next Council meeting. An invitation to attend this meeting at Lovett Hall at Henry Ford Museum was extended to interested members of the Parks and Recreation Board or Planning Board. It is a way to pick up information on what communities are doing with respect to the Rouge River.

Lison asked Pasieka to present an update on the Village web page. Pasieka stated that there are two teams of students from Groves High School working on a Beverly Hills web page. Former Planning Board member Dennis Page will serve as the technical consultant to this project. Pasieka asked for any input from Council or board members.

Craig informed resident Norm Downey that he will be asking Village Finance Director Wiszowaty to provide Council with a new projection on how much money the dedicated millage will raise over the next 12 years. Craig will meet with Downey to discuss this further.

MOTION by Kennedy, supported by Lison, that the meeting be recessed at 9:40 p.m.

Motion passes unanimously.

The meeting was reconvened at 9:55 p.m.

FOLLOW UP TO GOAL STUDY SESSION HELD ON MARCH 22, 1999

Council is in receipt of a compilation of goals submitted by Council members and presented at a study session held on March 22. There followed discussion on how to proceed with respect to setting goals.

It was the consensus that Council will prioritize the goals by ranking the items from one to five in each of the time frames which will establish a consensus. Members will do this at home and submit them to Hanlin by Friday, April 23. The consultant will tabulate the sheets and conduct the follow up at the first or second Council meeting in May.

MOTION by Downey, supported by Buterbaugh, that the meeting be adjourned at 10:20 p.m.

Motion passes unanimously.

Andrew Craig
Council President

Ellen E. Marshall
Village Clerk