

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

Absent: None

Also Present: Manager, Wilson
Assistant Manager, Marshall
Director of Public Safety, Woodard
Building Official, Byrwa

President Woodrow called the regular Council meeting to order at 7:30 p.m. The Pledge of Allegiance was recited by those in attendance.

ADDITIONS TO AGENDA/APPROVE AGENDA

Motion by Berndt, second by Oen, to remove agenda item ‘c’, “Review and consider appointing standing committee to negotiate sidewalk agreement with Detroit Country Day School”.

Motion passed (7 – 0).

On behalf of Council, Woodrow expressed his condolences to Tom Ryan and his family on the passing of his father. The Detroit Country Day School item is being removed from the agenda for the reason that Council has not had an opportunity to fully discuss this matter with the Village Attorney.

Motion by Oen, second by Koss, to approve the agenda as amended.

Motion passed (7 – 0).

PUBLIC COMMENTS

Pam Murdock of 30414 Georgetown related information regarding the Detroit Country Day School property. She talked about the original site, parcels that have been purchased, and improvements that have taken place since the inception of the school in 1954. Detroit Country Day School is now constructing a middle school gymnasium and fitness center on its campus. The Village has granted special use and site plan approval for the construction project subject to Zoning Board of Appeals interpretation and/or waiver of the ordinance requirement for construction of a perimeter sidewalk. Murdock expressed the view that the ordinance should be upheld and sidewalks should be required along the perimeter of the Detroit Country Day School property.

Marcia Gershenson, Oakland County Commissioner, welcomed Manager Chris Wilson. She informed homeowners of a new law that may provide some financial relief to people having trouble selling their homes in a depressed economy. The major benefit from the Conditional Rescission of Principal Residence Exemption is that homeowners will be entitled to a reduction of up to 18 mills in their tax rate on the home that is for sale, as well as the home that is being occupied. Interested homeowners can contact Gershenson, Southfield Township Treasurer Janet Mooney, or the Oakland County Equalization Department for more information.

Gershenson announced that she is chairing a childhood obesity conference on September 27 in partnership with Oakland Intermediate Schools. She encouraged anyone interested in attending to contact her. Gershenson reminded viewers about the United Way 2-1-1 Program in Southeast Michigan. People can dial 2-1-1 and reach a resource center where they will receive information on topics including hospice care, passport information, or voter registration. Gershenson received notice from the Oakland County Animal Shelter that, due to an abundance of cats, adoption costs have been reduced to cover vaccination charges only.

In response to an inquiry, Bob Walsh of 20655 Smallwood Court was informed that Council has received the Village of Beverly Hills Other Post Employment Benefits Actuarial Valuation Report as of December 31, 2007. The report is available for public review at the Village offices.

CONSENT AGENDA

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

- a. Review/consider approval of minutes of regular Council meeting held August 5, 2008.
- b. Review and file bills recapped as of Monday, August 18, 2008.

Motion passed (7 – 0).

BUSINESS AGENDA

REVIEW AND CONSIDER ANNUAL FUNDING REQUEST AND CONTRACT FROM BIRMINGHAM BLOOMFIELD COMMUNITY COALITION FOR FY 2008/09

The Birmingham Bloomfield Community Coalition (BBCC) provides services to reduce substance abuse by youth in the Village of Beverly Hills and the greater Birmingham Bloomfield community. These services focus on reducing teen access and use of tobacco, alcohol, marijuana and other dangerous drugs. BBCC provides services that the Village of Beverly Hills does not staff on its own.

Koss stated that Council approved funding in the 2008/09 budget for contracted community action programs with \$1,200 allocated for the Birmingham Bloomfield Community Coalition. The Coalition is requesting a contribution of \$1,500 to cover the funding of functions being provided to the community by their organization. Council members have received a copy of the contract entailing the services provided by BBCC. While Koss feels that the money requested is warranted, Council only budgeted \$1,200 for this fiscal year.

Motion by Koss, second by Oen, that the Council for the Village of Beverly Hills approve the funding request of Birmingham Bloomfield Community Coalition in the amount of \$1,200 for the provision of substance abuse prevention services; further to direct Administration to sign the contract document providing for this continuing community service. Funds for this expense are available in Account #101-747-890.03
Community Action: Contracted.

Vickie Muir, acting director for BBCC, related that their request for additional funding was due to major funding cuts received this year from other municipalities. In response to an inquiry, she indicated that the City of Birmingham has changed its funding structure to a contract basis for

services that are specific to Birmingham residents. Their contract will be similar to the approach used in Beverly Hills. Muir distributed BBCC annual reports to Council.

