

Present: President Mooney; President Pro-Tem Peddie; Members: Abboud, Delaney, Mueller and Oen

Absent: Kelly

Also Present: Manager, Wilson
Assistant Manager/Clerk, Marshall
Public Safety Director, Torongeau
Village Attorney, Ryan

Council President Mooney called the regular Council meeting to order at 7:30 p.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road. Those present recited the Pledge of Allegiance.

AMENDMENTS TO AGENDA/APPROVE AGENDA

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

Motion passed.

COMMUNITY ANNOUNCEMENTS

None

PUBLIC COMMENTS

None

CONSENT AGENDA

Motion by Oen, second by Delaney, to approve the consent agenda as follows:

- a. Consider approval of minutes of a regular Council meeting held March 3, 2015
- b. Review and file bills recapped as of Monday, March 9, 2015.
- c. Review and consider request from the Beverly Hills Lions Club for use of Village streets on Monday, May 25, 2015 for the 33rd Annual Fun Run/Walk

Motion passed.

BUSINESS AGENDA

PRESENTATION OF THE ANNUAL CABLE REPORT BY CABLE BOARD CHAIRPERSON ELAINE McLAIN

Birmingham Area Cable Board chairperson Elaine McLain was present with Executive Director Cathy White. She related that the Cable Board represents Birmingham, Beverly Hills, Bingham Farms and Franklin relative to cable concerns. McLain talked about Michigan Public Act 480 of 2006 that allowed new cable providers to serve our communities including WOW and AT&T offering its U-Verse product. These companies expanded in some of the member communities, but Comcast is still the only provider to offer service in all four municipalities.

Notice was given by Comcast in 2014 of its intent to merge with Time Warner Cable pending approval by applicable federal agencies including the U.S. Department of Justice and the Federal Communications Commission. This merger is likely to occur at the end of August of 2015. The communities' traditional cable franchise agreement with Comcast will be transferred to a new company to be formed as a result of the merger known as Midwest Cable/GreatLand Connections, Inc. Approval of the transfer was given by the four communities subject to conditions recommended by legal counsel Beier Howlett. Among those conditions was the caveat that the merger alone shall not be the cause of increases in rates and that all existing terms and conditions of the franchise agreement shall continue to be honored by the new company.

Also noteworthy in 2014 was notice of AT&T and Direct TV planning to merge into one company pending federal approval. Other current topics involving telecommunications include Net Neutrality. The contract with Bloomfield Community Television (BCTV) for public and governmental programming was extended through June 2015.

The current traditional cable franchise agreement with Comcast (or as transferred to Midwest Cable/GreatLand Connections, Inc.) expires in 2015. Negotiations will occur with respect to a new agreement; the BACB is committed to protecting revenue streams in any subsequent agreement.

McLain talked about the charge for the three standing Cable Board committees: PEG (Public Educational Governmental), Cable Action, and Personnel Committees. The BACB's financial statements received an unmodified audit opinion for 2013/14 from Plante & Moran. The Cable Board continues to review and award municipal support service grants to the four communities. Details are provided in the Annual Report.

In addition, Administrative Grants from franchise fees, per the Interlocal Agreement, were returned proportionally to each BACB community. These amounts were much higher than usual this year because of the Board's effort to utilize its fund balance to return excess franchise fees from prior years based on more detailed accounting procedures. The 2015-16 Cable Board draft budget will be reviewed at the March 18 meeting at 7:45 a.m.

Council liaison to the BACB Jim Delaney thanked Elaine McLain and Cathy White for their service on the Cable Board. He referred to an inquiry made by a Beverly Hills representative at the last Cable Board meeting regarding the franchise fee amount of \$800,000 in the fund balance. Member Bob Borgon questioned whether the Board should distribute the unused franchise fees to the four communities in accordance with Cable Board policy.

