

Present: President Stearn; President Pro-Tem Koss; Members: Berndt, Briggs, Mooney, Oen and Peddie

Absent: None

Also Present: Manager, Wilson
Finance Director, Wiszowaty
Public Safety Director, Woodard
Village Attorney, Ryan
Building Official, Byrwa

President Stearn called the regular Council meeting to order at 7:34 p.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road. Paige Stearn led the audience in reciting the Pledge of Allegiance.

ADDITIONS TO AGENDA/APPROVE AGENDA

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

Motion passed (7 – 0).

PUBLIC COMMENTS

Terri Stearn of 31161 Old Stage asserted that members of Council are volunteers who put their heart and soul into their jobs, and they should be respected for that. She thanked Council members for their dedication and service to the community.

Shannon Mayfield, Administrator at Groves High School, expressed his support of the Village Council and said he understood the budget concerns. He was present to inform Council that it would be cataclysmic to the community to eliminate the detective services in the schools. If the school liaison officer was withdrawn from the schools, Groves High School would not have the people in place that assist them on a regular basis.

Bob Walsh of 20655 Smallwood Court asked about the outcome of recent arbitration in terms of the Beverly Hills dispatch union contract. Stearn responded that there has been a decision, and he can discuss this with Walsh after the meeting.

Patrick Westerlund of 18540 Devonshire stated that he is organizing the Memorial Day Parade this year. He invited residents, community groups, and neighborhood associations that want to be involved in the festivities to contact him or the Village office. He is looking for participation and help with the parade.

Kathleen Berwick of 31381 Kennoway Court expressed the view that the school liaison officer should be completely funded by the School District.

Bruce Cobb of 18010 Beverly Road stated that he was concerned about the safety of the community. He voiced concern about the possible elimination of public safety officers in Beverly Hills.

Christopher Meso of 30119 Lincolnshire commended Council for its time and effort during a time when difficult decisions have to be made. There was discussion at the last Council meeting concerning the Public Safety Officer assigned to duty with the Oakland Council Narcotics Enforcement Team (NET). Meso clarified that this officer will be involved in the program for a full year in September of 2009; the Department would receive an annual disbursement at that time based on the 12 month participation of that officer. The forfeiture fund revenue would help support the officer or the department's capital budget.

Meso provided information on what Beverly Hills pays for public safety service per resident compared to surrounding communities to demonstrate that the Village's public safety service is competitively priced. Beverly Hills officers are policeman, first medical responders, and fire fighters.

Brian Frink of 22643 Highbank Drive reiterated some of the concerns expressed by others regarding the potential loss of police officers. He has heard very little about crime in past years. In the last year and a half, there have been more homes and cars broken into in his neighborhood. Frink believed that the increase in crime is a reflection of the economic downturn, and it would be a shame to experience a loss in police officers at this time.

CONSENT AGENDA

- Motion by Mooney, second by Oen, to approve the consent agenda as published:
- a. Review/consider approval of regular Council meeting minutes of April 7, 2009.
 - b. Review and file bills recapped as of Monday, April 13, 2009.

Motion passed (7 – 0).

BUSINESS AGENDA

REVIEW AND CONSIDER REQUEST FROM MARIAN HIGH SCHOOL TO USE VILLAGE STREETS FOR WALK-A-THON ON FRIDAY, MAY 15, 2009

The Village is in receipt of a request from Marian High School to hold a Walk-A-Thon using Village sidewalks and streets on Friday, May 15, 2009. Student Stephi Haag was present representing Marian High School. The walkathon will be held to support Offering Alternative Therapy with Smiles (O.A.T.S.) and Most Holy Trinity Elementary School in Detroit. The high school has submitted a certificate of insurance naming the Village of Beverly Hills as an additional named insured under its certificate of liability for the walk. Administration has reviewed a map of the route indicating which streets in the Village will be involved and finds it in order.

Motion by Oen, second by Mooney, that the Village of Beverly Hills Council approve the request of Marian High School to use Village streets and sidewalks for its Walk-A-Thon to be held on Friday, May 15, 2009.

Village attorney indicated that he reviewed the Certificate of Insurance submitted by Marian and found it in order.

Kathleen Berwick of Kennoway Court said that she is a proponent of bike paths and hopes that this Walk-A-Thon will take place entirely on roads with sidewalks. Berwick was opposed to anyone walking in the street. She was informed that there are a few streets on the route without sidewalks.

Motion passed (7 – 0).

PAT WESTERLUND’S POWERPOINT PRESENTATION

Patrick Westerlund, member of the 2009 Finance Committee, gave a PowerPoint presentation entitled “Frequently Asked Questions About Taxes”. His report explained what residents receive for the taxes that they pay and why some people are paying more taxes when the assessed value of their homes are decreasing. Residents whose assessed value went down paid less property tax, which will equate to a \$258,598 loss in revenue to the Village in 2009.