Pfeifer suggested that the Coalition request additional money before the next budget is adopted if it needs an increased amount of funding.

Steven Satovsky from the Beverly Hills Club offered to make up the \$300 difference sought by the Birmingham Bloomfield Community Coalition.

Roll Call Vote:

Motion passed (7 – 0).

REVIEW AND CONSIDER REQUEST FROM BEVERLY HILLS CLUB, 31555 SOUTHFIELD ROAD, FOR SITE PLAN APPROVAL OF ADDITION TO MEZZANINE

Oen stated that the Planning Board and Council have reviewed the request from the Beverly Hills Club of 31555 Southfield Road for site plan approval for construction of an interior yoga studio addition in the existing mezzanine area of the building. At its July 15, 2008 meeting, Council referred the request for site plan approval to the Zoning Board of Appeals for an interpretation, decision, and/or variance from the Zoning Ordinance relative to parking requirements.

At its August 11, 2008 meeting, the Zoning Board of Appeals unanimously approved a parking variance conditional on the following: 1) The petitioner will maintain at least 147 parking spaces on site; 2) The petitioner will not change the Club property to a more intensive use than was shown in the presentation; 3) The petitioner will not expand the size of the building, and 4) The petitioner will maintain a lease, license or other parking arrangement with an adjacent property owner to provide at least 30 additional parking spaces.

Motion by Oen, second by Koss, that the Beverly Hills Council approve the site plan dated July 16, 2008 submitted by the Beverly Hills Club for construction of an interior yoga studio addition in the mezzanine area of the building, conditioned upon the Zoning Board of Appeals requirements for a parking variance.

Ayes – Berndt, Koss, Oen, Peddie, Pfeifer and Woodrow

Nays – Stearn

Motion passed (6 – 1).

REVIEW AND CONSIDER PROPOSALS FOR PRINTING 2009 VILLAGE CALENDAR

Stearn stated that Beverly Hills produces a calendar that is mailed to every resident annually. It is a valuable source of communication including Council and Board meeting dates and other important information. The Village went out for bids for the 2009 calendar project and received quotes from ten vendors. The low bid was from Johnston Lithograph, Inc. in the amount of \$7,358.00. Money has been budgeted for this expense in account #101-747-881.

Motion by Stearn, second by Oen, that the Beverly Hills Council award the contract for design and printing of the Village of Beverly Hills 2009 Calendar Project to Johnston Lithograph, Inc. in the amount of \$7,358.00. Funds for this project are available in account #101-747-881.

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

REVIEW AND CONSIDER TRAFFIC CONTROL ORDERS 237-NP-08, 402-PS-08 AND 420-TP-08

Oen stated that Director of Public Services Tom Meszler has recommended Council approval of Traffic Control Orders now that the 13 Mile Road reconstruction project is complete. These Traffic Control Orders must be approved by the Village Council in order to become permanent.

Order #237-NP-08 establishes no parking along 13 Mile Road due to the installation of curb and gutter and the elimination of a shoulder.

Order #420-TP-08 rescinds TCO #419-TP-84, which prohibited left turns onto Fairfax during heavy traffic hours. This is no longer required because of the installation of a center left turn lane.

Order #402-PS-08 rescinds the sections of TCO #401-PS-84 that refer to 13 Mile Road. This no longer applies because of the changes made during the construction to 13 Mile Road.

Oen informed Council that there is an area of 13 Mile that will be re-stripped to remove 50 feet of double yellow line so that cars can turn north off of eastbound 13 Mile Road onto West Rutland.

Motion by Oen, second by Pfeifer, to approve the following Traffic Control Orders: #237-NP-08, #420-TP-08, and #402-PS-08.

Pfeifer questioned whether the City of Southfield will issue corresponding traffic control orders since they own the south side of 13 Mile Road. Manager Wilson will contact the Southfield DPW regarding this issue.

Sharon Tischler of 21415 Southfield Road referred to a sign indicating that the road narrows for westbound traffic crossing Greenfield Road. She asked if this sign will be replaced.

Motion passed (7 – 0).

REVIEW AND CONSIDER PLAN FOR DISTRIBUTING CHARTER MILLAGE RESTORATION PROPOSAL

Stearn stated that there will be a Beverly Hills proposal on the ballot for the November 4, 2008 election, at which time residents will be asked to renew the millage rate to the level approved by the voters in 1995. Council discussion will focus on a plan for communicating information to the residents. At its August 12 meeting, the Finance Committee addressed what the message to the voters should include and forwarded recommendations to Council.

