

Present: President Stearn; President Pro-Tem Pfeifer; Members: Berndt, Koss, Oen, Peddie and Woodrow

Absent: None

Also Present: Manager, Spallasso
Public Safety Director, Woodard

President Stearn called the meeting to order at 6:51 p.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road.

MOTION by Koss, second by Berndt, to go into closed session to discuss collective bargaining.

Roll Call Vote:
Motion passed (7 – 0).

The closed session was adjourned at 7:16 p.m. Council reconvened in open session at 7:30 p.m.

Also Present: Manager, Spallasso
Assistant Manager/Clerk, Marshall
Public Safety Director, Woodard
Public Services Director, Meszler
Village Attorney, Ryan
Finance Director, Wiszowaty
Building Official, Byrwa

President Stearn called the regular Council meeting to order at 7:30 p.m. Boy Scout Jack Barnhart from Troop 1024 led the audience in reciting the Pledge of Allegiance.

ADDITIONS TO AGENDA/APPROVE AGENDA

Motion by Pfeifer, second by Koss, to approve the agenda as published.

Motion passed (7 – 0).

ELECTION OF PRESIDENT AND PRO-TEM

Stearn opened the floor for nominations for the position of Council President. Koss nominated Hugh Woodrow, who accepted the nomination. There were no further nominations. Hugh Woodrow was elected to the position of Council President by acclamation and assumed the chair.

Woodrow asked for nominations for the position of President Pro-Tem of Council. Peddie nominated Rosanne Koss for the office. Koss accepted the nomination and was elected by acclamation.

PUBLIC COMMENTS

Marcia Gershenson, Oakland County Commissioner representing District 17, congratulated Hugh Woodrow on his election to Council President and thanked outgoing President Todd Stearn for his service. Gershenson commended Terri Stearn for organizing the Halloween Hoot. Gershenson reported that the Oakland County flu shot clinic held on October 27 served over 15,000 people. Shots are now available at the Southfield Health Department on Greenfield Road and at the Oakland County offices at a cost of \$7.

There will be a foreclosure seminar held in Lathrup Village on Thursday, November 8 for Southfield Township residents. Housing counselors will be present to answer questions. The Community Development and Home Improvement Division offers free private housing counseling to County residents. They also offer no-cost three percent loans for home repairs to low to moderate income families that qualify.

Gershenson updated Council on the Wireless Oakland program. Manager Spallasso added that Beverly Hills was recently notified that it will be included in Phase 2 of the program.

CONSENT AGENDA

- Motion by Oen, second by Pfeifer, to approve the consent agenda as published.
- a. Review/consider approval of minutes of a regular Council meeting held October 16, 2007.
 - b. Review and file bills recapped as of Monday, October 29, 2007.

Motion passed (7 – 0).

BUSINESS AGENDA

REVIEW AND CONSIDER INSURANCE PROPOSAL

The Village is provided with property and liability insurance through the Michigan Municipal Risk Management Authority (MMRMA). Administration recommends that Council approve the 2007/08 renewal policy with MMRMA offering the same policy coverage as last year. It provides a \$10,000,000 limit of liability with a \$75,000 self-insured retention fund. There is also a \$500,000 limit on coverage for sewer backup. The premium cost for property and liability coverage over the next 12 months is \$125,138, which is a 1% increase from last year's premium of \$123,346. The items covered under this policy include automobile liability and vehicle physical damage on 8 private passenger, 7 police, and 3 fire vehicles; sewer liability; police professional; property; stop loss; and a contribution to the Village's retention fund.

Motion by Pfeifer, second by Oen, that the Village Council renew its property and liability insurance policy with the Michigan Municipal Risk Management Authority to reflect a \$10,000,000 Limit of Liability, with a \$75,000 Self-Insured Retention, which includes \$500,000 for sewer back-up coverage and approve the proposal from MMRMA in the amount of \$125,138. The insurance costs will be paid from budgeted line items in the General Fund and the Enterprise Funds.

Craig Manser from IBEX Insurance Agency was present representing the MMRMA. He explained that, as a member driven organization only for Michigan governmental entities, the MMRMA pools money to buy reinsurance to make sure that all members are protected and invests money on the members' behalf. Those investments have yielded good returns in the last

few years. The MMRMA Board has decided to give money back on the investments to the membership consistent with a set formula. The distribution to Beverly Hills last year was \$3,519; this year it will be \$8,064. A check in this amount will be issued to the Village once the renewal is processed. Pfeifer suggested that Council direct this returned money to be deposited in the Retention Fund.