Westerlund explained how the Headlee Amendment affects the Village of Beverly Hills and every other community throughout Oakland County. He talked about why the Village asked for a millage override last fall. In 1995, the voters approved a millage rate of 11.0 mills for the Village’s General Operating Fund. Over the past 14 years, home values increased, taxable values increased and became uncapped. In order to satisfy Headlee Amendment requirements, the millage rate had to be reduced nearly every year to keep the Village Tax Revenue in line with inflation. Over years of Headlee rollbacks, the millage rate is currently 9.3801 mills. Once a Headlee Reduction occurs, the millage rate cannot be undone without a vote of the people. During the same time, costs to the Village have risen and State Revenue Sharing has decreased. While Tax Revenue was limited to the rate of inflation (average 2.7%), costs increased at a greater rate. The Headlee Override was intended to close this gap.

As a result of decreasing property values, Taxable Values are also decreasing Village wide. The net affect is that the Village’s Property Tax Revenue for its General Operating Fund is lower than last year’s. By law, the Village must have a balanced budget. This year’s budget must be balanced with less revenue.

Westerlund concluded that the Village is at a crossroads. The number of households and the number of streets to maintain does not change. The Village has responsibilities including public safety, community programs, water & sewer, buildings & grounds, trash collection, staff, road maintenance and snow removal. Council must decide what is necessary and what to cut.

Westerlund questioned whether fewer services will fail to attract future home buyers. He emphasized that, of all the taxes that a resident pays, they realize the benefit right here in Beverly Hills from only 9.3801 mills. The Village government has choices to make in terms of charging for services (library, trash collection, water & sewer user fees); reducing services (public safety, road maintenance, staff reductions, and consolidating departments or sharing services with other communities); and increasing the revenue stream (Headlee override, increased millage rate, dedicated millages, enticing new construction).

It is a difficult time for Beverly Hills. Everyone has their own opinion of what services are most important to retain and what can be expended. Village residents need to work together for what is best for the community as a whole.

Stearn thanked Patrick Westerlund for this presentation. He noted that Westerlund is a member of the Finance committee, a member of the Planning Board, and has taken on the responsibility of planning the Memorial Day Parade. A copy of his PowerPoint presentation is available for public review at the Village offices and on the Village website (villagebeverlyhills.com).

REVIEW AND CONSIDER DELINQUENT WATER BILLS

The Village is experiencing a spike in delinquent water bills in the amount of \$170,000 in unpaid bills that were turned over to the tax rolls. Council requested that this matter be placed on the agenda for discussion. Manager Wilson prepared recommendations on this topic for Council consideration.

Wilson stated that the past practice of the Village was to not engage in water shut offs for non payment but to turn over delinquent amounts to the tax rolls as a cost effective way to recoup the money. The one percent delinquency rate has risen to about five percent. Wilson mentioned that those bills turned over for taxes have to be at least 90 days past due and over \$150.

Council is in receipt of a copy of Chapter 7 of the Municipal Code addressing Water Rates and Payments. There is language that allows for shut-off after 45 days of nonpayment with notification. The Village has the authority to do this, but it would be a significant change in past practice. The Village would prefer to have bills paid on time rather than shutting water off.

There have been recent instances where accounts have accrued serious past due amounts. In these instances, Village staff has been able to work out payment arrangements with residents to allow for balances to be paid in a timely manner while maintaining service. The general terms of these agreements have been as follows:

- 25% of total outstanding balance due immediately
- 10% of remaining outstanding balance or \$50, whichever is greater, due by the 15th of each month until the balance is paid in full
- Future billings for water usage to be paid in full by due date
- Should payment for outstanding balances or current balance become 30 days or more in arrears, water service will be shut off until all current and outstanding balances are paid in full
- There will be a fee of \$55 for the shutting off of water service and another \$55 fee for turning on of water in the event of a service shut off due to nonpayment.

Stearn urged residents who have issues with paying their water bills to come to the Village office to work out a payment plan.

Stearn asked if the Village accommodates residents who spend half of the year out of state. Wilson responded that a resident who will be out of town for a significant period of time can call and request a water shutoff. This would also be a precautionary measure in the winter in the event that a pipe breaks. Regardless, people have a responsibility to pay for the water that they use. If residents do not receive a bill in a timely fashion, they should contact the Village office. Bills get misplaced or lost in the mail.

Wilson affirmed that the Village will always make an effort to contact someone upon 30 days of nonpayment. If there is no contact from the resident within a minimum of 15 days after that

notice, Village staff will visit the premise and try to make contact before affixing a notice on the property stating that the utilities are subject to shutoff without payment by a certain date. At a minimum, it is a 45 day process. Numerous attempts are made to get in contact with people before a shut off would occur.

Motion by Oen, second by Koss, that the Village of Beverly Hills Council adopt the terms proposed by the Village Manager regarding payment arrangements that will allow residents to pay off past due water bills in a timely manner.

Mooney asked several questions with an interest in determining if there were recurring residential offenders in terms of outstanding water bills. He noted that the past due amount on the tax bill could be misunderstood by the IRS as being a tax deductible item. Wiszowaty responded that the majority of customers who have outstanding water bills are doing this on an annual basis. Mooney questioned the number of man hours it would take to implement the shut off process involving dropping off notices and turning the water off and on. Wiszowaty said that there would be a fee charged to reimburse the Village for a part of that cost.