Stearn outlined items that he proposed adding to the material going to the electorate. The Village will have to deal with legacy costs in terms of funding retiree health care obligations. He mentioned that the 2-mil dedicated millage for roads and sewers will expire in 2009/10. The Charter millage restoration proposal will be used in part to maintain the level of services that are currently provided to residents.

Stearn referred to the memo outlining the Finance Committee's recommendations regarding a communication plan. It addresses four topics: Why is this an issue?; Alternatives to a potential tax increase; Why is the Village at this point?, and; What are the Village's future needs? Stearn suggested that emphasis be placed on the fact that the Charter Millage Restoration Proposal is a renewal of the millage cap approved 13 years ago by the voters. The 11 mill Charter cap has decreased to 9.3 mills as a result of the Headlee Amendment and Proposal A.

Koss commented on the need to restore the Charter millage rate and the hard choices that will have to be made if the ballot proposal is not approved. There are factors beyond Council's control such as continued decreases in state revenue sharing, the depressed state of the economy, declining property values, layoffs and foreclosures. Revenues are decreasing while expenses are increasing.

Koss expressed the view that the 2 mills for infrastructure repair and replacement expiring in 2009/10 should not be part of the message. If the Charter Millage Restoration Proposal is passed, the millage rate will continue to decrease due to the effect of the Headlee Amendment. It is a stopgap measure. The future needs of the Village will remain an issue, which may result in a dedicated millage for another purpose related to maintaining the current level of services. Koss indicated her willingness to participate in town hall meetings to get the message to the people.

Oen commented on a recent newspaper article that indicated that the cost of gas has increased from \$1.06/gallon in 1994 to \$4/gallon in 2008. Village expenses have increased, yet the millage has decreased from the 11 mil cap to 9.3 mills. There will be difficult choices to make during the next budget sessions if the millage restoration proposal does not pass. Oen stressed that the ballot proposal is needed to maintain current services.

Peddie stated that this is a quality of life issue. She commented on the decreasing revenue received by the Village compounded by declining property values. The Village will continue to undertake efficiencies and cost cutting.

Berndt commented on the depressed state of the economy. Michigan is faced with the Headlee Amendment and Proposal A, which had the effect of reducing the millage rate to 16% below the rate that the voters thought was necessary to maintain the community. Council will be asking the voters to restore the 11 mill Charter cap. The alternative is to change the character of Beverly Hills.

Pfeifer thanked Chris Wilson for his memo analyzing property tax revenues and State revenue sharing numbers from 1999 and 2008. The difference between 1999 revenues and 2008 revenues when adjusted from inflation equals \$761,148.

Woodrow thanked the Finance Committee for outlining topics to be included in the message to the voters. He suggested that a point be added to the list of alternatives indicating that the Village is able to levy a separate millage for rubbish collection and disposal without voter approval. This measure is not being considered by Council, but it is an option.

Woodrow thought that residents should be informed that Council and administration have worked to cut costs in various areas including personnel. Legacy costs should be addressed in terms of future needs. He questioned whether the message to residents should address at what level the General fund balance should be maintained. Woodrow suggested that Council direct administration to draft a one or two-page information sheet on the Charter Millage Restoration Proposal for distribution to residents.

Bob Walsh of 20655 Smallwood Court thought that the residents should be informed that the Charter millage restoration proposal would result in a 17% increase over what they are currently paying in property taxes. Other communities are making budget cuts. Beverly Hills cannot continue to increase costs. He mentioned the need to require employee and retiree contributions towards the cost of health care.

Kathleen Berwick of 31381 Kennoway Court opposed any tax increases and urged Council to cut costs.

Wilson stated that he will prepare information on each point suggested by the Finance Committee as well as the items added by Council members. The goal will be to consolidate information on the Charter millage restoration proposal into a concise and educational message for distribution to the public.

Stearn questioned whether the Finance Committee could meet next week to review a draft copy of information prepared by administration. He volunteered to meet with administration to assist with drafting the material. Input from Finance Committee members would be incorporated into the voter information for review by Council at its September 2 meeting. Council should be prepared at the next meeting to discuss how to get the information out to the public.

DISCUSSION OF REPORT AND FINDINGS OF THE FINANCE COMMITTEE

Stearn stated that, at its July 8, 2008 meeting, the Finance Committee reviewed and discussed information regarding consolidation of services, increased revenue and controlling expenses. The committee made recommendations to Council on measures to consider in terms of lessening deficits. Stearn recognized that cuts have been made over past years, and the Village is down to a bare bones operation. Council is interested in trying to do a better job of finding efficiencies.