Stearn questioned whether the \$10,000,000 limit of liability is enough coverage for the Village. Ryan expressed the opinion that it is an adequate amount.

Roll Call Vote:
Motion passed (7 – 0).

Motion by Pfeifer, second by Oen, that funds distributed to Beverly Hills from the Michigan Municipal Risk Management Authority be deposited in the MMRMA Retention Fund.

Roll Call Vote:
Motion passed (7 – 0).

PUBLIC HEARING FOR PROGRAM YEAR 2008 COMMUNITY DEVELOPMENT BLOCK GRANT

Pfeifer related that Beverly Hills has participated in the federally funded Community Development Block Grant (CDBG) program for about 25 years. This program is administered through Oakland County's Community & Home Improvement Division. Each year's CDBG allocation is based on a formula that uses several objective measures of community needs. Those include the extent of poverty, population, housing overcrowding, age of housing and population growth lag in relationship to other metropolitan areas.

The Village's estimated allocation for Program Year 2008 is \$17,258. Beverly Hills must comply with several rules that include limiting its allocation for public service activities to a maximum of 45% of the total 2008 allocation and allocating a minimum of \$2,500 for each project.

Council is being asked this year to consider allocating funds for minor home repair services for low to moderate income senior citizens, yard services for senior citizens, planning consultant services related to village-wide planning activities, and for battered and abused spouse shelter and counseling. The Village contracts with the Birmingham Area Senior Coordinating Council (BASCC) to administer funds set aside for the minor home repair and yard services programs.

President Woodrow opened the public hearing at 7:55 p.m. for comments on the Village's application for participation in the 2008 Community Development Block Grant program. The Village's allocation for Program Year 2008 is \$17,258.

Belle Kleinberg, representing HAVEN (Help Against Violent Encounters Now), thanked the Village of Beverly Hills for its past support. HAVEN is a non-profit agency that works with issues of domestic violence and sexual assault. Every year HAVEN provides counseling and shelter for the survivors of abuse whether they are men, women or children. They have offices in Pontiac, Bloomfield Hills, Farmington Hills, and Royal Oak. Last year, HAVEN staff worked

with 28 individuals from Beverly Hills. Kleinberg asked the Village for \$2,500 to support HAVEN's effort to provide services to people in the community.

Ryan clarified that Beverly Hills will consider entering into a contractual arrangement with HAVEN for \$2,500 to provide residents with services that are not provided by the Village.

No one else wished to be heard; the public hearing was closed at 7:58 p.m.

REVIEW AND CONSIDER PROGRAM YEAR 2008 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION

Motion by Pfeifer, second by Peddie, to adopt the following motion:

Whereas, the Village of Beverly Hills has duly advertised a public hearing for the purpose of receiving public comments regarding the proposed use of PY 2008 Community Development Block Grant funds in the approximate amount of \$17,258 and;

Whereas, a public hearing to receive public comments regarding the proposed use of PY 2008 Community Development Block Grant was held on Tuesday, November 6, 2007;

Now, Therefore Be It Resolved, that at a regular meeting of the Village of Beverly Hills Council held on November 6, 2007 at the Village municipal offices, 18500 W. 13 Mile Road, Beverly Hills, MI 48025, the Council approved the PY 2008 Community Development Block Grant Application in the approximate amount of \$17,258 and authorized the Council President to sign and submit the application as follows:

Account	Project Name	Amount
172170-731227	Minor Home Repair	6,040.00
172160-732170	Public Services (Yard Services)	5,266.00
172150-731360	Planning Services	3,452.00
172160-730137	Public Services (Battered & Abused)	2,500.00

The \$2,500 allocated for Public Services (Battered and Abused) will be administered through an Oakland County contract for the specified activity. Beverly Hills authorizes Oakland County Community & Home Improvement to reprogram these funds to the county level program line item after the County releases 2008 CDBG funds in June, 2008.

Roll Call Vote:
Motion passed (7 – 0).