Ryan reiterated that the proposed terms of agreement are in line with the Village ordinance. The Village manager is looking for a motion to support a change in past practice.

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

REVIEW AND CONSIDER CONTRACT FOR PUBLIC SERVICES DIRECTOR

Council has received a copy of the proposed Employment Agreement with Village Services Director Tom Meszler. Wilson has been in discussions with Mr. Meszler about being retained as public services director on a part-time contractual basis. There would be significant savings to the Village as well as greater schedule flexibility for Mr. Meszler.

Wilson recommended approval of a two-year contract not to exceed 1,250 hours per year without prior approval of Council at the rate of \$40 per hour. This money has been budgeted into the 2009-10 budget. Mr. Meszler is agreeable to these terms.

Motion by Oen, second by Koss, that the Village of Beverly Hills Council approve the Employment Agreement with Tom Meszler as Director of Public Services effective July 1, 2009 for a period of two years at a rate of \$40.00 per hour. Total hours worked are not to exceed 1,250 per calendar year without approval by Village Council.

Mooney proposed that the number of hours be reduced to 1,000 since the Village has not received money from the federal government nor budgeted funds in 2009/10 for road construction.

Wilson responded that there is still ongoing road maintenance, and Meszler administers services provided through Comeau Equipment Company. He is also in charge of administrating work done by Oakland County Drain Commission for the entire water and sewer infrastructure. The job duties are not going to change from what he has been doing; he will be doing them on a part-time basis. Wilson was of the opinion that 1,250 hours will provide sufficient work to keep the public services director occupied.

Stearn understood that the public services director has a current contract with the Village. He is voluntarily agreeing to change his contract to reduce his hours and salary, which will have an impact on the Village in terms of savings.

Roll Call Vote:

Peddie	- yes
Stearn	- yes
Berndt	- yes
Briggs	- yes
Koss	- yes
Mooney	- no
Oen	- yes

Motion passed (6 - 1).

DISCUSSION ITEM – BUDGET

Council announced a budget study session to be held on Tuesday, April 28 at 6:00 p.m. in a location to be determined. Residents were invited to attend and express their thoughts and concerns about the 2009/2010 budget.

PUBLIC COMMENTS

Sharon Tischler of 21415 Virmar Court pointed out that she was listed at the wrong address on page 11 of the April 7, 2009 Council meeting minutes.

Tischler commented on the arrangement adopted tonight by Council for addressing past due water bills. She suggested a method whereby people who are out of the area could consider payment by credit card. Tischler assumed that the payment of outstanding water bills comes from the Water & Sewer Fund to reimburse SOCWA for purchase of water. The Village loses interest when it withdraws money from the fund balance. Wilson concurred that water bills that are not being paid are being subsidized by those who are paying on time. As the delinquency rate goes up, this becomes a bigger issue.

Tischler questioned whether a part-time employee who works more than 1,000 hours was eligible for benefits provided by the employer including retirement. She realized that Mr. Meszler is retired from Oakland County, but asked that this matter be researched.

REPORTS – MANAGER

Wilson informed Council that the Village filed a brief in the Detroit Country Day School litigation last week, and a hearing is set for May 13.

Mooney asked Wilson to address the public comment concerning whether a part-time employee who works 1,000 hours is eligible for a pension contribution. Wilson responded that Tom Meszler's employment agreement was drafted by the Village's labor attorney. Mr. Meszler was implicit in waiving his right to a pension benefit as part of this contract. Wilson will make sure that this issue is fully addressed before the contract is executed.

COUNCIL – REPORTS

Peddie thanked the Parks and Recreation Board for doing so much work on the Memorial Day Parade and Carnival. It's shaping up to be a wonderful celebration.

Oen stated that the Planning Board will meet tomorrow, April 22 at 7:30 p.m. They will review information on the neighborhood study west of Southfield Road and discuss the Southfield Road Corridor study. Oen questioned whether there were overdue water bills that resulted from property owners who rent a house and do not know about the past due bill.

Koss attended the Parks and Recreation Board meeting last week and reported that they are doing an outstanding job of planning the Memorial Day festivities. They are looking for volunteers to help in any capacity – ticket taking, standing along the parade route, or participating in the parade. Interested people should contact Patrick Westerlund or call the Village offices for his contact information.

Stearn thanked Wiszowaty and Wilson for putting on a presentation this morning for the Public Safety Department on present and future budget projections. He thanked members of the public safety union who attended.

There was a request at a recent Council meeting from residents who asked Council and administration to go back to the public safety department and renegotiate signed union contracts. At Council's direction, Manager Wilson submitted a letter to the public safety officers union asking them for concessions. In response to that request, two volunteer programs sponsored by the Department, Adopt-A-Senior and the Knox Box program, were eliminated. There was also talk about elimination of the Neighborhood Watch Program.

Motion by Mooney, second by Oen, to adjourn the meeting at 8:49 p.m.

Motion passed (7 – 0).

Todd Stearn
Council President

Ellen E. Marshall
Village Clerk

Susan Bernard
Recording Secretary