The first recommendation from the Finance Committee was that Council direct administration to investigate the option of consolidating Public Safety dispatch services with Birmingham, Southfield, Bingham Farms or Franklin and evaluate savings, risks, impact to the Village, and interest of other municipalities to combine services. The Finance Committee also recommended that the Public Safety Department review its expenses on a regular basis.

The Finance Committee recommended that the library contract cost remain part of the General Fund and not be set out as a separate millage. Stearn expressed the view that the voters should be asked if they want to continue with the library contract.

The Finance Committee received information that the Building Department has been operating at a deficit since the year 2000. It was their recommendation that Council ask administration to present data on the ramifications of creating a Building Department with one full-time employee or reaching out to adjoining communities to determine whether or not the Department could be consolidated or outsourced to another community.

There was no action taken by the Finance Committee with respect to the Public Services Department. Stearn remarked that the Village outsourced its public services operation a number of years ago, which saved money on union, labor and legacy costs. Beverly Hills was one of the first communities in Michigan to outsource these services.

In terms of controlling expenses, the Finance Committee discussed how Council and administration could make a transition to negotiating critical health care issues in future labor contracts. Stearn noted that Council heard a presentation earlier this year from the Cornerstone Municipal Advisory Group, a company that specializes in benefit plan consulting as it relates to retiree health care issues. He suggested that Council follow up on this.

Stearn thought it would worthwhile for Council to direct administration to investigate all of the above items.

Oen mentioned that, as of last year, the Village's Public Service Department does work for Bingham Farms on a cost plus basis. It has been determined that the Bingham Farms building department has outsourced its work to the City of Southfield for 20 years and is not interested in having Beverly Hills take over those duties.

In answer to an inquiry from Peddie, Director Woodard stated that the arrangement whereby the Farmington Hills police department provides dispatch service for the Village of Franklin dates back 20 years. Woodard remarked that the Beverly Hills Public Safety Department is continually coordinating its operations with neighboring agencies. Department staff can have conversations with other departments about shared services, but it takes direction from elected officials to enter into negotiations with another agency or make decisions.

Koss suggested that administration be directed to look into the recommendations from the Finance Committee. Woodrow commented that he would rather have administration explore one or two items at a time. Berndt reviewed the motions made by the Finance Committee and offered information and comments that supported his position on each topic.

Motion by Stearn, second by Berndt, that Council direct administration to continue exploring the possibility of consolidating public safety dispatch and, if an opportunity arises, to bring a proposal to Council for discussion.

Berndt discussed the duties and expenses associated with providing dispatch service versus the cost of officer overtime to cover prisoner supervision as well as the cost of outsourcing dispatch service.

Stearn said that administration will be directed to analyze the efficiencies of outsourcing public safety dispatch service if this motion is passed. If a proposal comes before Council, these are points that Berndt can make at that time.

Motion by Stearn, second by Koss, to limit debate and call for a vote.

Yes – Koss and Stearn

No - Berndt, Oen, Peddie, Pfeifer, Woodrow,
Motion failed (5 – 2).

Berndt continued to provide information on dispatcher responsibilities, department costs, and reduced savings involved in outsourcing dispatchers.

Vote on motion:

Motion passed (7 – 0).

Motion by Stearn, second by Oen, to direct administration to investigate the possibility of outsourcing the Village Building Department and to explore the option of performing building department services for other communities.

Berndt agreed with the Finance Committee that outsourcing the Village Building Department would change the character of the Village. He added that the Building Department currently contracts for plumbing, mechanical and electrical inspections. Berndt commented that Village building permits were down 30% in the last two years, which represents a significant reduction in revenue.

Pfeifer questioned whether the Village is charging enough for permits. A community is allowed to charge for the cost of operating the department. Pfeifer took issue with outsourcing the Village Building Department, but would support Beverly Hills providing building department services to other communities.

Woodrow remarked that this has been a previous topic of discussion. Building Department revenue fluctuates; building permits are down. He advised against increasing permit fees at a time when we want to encourage people to purchase and improve homes in Beverly Hills.

Stearn reiterated that the motion is merely requesting administration to look at the building department operation and provide Council with financial advantages and disadvantages of consolidating the department.