REVIEW AND CONSIDER REQUEST FROM BEVERLY HILLS ORTHOPAEDIC SURGERY, 17877 W. 14 MILE ROAD, FOR SITE PLAN APPROVAL TO REDESIGN PARKING LOT

Before Council for consideration is a request from Beverly Hills Orthopaedic Surgery at 17877 W. 14 Mile Road for site plan approval for the redesign of the parking lot. Berndt stated that the Village Planning Board has reviewed the proposal and recommended approval of the site plan subject to several conditions including: 1) planting of four additional trees along Fourteen Mile

Road; 2) add a concrete pad under the dumpster; 3) continue to maintain the wood privacy fence on the southern end of the property; and 4) provide three handicap parking spots, one of which is van accessible. The conditions were agreed to in a letter dated October 25, 2007 submitted by the applicant Dr. Jerome Wiater. The conditions imposed by the Board are also shown on the revised site plan dated October 29, 2007.

Motion by Berndt, second by Stearn, to approve the site plan as presented for redesign of parking lot at Beverly Hills Orthopaedic Surgery at 17877 W. 14 Mile Road.

Council members had questions on the proposal and related information included with the agenda item. It was noted that the Planning Board did not review the revised site plan. Byrwa affirmed that he looked at the new drawing to assure that it included the items required by the Planning Board. The issues were minor and have been addressed. Additional questions regarding the planning consultant's letter and Planning Board review of the site plan were answered by Byrwa. The parking lot grade is not being changed. It was noted that the building owner would like to undertake the parking lot improvements before the winter months. The owner, Dr. Jerome Wiater, answered questions about the parking lot design.

Members of Council remarked that they prefer to receive a copy of the Planning Board meeting minutes that outline discussion on a proposal before voting on the matter. The point was also made that there have been instances when the Planning Board recommends approval contingent upon an applicant incorporating changes into their proposal.

Roll Call Vote:

Berndt	- yes
Koss	- no
Oen	- yes
Peddie	- yes
Pfeifer	- yes
Stearn	- yes
Woodrow	- yes

Motion passed (6 – 1).

REVIEW AND CONSIDER APPROVING INTER-AGENCY AGREEMENT WITH THE CITY OF SOUTHFIELD FOR THE 13 MILE ROAD RECONSTRUCTION

Woodrow passed the gavel to President Pro-Tem Koss in order to present this agenda item. Before Council for consideration is an Interagency Agreement with the City of Southfield for reconstruction of Thirteen Mile Road between Southfield and Greenfield Roads. Council is aware that the road project has been delayed and costs have increased substantially. Increases in cost are due to engineering issues and soil conditions and the fact that the original estimate did not include curbs and gutters. The project is now ready to move forward in the Spring of 2008. The Interagency Agreement has been approved by the City of Southfield and is before the Beverly Hills Council for approval.

The total cost of the project is \$2,054,603.00 which will be reduced by \$621,500.00 from Federal Funding and an additional \$126,000 from a "Local Jobs Today" grant through the State of

Michigan. This brings the total financial responsibility for the City of Southfield and the Village of Beverly Hills down to \$1,307,103.00. Of the total cost, the Village of Beverly Hills is responsible for 42% or \$548,983.00. The current budget contains \$270,000.00 earmarked for this project. In order to cover the total Village responsibility, the balance (or \$278,983.00) would have to come from the Major Roads Fund Balance. The amount of the fund balance at this time is approximately \$800,000.00.

Motion by Woodrow, second by Oen, to adopt the following resolution.

Whereas, the Michigan Department of Transportation (MDOT) has presented documents for the reconstruction of 13 Mile Road between Southfield Road and Greenfield Road in the City of Southfield and the Village of Beverly Hills; and

Whereas, the estimated total cost of the project is \$2,054,603.00 including \$1,553,800.00 in direct costs with 40%, or \$621,500.00, provided for with federal funds and \$126,000 provided by a State of Michigan “Local Jobs Today” grant, for a total of \$747,500.00 in state and federal aid, a Village of Beverly Hills share of \$548,983.00 and a City of Southfield share of \$758,120.00.

Now, Therefore, Be It Resolved that the Village Council of the Village of Beverly Hills does hereby approve of the project and authorizes the Village Manager and Village Clerk to execute the Interagency Agreement with the City of Southfield on behalf of the Village which has been reviewed and approved as to form by the Village Attorney.