McLain addressed inquiries from Delaney regarding recent accounting segregation of Franchise Fees and PEG fees; distribution of franchise fees to the communities; Cable Board fund balance policy; FCC approved use of PEG funds and franchise fees and specific uses of these fees by the Cable Board; pertinent sections of the Interlocal Agreement relevant to the administrative grants distributed to member communities; and calculation of administrative grants

Delaney asked about the status of franchise renewal negotiations between Comcast and the City of Birmingham. McLain responded that Birmingham is requesting an extension of the franchise

agreement because of a FCC delay in consideration of the merger with Time Warner. The communities prefer to negotiate the cable franchise directly with the company they will be serviced by in the future.

McLain explained that the most important mission of the Cable Board is to maintain the revenue stream to the four member communities. Delaney suggested the need for continued review and discussion regarding Cable Board distribution of franchise fees back to the communities. McLain affirmed that this will be a topic of conversation at tomorrow's Cable Board meeting. She noted that, in accordance with the Interlocal Agreement, the Board prorates and returns funds to the communities at the end of every audited year. Questions from other members of Council were addressed by McLain.

President Mooney asked Delaney to meet with Administration and Beverly Hills representatives of the BACB and distribute a report to Council this May regarding distribution of franchise fees. Mooney suggested that Delaney may want to meet with representatives of the other three member communities to discuss Cable Board matters. President Mooney thanked Ms. McLain and Ms. White for their attendance at today's meeting.

REVIEW AND CONSIDER REQUEST FROM BERKSHIRE MIDDLE SCHOOL DAD'S CLUB 5K/WALK/RUN ON SATURDAY, MAY 2, 2015

Two members of the Berkshire Middle School Dad's Club were present requesting the use of Village streets to host their seventh annual 5K Walk/Run through the Village on Saturday, May 2, 2015 starting at 8:00 am. A map of the event has been provided showing that it will start at Berkshire on 14 Mile Road and travel east toward Bellvine Trail. They will continue south on Bellvine to Eastlady and Smallwood returning to Berkshire School. A Certificate of Insurance has been submitted naming the Village as an additional insured.

Motion by Mueller, second by Peddie, that the Beverly Hills Village Council approve the request by the Berkshire Middle School Dad's Club for a 5K Walk/Run on Saturday, May 2, 2015. A Certificate of Insurance naming the Village as an additional insured has been submitted.

Roll Call Vote:
Motion passed (6 – 0).

DISCUSSION ON WATER AND SEWER RATES FOR FY 2015/16

Peddie reported that a subcommittee created by Council to study FY 2015/2016 water and sewer rates has met twice to analyze and calculate rate options and address how to inform residents of upcoming rate increases. The Village has been receiving information on proposed water and sewer rates from the Detroit Water and Sewerage Department (DWSD), the Southeast Oakland County Water Authority (SOCWA), and Oakland County. The Village has learned that SOCWA will be receiving a 19% increase in rates from DWSD for the upcoming year. This will result in an increase of 14% being passed along to all SOCWA member communities, including Beverly Hills. The water rate increases are driven in part by falling water sales. Another billing change shifts more of the bill to fixed fees for service and relies less on volatile sales volumes.

Manager Wilson mentioned that the subcommittee discussed how the Village can address the fact that, as water and sewer costs continue to rise, usage is staying flat and has been decreasing. The subcommittee has been analyzing the impact on our current water and sewer billing system when various fixed costs and/or rates are implemented. The committee has reviewed various scenarios where debt service costs as well as fixed rates for water and sewer costs are applied to the billing method. Village Administration is working with the subcommittee to further analyze the impact of establishing fixed costs for annual infrastructure projects as well as existing debt service.

Wilson distributed a work sheet and outlined sample fee structure scenarios. The handout provides Council with an idea of how policy changes relative to fixed charges on the bill will affect an average bill. Further analysis of these modifications as well as increased clarification as to rates from suppliers for the upcoming years should result in a subcommittee recommendation on water and sewer rates for FY 2015-16 within the next few weeks.