Building Official Dave Byrwa commented on financial reporting of the Building Department operation, citing that a state act that requires that fees included in a building department budget

must be directly related to building permits. Items that are not attributed to building permits should be identified in the budget.

Vote on Motion:

Yes - Berndt, Koss, Oen, Peddie, Stearn, Woodrow

No - Pfeifer

Motion passed (6 – 1).

Motion by Stearn, second by Koss, that Council consider engaging the services of Cornerstone Municipal Advisory Group to assist with benefit plan consulting on health care issues and future labor contract negotiations.

Motion passed (7 – 0).

REVIEW AND CONSIDER PROPOSAL FOR PUBLIC SAFETY DEPARTMENT STRATEGIC PLAN

Director Woodard stated that it has been one of his goals to engage in a Public Safety Department strategic planning effort. This endeavor has been supported by the Mercer Group study provided to Council last December. It was recommended not only that the Public Safety Department conduct a strategic plan at the department level, but that the plan would also support several of the other items in the study. The strategic plan will better define the Department's mission and assist in moving forward with goals and objectives relating to what the officers do every day and how they do it. Performance measures will be a part of the proposal.

Department staff has met with John Piskulich of the Public Affairs Research Laboratory, a public service unit of the College of Liberal Arts and Sciences at Oakland University. The consulting team will be made up of academic staff and graduate students of the Department of Political Science. They will set up a focus group of Department members to establish an agency mission and vision and formulate goals to carry the Public Safety Department forward. The fee is \$1,000 a day, and it is estimated that the project will take one day with the possibility of a second day. Woodard believed that this would be a more economic package for the development of a strategic plan than if the Department approached businesses that provide this function.

Motion by Peddie, second by Pfeifer, to approve the contract with the Public Affairs Research Laboratory (PARL) of Oakland University for the provision of facilitating and consulting services in the development of a Public Safety Department Strategic Plan in an amount not to exceed \$3,000. Funds are available for this effort in Account #101-345-831, Public Safety: Miscellaneous Professional Services.

Stearn stated that he supports this effort, noting that this is an example of why government cannot act like a business. There are times when money has to be spent to improve a department and its operation. However, Stearn asked that this item be tabled until Council has a contract available for its review.

Peddie rescinded the motion and Pfeifer withdrew her support.

Motion by Stearn, second by Koss, to table this agenda item.

Motion passed (7 – 0).

REVIEW AND CONSIDER RESOLUTION DESIGNATING CHECK SIGNERS FOR VILLAGE ACCOUNTS

Motion by Stearn, second by Koss:

Whereas, the Village Council is the governing body of the Village of Beverly Hills, and

Whereas, the Village Council has the authority to designate check signers;

Now, therefore, be it resolved that the Village Council designates the Village Manager, Village Finance Director, Village Treasurer and Village Clerk as the check signers for the Village;

It is further resolved that all checks must have two signatures.

Motion passed (7 – 0).

PUBLIC COMMENTS

Sharon Tischler, Southfield Township Clerk, informed Council that she has been advised by the State Director of Elections that the Township will receive absentee ballots for the November election on September 20. Tischler suggested that Council consider this date when preparing voter literature with regard to the Beverly Hills ballot proposal.

REPORTS – MANAGER

Chris Wilson provided Council with a memo tonight on inflationary figures. He will begin working on additional reports related to Village finances.

Stearn asked Wilson if the Village picks up trash for non-profit organizations in the Village. He has observed Detroit Country Day School trash being picked up by Car Trucking. Wilson responded that standard procedure is for commercial accounts to contract for dumpster service. He will check with the public service department on this matter.

COUNCIL

Peddie reported on a recent Library Board meeting, noting that the downstairs renovation of Baldwin Library is complete. She commented on the wide variety of library services available to Beverly Hills residents.

Berndt commented that there are six candidates who have filed petitions to run for seven council seats. He was disappointed that others in the community did not step forward to serve and to seek the voters' validation of their opinions.

Oen stated that the August Planning Board meeting has been canceled. Stearn announced that the Parks and Recreation Board will meet on Thursday, August 21 at 7:30 in Beverly Park. Pfeifer stated that the Cable Board will meet tomorrow morning, August 20 at 7:45 a.m.

Koss reminded everyone about the upcoming Michigan State Fair and wished people a safe and happy Labor Day holiday.

Motion by Berndt, second by Pfeifer, to adjourn the meeting at 9:33 p.m.

Motion passed (7 – 0).

Hugh Woodrow
Council President

Ellen E. Marshall
Village Clerk

Susan Bernard
Recording Secretary