Questions from Council and the public on the project and the status of the Major Road Fund balance were addressed by Spallasso and Wiszowaty. Resident Bob Walsh commented that the federal government has been decreasing the amount of its contribution every year. He thought that the Thirteen Mile Road project is long overdue and that the reconstruction would be a vast improvement.

Roll Call Vote:
Motion passed (7 – 0).

The Interagency Agreement in its entirety is available for public review at the Village municipal offices.

Woodrow resumed the chair.

REVIEW AND CONSIDER PROPOSAL FOR WEB STREAMING COUNCIL AND CABLE BOARD MEETINGS

At Council’s request, administration researched web streaming of Council meetings to offer residents additional viewing options. By web streaming the meetings, residents can view broadcast meetings both live and on-demand from their computer until the next live meeting. It will allow residents without cable subscriptions to view meetings from the convenience of their home; residents who travel can access the meetings from any location with Internet access.

In an effort to offset the initial start-up costs, administration sought grants through the Birmingham Area Cable Board and a private foundation. The Birmingham Area Cable Board approved a grant request for web streaming start-up costs not to exceed \$5,000.00 at their regular meeting on October 17, 2007. Quotes were solicited from numerous companies, and the most economical provider was determined to be PowerStream based on price and professional support. Their quotes for equipment purchase, set-up and training were the lowest of any company and they offered web hosting at a comparable rate.

The grant will cover initial costs of hardware, software and PowerStream staff time which amounts to \$4,963.99. Beverly Hills will be responsible for staff time during set-up and training which will take place during normal work hours. The proposal to the Cable Board included web streaming Council and Cable Board meetings. Costs will be monitored and reviewed every twelve months to evaluate actual costs of Cable Board web streaming to determine if the Village should continue to subsidize their meetings.

Motion by Pfeifer, second by Koss, that the Village Council authorize administration to utilize grant funding up to \$5,000.00 from the Birmingham Area Cable Board for the cost of initial personnel training, equipment set-up, hardware and software purchase from PowerStream to allow web streaming of Council and other broadcast Board/Committee meetings. This project will be reviewed every twelve months to evaluate the costs associated with hosting the Cable Board meetings. Beverly Hills will fund the monthly hosting fees and provide the staff time.

Administrative Assistant Erin Saur, who prepared the comprehensive web streaming proposal and grant request, answered questions from Council. The equipment recommended is capable of encoding media from multiple sources so, should there be an off-site meeting, we are able to encode from the DVD instead of the live feed. Since web streaming requires a video/audio source such as a cable television recording, only meetings that are currently broadcast can be streamed online.

Council members spoke positively about this undertaking and thanked Erin Saur for her work on the project.

Roll Call Vote:
Motion passed (7 – 0).

Pfeifer suggested that there might be value in looking into the cost of archiving Council meetings for up to three months if funds are available. It was the sense of Council to seek cost information on archiving meetings for a period longer than one month. Saur will provide Council with information on storage costs from PowerStream.

REVIEW AND CONSIDER SUBCOMMITTEE'S RECOMMENDATION TO FILL VACANCY ON THE PARKS & RECREATION BOARD

Oen reported that a subcommittee of Council met earlier this evening to consider applications from two qualified candidates to fill a vacancy on the Parks and Recreation Board, Maura Jung and Cynthia Arvant. The subcommittee recommended that Cynthia Arvant be appointed to fill a vacancy on the Parks and Recreation Board for a term to expire June 30, 2008.

Motion by Oen, second by Pfeifer, to appoint Cynthia Arvant to the Parks and Recreation Board for a term to expire on June 30, 2008.

Motion passed (7 – 0).

REVIEW AND CONSIDER EMERGENCY REPAIR OF VILLAGE SANITARY SEWER ON GOULD COURT

Woodrow passed the gavel to President Pro-Tem Koss in order to present this agenda item. He described a problem that was encountered on Gould Court this summer during a routine sewer cleaning that revealed a collapsed sanitary sewer line. A repair was made, and the Oakland County Drain Commissioner's office obtained prices to reline a section of sewer.

Council is in receipt of a proposal from Aqua Group LLC through the Oakland County Drain Commissioner's office for lining the 8" sanitary sewer that services Gould Court. This contractor is a blanket contractor that OCDC has on board from a bidding procedure to supply time and material work as needed. The total projected cost for this work including OCDC time is \$28,000.00.

