

Minutes of the Meeting
of the
Oakland University
Board of Trustees
December 7, 1983

The meeting was called to order at 5 p.m. by Chairman Ken Morris in Lounge II of the Oakland Center.

Present: Chairman Ken Morris, Trustees David Handleman, Patricia B. Hartmann, Richard H. Headlee (arriving at the point indicated in the minutes), Alex C. Mair (arriving at the point indicated in the minutes), Arthur W. Saltzman and Howard F. Sims

Absent: Trustee Wallace D. Riley

Approval of Minutes of October 19, 1983

Mrs. Hartmann moved approval of the minutes of the Board meeting of October 19, 1983 as distributed. Mr. Handleman seconded the motion which was voted on and approved by all of the Trustees present.

Acceptance of Gifts and Grants

Chairman Morris requested the Board's acceptance of the gifts and grants totaling \$1,104,554.90. (Copies of the complete lists of gifts and grants dated November 16, 1983 and December 7, 1983 are on file in the Office of the Secretary to the Board of Trustees and the Office of the Vice President for Developmental Affairs.) Chairman Morris asked Mr. Robert W. Swanson, Vice President for Developmental Affairs, to comment on the gifts and grants.

Mr. Swanson invited the Board's attention to the December list of gifts to the Alumni Fund which total \$6,020. He noted that this amount is the first report of gifts received from the Alumni's Annual Telefund Drive which began November 1. The targeted amount of the drive is \$80,000.

Mr. Keith R. Kleckner, Senior Vice President for University Affairs and Provost, noted the grants from the U. S. Army Tank Command for \$164,826 in support of engineering projects. In addition, there was a \$35,263 General Motors engineering grant in support of the Software Development for Computer-Assisted Design

of a Paintshop study. Mr. Kleckner also called attention to the grants from the National Institutes of Health, Bethesda, Maryland, totaling \$238,670 in support of biological science programs and the \$245,300 grant from the Michigan Council for the Arts for the Operational Support and Outreach Program of Meadow Brook Theatre.

Mr. Sims moved that the gifts and grants be accepted with gratitude and appreciation. Mrs. Hartmann seconded the motion which was voted on and approved by all of the Trustees present.

Approval of Faculty Personnel Actions

Mr. Kleckner requested approval of the following faculty personnel actions:

Appointments

Matthew, Kathryn K., Adjunct Assistant Professor of Biological Sciences, effective August 15, 1983, through August 14, 1984

Mohan, Jean, Adjunct Clinical Instructor in Nursing, effective August 15, 1983, through August 14, 1984

Changes of Status

Barnes, Carl F., from Professor of Art History and Archaeology to Professor of Art History and Archaeology and Director, Center for the Arts, effective August 15, 1983

Leaves of Absence

Allvin, Raynold L., Associate Professor of Music, sabbatical leave from January 3, 1984, through April 21, 1984 with full pay

Lowy, David G., Associate Professor of Psychology, sabbatical leave from January 3, 1984, through April 21, 1984 with full pay

Johnson, Patrick J., Professor of Education, part-time (50%) leave from August 30, 1983, through April 21, 1984 with no pay

Mrs. Hartmann moved that the faculty personnel actions be approved. Mr. Sims seconded the motion which was voted on and approved by all of the Trustees present.

Approval of Personnel Action Recommendation from the Employee Relations Department

Chairman Morris requested that Mr. Robert J. McGarry, Vice President for Finance and Administration and Treasurer to the Board of Trustees, present the personnel action recommendation from the Employee Relations Department. Mr. McGarry, however, called on Mr. Willard C. Kendall, Jr., Director of the Employee Relations Department, to present the recommendation.