Wilson noted that a trend in the preliminary analysis of fixed costs has become clear. The imposition of fixed costs, whether for debt, infrastructure or water and sewer costs, will result in an increase in charges to low volume users and a slight reduction in charges to high volume users. This trend can be mitigated by other modifications to the billing system, but it cannot be reversed or negated.

Mueller added that the subcommittee is attempting to arrive at a rate structure that will account for all infrastructure and maintenance costs every year. The Village is hoping to stabilize its revenue, take out some of the volatility, and avoid the dependency on weather to drive up rates. Mueller elaborated on the strategies considered for the rate structure for water and sewer costs. He emphasized that communication needs to take place so people understand that they are being charged for more than the cost of water.

Peddie remarked that Council will be discussing water and sewer rates at public meetings and addressing frequently asked questions in upcoming newsletters and mailings to the public.

SET DATE FOR COUNCIL STUDY SESSION FOR FY 2015/16 BUDGET

Council members were in agreement to set a Council study session to discuss the FY 2015/16 Village of Beverly Hills Budget for Tuesday, April 14 and another session, if needed, on Tuesday, April 28, 2015.

DISCUSSION REGARDING REQUEST FOR PROPOSALS FOR VILLAGE HALL BUILDING REDESIGN

Abboud stated that the Village municipal building was constructed in 1974; there have been no significant efficiencies or accommodations added to the structure since that time. Abboud proposed that the municipal building be renovated and updated to make it more functional and aesthetically pleasing. It should reflect a sense of pride in the place where residents stop in at times and where the municipal government conducts its business.

Oen said that he is working with administration on preparing a draft RFP/RFQ for design services for the rehabilitation of the Village Hall. Village Administration anticipates releasing an

RFP/RFQ in the coming weeks with a response deadline of late April. This would allow for the selection of a design firm by the end of May with designs anticipated by mid to late June.

REVIEW AND CONSIDER AWARDING CONTRACT FOR 2015 HMA ASPHALT RESURFACING

At its January strategy session, Council discussed a plan for improving asphalt streets that need attention this year. Administration prepared a road resurfacing schedule that includes Beverly, Riverside and Sheridan. Bid specifications went out in February. Village Administration along with Hubbell, Roth and Clark reviewed seven bids submitted for the 2015 Asphalt Resurfacing project.

The low bid submitted was from Pavex in the amount of \$509,704.05; this company has done work in the Village previously. Council is in receipt of a copy of the bid from Pavex; a copy of the entire bid book is available for Council's review. HRC and Village Administration reviewed the bid provided by Pavex and found it to be in order. If approved by Council, this project is scheduled to commence in mid to late May.

Motion by Oen, second by Peddie, that the Village Council award and authorize the Village Manager to sign the HMA 2015 Asphalt Resurfacing project to Pavex in the amount of \$509,704.05. Funds for this project are available in the Local Streets fund account 203.451.810.02.

Questions and comments from Council regarding this project were addressed by Wilson.

Roll Call Vote:
Motion passed (6 – 0).

REVIEW AND CONSIDER APPROVAL OF HUBBELL, ROTH & CLARK INVOICES

Motion by Oen, second by Peddie, that the Village of Beverly Hills Council approve the invoices submitted by Hubbell, Roth & Clark Inc. for professional services in the amount of \$23,602.21 for the period ending February 21, 2015.

Roll Call Vote:
Motion passed (6 – 0).

PUBLIC COMMENTS

Residents Linda and Melvin Koykka on Lahser Road were present to ask for a variance from the Beverly Hills municipal code. Linda Koykka related that she understood that sidewalks are scheduled to be constructed on Lahser Road as part of a County road improvement project. The Koykkas have 200 feet of frontage on the west side of Lahser Road. Koykka referred to a Village ballot question less than ten years ago that resulted in the majority of voters turning down a sidewalk referendum. She requested a variance from the ordinance section requiring a property owner to maintain, repair, and remove snow from their sidewalk. Koykka did not think that the maintenance of the sidewalk should be their responsibility.