Motion by Woodrow, second by Pfeifer, that the Village Council approve the expenditure of \$28,000.00 to reline 673' of failed 8" sanitary sewer line on Gould Court and re-establish sewer leads to this relined sewer. Funds for this are in the water and sewer fund balance.

Roll Call Vote:

Motion passed (7 – 0).

Woodrow resumed the chair.

SECOND READING OF ORDINANCE #327 AMENDING CHAPTER 32 SOLICITORS

Koss conducted a second reading of Ordinance No. 327, An Ordinance to Amend Chapter 32, Solicitors, of the Municipal Code of the Village of Beverly Hills.

Section 1.01. amends Section 32.02, Definitions, to include the following term:

Seasonal License: A seasonal license shall be available for not more than 120 days for the solicitation or sale of seasonal items, such as dairy products, vegetables, poultry, eggs, and other farm and garden produce. No more than five seasonal licenses shall be available in the Village at any one time.

Section 2.01. amends Section 32.08(f), to read as follows:

32.08 PROHIBITED ACTIVITIES.

(f) Sales and/or solicitations may be allowed with a seasonal license issued by the Village of Beverly Hills as defined in the Definitions Section herein. Each person shall be issued only one seasonal license per calendar year.

Section 3.01 amends the Hours of Operation as follows:

32.09. HOURS OF OPERATION.

Soliciting may take place within the Village only between the hours of 9:00 a.m. and 9:00 p.m.

Other sections of the ordinance include a Repealer Clause, Severability Clause, Savings Clause, Penalty Clause, and Effective Date. Koss called attention to the fact that a change was made from the first reading to allow five seasonal licenses instead of ten.

Motion by Koss, second by Oen, to adopt Ordinance No. 327, An Ordinance to Amend Chapter 32, Solicitors, of the Municipal Code of the Village of Beverly Hills.

Roll Call Vote:

Motion passed (7 – 0).

REVIEW AND CONSIDER AWARDED CONTRACT FOR HVAC SERVICES FOR PUBLIC SAFETY DEPARTMENT

Woodrow passed the gavel to President Pro-Tem Koss to present this agenda item.

The General Fund budget allows for the Department to expend money to maintain the Public Safety building. One of the associated costs has involved a contract for the maintenance of the building heating, ventilation, and air conditioning (HVAC). Three bids were received for this work with the low bid from Commercial Climate Controls Corp. of Royal Oak in the amount of \$2,735.00. The preventative maintenance schedule specified includes quarterly inspections with filter replacements, an annual condenser coil cleaning, and boiler certification for the State of Michigan.

Motion by Woodrow, second by Oen, that the Village of Beverly Hills Council award the contract for HVAC maintenance services to Commercial Climate Controls Corporation in the amount of \$2,735. Funds are available for this contract in Account #101-345-934; R&M Building and Grounds.

Roll Call Vote:

Motion passed (7 – 0).

Woodrow resumed the chair.

SECOND ANNOUNCEMENT OF A VACANCY ON THE FINANCE COMMITTEE

Pfeifer made the second announcement of a vacancy on the Finance Committee. The term for this appointment will expire June 30, 2010. The deadline for receiving applications is Friday, November 9, 2007 at 4:30 p.m. A subcommittee consisting of Pfeifer as chairperson, Berndt and Koss will meet on Tuesday, November 20 at 7:15 p.m. to review applications and make a recommendation to Council.

REVIEW AND CONSIDER RESOLUTION FOR CAPITAL PROJECTS INFRASTRUCTURE FUND DEFICIT ELIMINATION PLAN

Village Auditors Plante & Moran reported a fund deficit in the Capital Projects Infrastructure Fund as part of the audit report for the year ending June 30, 2007. The accumulated deficit in the Dedicated Millage–Infrastructure fund in the amount of \$232,465.00 resulted from an accelerated timing of project costs for the Acacia Park Relief Sewer compared to the collection

of revenue from the July 1, 2007 Village taxes. In accordance with Public Act 140 of 1971, a local unit of government ending its fiscal year in a deficit condition shall formulate and file a deficit elimination plan with the Michigan Department of Treasury.

Motion by Pfeifer, second by Peddie, to adopt the following resolution:

WHEREAS, the Village of Beverly Hills Capital Projects Infrastructure Fund (Fund 402 – Dedicated Millage – Infrastructure) has an accumulated deficit of \$232,465.00 fund balance on June 30, 2007:

WHEREAS, Act 275 of the Public Acts of 1980 requires that a Deficit Elimination Plan be formulated by the local government and filed with the Michigan Department of Treasury:

NOW THEREFORE, IT IS RESOLVED that the Village of Beverly Hills legislative body adopts the following as the Village of Beverly Hills Capital Projects Infrastructure Fund Deficit Elimination Plan:

	<u>2007-2008</u>
Fund Balance (Deficit) @ July 1, 2007	(\$ 232,465.00)
Revenue	
Property Taxes	\$1,012,403.00
Contribution F/City of Birmingham	\$ 70,689.00
Interest	\$ 1,000.00
Total Revenue	\$1,084,092.00
Expenditures	
Acacia Park Relief	\$ 348,630.00
Local Sewer Improvements	\$ 502,997.00
Total Expenditures	\$ 851,627.00
Fund Balance (Deficit) @ June 30, 2008	\$ 0.00

BE IT FURTHER RESOLVED that the Village of Beverly Hills Village Manager submits the Deficit Elimination Plan to the Michigan Department of Treasury for certification.

Questions from Council were addressed by Spallasso.

Roll Call Vote:
Motion passed (7 – 0).

REVIEW AND CONSIDER RESOLUTION FOR CORYELL/HUMMEL CT. SPECIAL ASSESSMENT DISTRICT FUND DEFICIT ELIMINATION PLAN

Village Auditors Plante & Moran reported a fund deficit in the Coryell/Hummel Special Assessment District Fund. The accumulated fund deficit of \$7,822.00 resulted from not including interest expense for the Construction Bond to the Special Assessment District. In accordance with Public Act 140 of 1971, a local unit of government ending its fiscal year in a deficit condition shall formulate and file a deficit elimination plan with the Michigan Department of Treasury.

Motion by Pfeifer, second by Peddie, to adopt the following resolution:

WHEREAS, the Village of Beverly Hills Coryell/Hummel SAD Fund (Fund 815 – Coryell/Hummel SAD) has an accumulated deficit of \$7,822.00 fund balance on June 30, 2007:

WHEREAS, Act 275 of the Public Acts of 1980 requires that a Deficit Elimination Plan be formulated by the local government and filed with the Michigan Department of Treasury:

NOW THEREFORE, IT IS RESOLVED that the Village of Beverly Hills legislative body adopts the following as the Village of Beverly Hills Coryell/Hummel SAD Fund Deficit Elimination Plan:

	<u>2007-2008</u>
Fund Balance (Deficit) @ July 1, 2007	(\$ 7,822.00)
Revenue	
SAD Revenue	\$ 16,195.00
Interest from SAD	\$ 6,085.00
Water & Sewer Revenue	\$ 86,000.00
Total Revenue	\$ 108,280.00
Expenditures	
Construction Bond	\$ 55,000.00
Construction Bond Interest	\$ 5,125.00
Total Expenditures	\$ 60,125.00
Fund Balance (Deficit) @ June 30, 2008	\$ 40,333.00

BE IT FURTHER RESOLVED that the Village of Beverly Hills Village Manager submits the Deficit Elimination Plan to the Michigan Department of Treasury for certification.

Roll Call Vote:
Motion passed (7 – 0).

SET PUBLIC HEARING DATE OF NOVEMBER 20, 2007 REGARDING REQUEST FROM DETROIT COUNTRY DAY SCHOOL SITE PLAN AND SPECIAL USE APPROVAL

Berndt announced that Council will hold a public hearing on Tuesday, November 20, 2007 at 7:30 p.m. to consider a request from Detroit Country Day School for special use and site plan approval of a proposal to construct a gymnasium and fitness center.

REVIEW AND CONSIDER POLICY REGARDING WATER BILL DISCREPANCIES

Pfeifer stated that there is a water meter replacement program ongoing in the Village whereby all residents will receive a new meter that has the capability of being read electronically. This program has initiated discussion of developing a process for handling discrepancies between the outside remote reading device and the inside meters. An inside meter reading will be taken and reported when a new meter is installed.