Township Clerk Sharon Tischler made reference to a closed session held at the March 3, 2015 Council meeting. Tischler read from an Open Meetings Act handbook prepared by Attorney General Bill Schuette and pointed out sections that she believed were not followed properly by the Village Council.

MANAGER'S REPORT

Evergreen Road Closures – Due to a joint sewer project between the Village of Beverly Hills and the City of Birmingham, there will be intermittent lane closures on Evergreen Road around 14 Mile through the end of the month. It was necessary to close 14 Mile Road at Evergreen earlier to do some preparatory work on this project. Fourteen Mile should remain open during the remainder of the project, however motorists may still be blocked or delayed attempting to access Evergreen from 14 Mile. The Village anticipates that this project will be completed on time. Local access for area residents will be maintained at all times. Through traffic should seek an alternate route until the project is completed.

BASCC Name Change – The Birmingham Area Seniors Coordinating Council (BASCC) has changed its name to NEXT. The new name is designed to acknowledge that whatever stage of your life you are in, there is always something NEXT. NEXT will continue to expand hours and programs. Village residents interested in the array of services that NEXT has to offer can visit www.BirminghamNext.org.

Bin Blitz – The Village will be participating with SOCRRA in its bi-annual Bin Blitz in April. Residents who want an extra bin or need to replace a bin can purchase one at the Village Hall or at the SOCRRA facility on Coolidge for half price, \$6.

Yard Waste Collection – Yard waste collection will begin on April 6th. Paper yard waste bags placed at the curb prior to the first week of April will not be collected until April 6th. If residents have yard waste that needs to be disposed of prior to this date, they can take it directly to the SOCRRA facility on Coolidge, north of 14 Mile.

Brick Paver Program – The brick program in Beverly Park has been reinstated for a short period of time. Over 600 bricks have been installed around the flag pole just north of the pavilion and there are still spaces available. Residents can order a brick and make a lasting contribution to the Park. This is a limited time offer through April 30, 2015. Prices range from \$50 to \$100. Forms are available online or in the Village Offices. Bricks will be installed during the summer of 2015.

COUNCIL COMMENTS

Abboud spoke in support of programs offered by the Birmingham Youth Assistance organization. He thanked the leadership on Council and Administration for their transparency and quick responses to inquiries from residents.

Delaney commented that he attended the event where BASCC announced its new name, which is NEXT. Beverly Hills is well represented on the NEXT Board with Bob Borgon as president, Ed Pugh as vice-president, and Dorothy Pfeifer as secretary.

Peddie reported on the Baldwin Library Board meeting held yesterday, March 16. The Library will be holding its Spring Friends Book Sale from May 2-4, 2015.

Mooney thanked the members of the Council who have been working hard representing the Village. Mooney mentioned that he read to the second graders in Ms. Christ's class at Beverly School. He attended the unveiling of the NEXT organization, formerly known as the Birmingham Area Seniors Coordinating Council.

CONSIDER RESOLUTION TO GO INTO CLOSED SESSION TO DISCUSS ATTORNEY-CLIENT CONFIDENTIAL COMMUNICATION

Motion by Oen, second by Abboud, that Council go into closed session at 9:20 pm to discuss attorney-client confidential communication.

Roll Call Vote:

Motion passed (6 – 0).

RESOLUTION TO RETURN TO OPEN SESSION

Motion by Oen, second by Delaney, to return to open session at 9:43 pm.

Roll Call Vote:

Motion passed (6 – 0).

Motion by Delaney, second by Oen, that the Village Council authorize the Village Attorney to take steps regarding the negotiations as reviewed in closed session.

Motion passed (6 – 0).

Motion by Delaney, second by Oen, to adjourn the meeting at 9:45 pm.

Motion passed (6 – 0).

John Mooney
Council President

Ellen E. Marshall
Village Clerk

Susan Bernard
Recording Secretary