The following policy is being proposed to address substantially large water bills that can result when the Village obtains an actual water meter reading. The key word is “actual.” In some cases, a home does not have an outside remote reading device and access to the inside meter has been denied, for whatever reason, for a significant period of time. When the actual read is obtained, an adjustment in the property owner’s bill has to be made in order to charge them for the amount of water they actually used, but were never billed.

Another situation arises when the outside remote device does not match the inside meter. Therefore, when an actual reading of the inside meter takes place it is discovered that more water was used than the property owner was billed, resulting in a catch-up bill.

Administration is requesting Council’s support in resolving these potential conflicts with property owners. A policy was generated by administration as a fair way of addressing those situations where substantial bills are the result of discrepancies.

Policy for Calculating Cost Recovery of Unbilled Water

In the past, water usage discrepancies were handled on a case-by-case basis with very few incidents per quarter. Usage discrepancies typically occur because the remote reader malfunctions and does not match the actual meter, or because a lengthy number of estimates result in a ‘catch-up’ billing. In both instances, the water being used by the resident is not being billed. The water meter replacement program is requiring all residents to have a final meter reading as their meter is replaced. As this is occurring, some residents are experiencing unusual billing due to usage discrepancies.

Upon request, administration will review the billing records for residents with a discrepancy of more than 50 units to determine when the last actual read date and/or remote reader installation occurred. The water and sewage rate in effect at the last actual reading and/or remote read installation will be used as the base rate. Beverly Hills has water meter service and installation records dating back to January 1, 1995 at which time the water and sewage rates were \$22.41 per thousand cubic feet or \$2.241 per unit. In the event the last actual read date or remote installation pre-dates the Village records, the 1995 rate will be used. The upper limit will be the rate of water and sewage at the time of discovery. Using these limits, an average rate will be applied to the previously unbilled usage.

Sample Calculation:

In 2006 a discrepancy of 200 units is discovered which has been used but not billed to the resident. The records show the remote was installed in 1996.

The water and sewage rate in 1996 was \$2.241/unit

The water and sewage rate in 2006 was \$5.231/unit

The average water and sewage rate for this period is \$3.736/unit

The Village applies the unbilled 200 units at the average rate for a total cost of \$747.20.

Pfeifer stated that the draft policy was referred to Village Attorney Ryan for review, and he expressed the opinion that it was a reasonable suggestion for handling these matters.

Motion by Pfeifer, second by Oen, that the Village Council adopt the Policy for Calculating Cost Recovery of Unbilled Water recommended by Administration.

Spallasso clarified that meters found to have a discrepancy of more than 50 units will automatically be kept in case the property owner decides to challenge their bill. The meter can be tested to verify that it was working properly. It was emphasized that the Village of Beverly Hills has paid for all water consumed by the residents. The Village is trying to recover some of its costs.

Council discussed the proposed policy. Stearn commended administration for arriving at a draft proposal for use as a talking point. He thought that it was unfair to charge a homeowner for water dating back 12 years, but it was reasonable to ask residents to make up some of the difference for water that they used for possibly three years. Stearn suggested limiting the amount of exposure that the homeowner will have to accept.

Spallasso responded that the intent of the policy was to go back ten years so that the Village could use the lower rates to compute charges.

Koss related that the water bills mailed to residents include a statement saying that the bill does not represent an actual reading. It asks the resident to check their water meter to make sure the bill is accurate.

Woodrow concurred that there should be a time limit or cut-off of three or six years. He suggested creating a three-person panel to allow homeowners the opportunity to dispute their water bill.

Council members expressed their ideas on a policy with the consensus that it should be fair and equitable. Spallasso mentioned that the first billing cycle in an area where meters are being replaced will occur in early January. The Village should have a policy in place by that time. Woodrow concluded that Council is not in agreement with how this policy should read. He suggested that members give this further thought and submit their ideas to administration. This will be a topic of discussion for the next Council meeting.

Kathleen Berwick of 31381 Kennoway Court said that she never thought to check her inside meter against the readings noted on her water bills.

Robert Walsh of 20655 Smallwood Court stated that the issue of money being paid for water and money being received from property owners has been a topic of discussion for 10-15 years with no action taken. New meters are being installed that will penalize the property owner who has relied on the outside reading device.

Dick Maxwell of 18701 Walmer asked what will happen in instances where a person has intentionally bypassed the inside meter. Spallasso responded that any bypass would be eliminated at the time of the new meter installation. It was mentioned that bypassing a meter is a criminal activity, and that person would be prosecuted.

Pfeifer withdrew her motion and Oen withdrew the support. Council members will forward their comments and suggestions on a policy for calculating cost recovery of unbilled water to administration. The comments will be made available to the public. This will be a topic of discussion for the November 20 Council meeting.

REVIEW AND FILE ANNUAL INVESTMENT REPORT

Council is in receipt of the Village's Annual Investment Report prepared by Finance Director Robert Wiszowaty. The report provides Council with detail that shows how funds have been invested and how they performed over the previous fiscal year. The Village's investment income is significantly higher than in the previous year due to improved market conditions.

The Village earned \$490,119.06 in interest for the fiscal year ended June 30, 2007. This compares to \$364,246.41 earned in 2006; \$166,175.41 earned in 2005; and \$86,058.82 earned in 2004. In addition, the Village earned \$163,036.22 in Retiree Health Care Funds in the 2006/07 fiscal year compared to \$76,556.15 in fiscal year 2005/06. Council accepted and filed the report.

PUBLIC COMMENTS

Kathleen Berwick of 31381 Kennoway Court commended Public Services Director Meszler for making shoulder improvements on Thirteen Mile Road.

REPORTS – MANAGER

Spallasso reported that administration has contacted and interviewed a retired engineer for the purpose of conducting an inspection and inventory of existing sidewalks in the Village. This individual, Val Gomulka, will carry ID when out surveying sidewalks. He will start the survey this fall, weather permitting.

The 2007 Major and Local Streets resurfacing program has been completed for the season. Restoration and clean up will be done in the next few weeks.

The business agent for the Command Union has informed the Village that the membership has ratified the tentative agreement. Written notification is forthcoming. The Village office will be closed on Monday, November 12th in observance of Veteran's Day.

Spallasso answered questions from Council on procedures related to the water meter replacement program. In response to an inquiry about the start of the Thirteen Mile Road resurfacing project, Spallasso stated that construction will probably begin in April or May of 2008.

COUNCIL

Oen thanked Todd Stearn for his service as Council President for the last year. He congratulated Hugh Woodrow and Rosanne Koss for their appointment as Council President and Pro-Tem.

Stearn thanked Terri Stearn for planning the Halloween Hoot this year with help from other volunteers. A large number of children participated, and a record amount of donations (over \$1,100) were received from people in attendance. It was a phenomenal success.

Stearn reviewed that the audit report presented at the October 16 Council meeting revealed that the Village did not spend \$160,000 allocated to balance the budget. He proposed that \$60,000 of that amount go to the Fire Truck Reserve Fund and \$100,000 go to the unfunded health care liability fund. Stearn asked that this be an agenda item for the November 20 Council meeting. An inquiry from Stearn on the status of a fire truck repair was addressed by Director Woodard.

Berndt thanked former President Stearn and President Pro-Tem Pfeifer for their service over the last year and congratulated the new President and Pro-Tem. Berndt commented that Ordinance

No. 326 is now in effect. He thanked everyone involved in the process of zoning ordinance reform.

Pfeifer thanked the Birmingham Area Cable Board for the \$5,000 grant for web streaming municipal meetings. She mentioned that the Finance Committee will meet tomorrow, November 7 at 7:00 p.m. The Ad Hoc City Study Committee will be meeting on Thursday, November 15 at 7:30 a.m. Pfeifer thanked Director Woodard for including the public safety statistics for September in the Council packet.

Koss commented that the Halloween Hoot was a great event. She thanked Todd Stearn and Dorothy Pfeifer for the time they put in as Council President and Pro-Tem. Their efforts were appreciated.

Woodrow thanked Stearn and Pfeifer for their term as President and Pro-Tem; they did a great job. Woodrow will consider the requests he received from Council members to switch liaison appointments. He thanked Terri Stearn for organizing a successful Halloween Hoot. Woodrow attended the SEMCOG Annual meeting noting that Jennifer Granholm was the keynote speaker.

Motion by Pfeifer, second by Berndt, to adjourn the meeting at 10:20 p.m.

Motion passed.

Hugh Woodrow
Council President

Ellen E. Marshall
Village Clerk

Susan Bernard
Recording Secretary