Mr. Kendall noted that the proposed action involving changes in the contract and risk management area had been presented at the October 19, 1983 Board meeting. However, no action was taken on the item since the Board requested that the contemplated personnel changes should be stated in more detail including the costs. The position of Director of Contract Administration, Purchasing and Risk Management was created as an economy and efficiency measure to replace two positions which became vacant: Assistant Vice President for Administration and Risk Management and Director of Purchasing. However, this organizational structure has not proved to be satisfactory, since the higher-level responsibilities associated with the vice president position require considerably more attention and emphasis than this structure can provide. Therefore, the administrative determination was made to recreate the Assistant Vice President position and to reallocate work responsibilities within the Purchasing Department.

If the Board approves the re-establishment of the Assistant Vice President position, Mr. William G. Small, the Director of Contract Administration, Purchasing and Risk Management, will be appointed to the re-established position, and his current position will be collapsed. Mr. Small would then not direct the day-to-day activities of the Purchasing Department, but would instead be expected to devote more attention to the development of the University's risk management program, contract administration (non-labor contracts), insurance matters, and general administrative duties as assigned by the Vice President for Finance and Administration.

The Director of Purchasing position at AP-12 (salary range \$24,765 to \$35,273) will be re-established. The appointee to this position will direct the day-to-day purchasing operations. A more detailed presentation on all of the personnel

changes was made a part of the Board agenda and the Personnel Policy Committee has endorsed the following recommendation:

The President recommends for Board approval re-establishment of the position of Assistant Vice President for Administration and Risk Management at AP salary grade 18 (salary range of \$32,505 to \$47,952) to replace the current AP position of Director of Contract Administration, Purchasing and Risk Management at AP salary grade 15 (salary range of \$28,357 to \$41,145).

Mrs. Hartmann moved that the recommendation be approved. Mr. Sims seconded the motion.

Mr. Saltzman asked for the total cost of the proposed personnel recommendation. Mr. Kendall noted that the estimated range of the total salary costs, including one new position, was \$23,930 to \$27,930.

Mr. Sims thanked Mr. Kendall for bringing the full budget implications of this item to the Board.

President Joseph E. Champagne added that the administration now realized that the item presented to the Board at the October meeting did not present the full budget ramifications and he appreciated the Board's understanding. He noted that in the future the administration would provide more detailed information on total costs relating to personnel recommendations.

The motion to approve the recommendation was voted on and approved by all of the Trustees present.

Approval of Audited Financial Statements and Audit Reports for the Year Ended June 30, 1983

Mr. McGarry introduced Mr. John Haga of Ernst & Whinney, the managing partner on the 1982-83 audit, to answer any questions the Board might have on the submitted reports. Mr. Haga noted that he had just met with the Audit and Finance Committee of the Board and there were no problems with the reports.

The following statements and reports for the year ended June 30, 1983 had been submitted to the Board as part of the agenda materials:

1. Audited Financial Statements and Other Financial Information - Oakland University.

2. Report on Examination - Residences and Other Facilities with Pledged Income - Oakland University.
3. Audited Financial Statements - Oakland University Foundation.
4. Management letter from Ernst & Whinney to Audit and Finance Committee, together with Oakland University response.

Mr. McGarry then presented the following recommendation for the Board's approval:

It is recommended that the Board of Trustees accept the Audited Financial Statements, Report on Examination and the management letter prepared by the public accounting firm of Ernst & Whinney in connection with the audit of the University's financial records, for the year ended June 30, 1983.

Mrs. Hartmann moved that the recommendation be approved. Mr. Saltzman seconded the motion, which was approved by all of the Trustees present.

Report on Security Transactions

Mr. McGarry stated that the Oakland University Foundation realized \$2,185.50 from the sale of a securities gift from Mr. and Mrs. Henry Clyde Johnson. (Details concerning the sale are on file in the Office of the Board of Trustees and the Office of the Vice President for Finance and Administration).

Mr. Sims moved that the report be accepted. Mr. Handleman seconded the motion, which was approved by all of the Trustees present.

Mr. Mair joined the meeting at this point.

Approval of Kresge Library Staged Construction Proposal

Mr. Kleckner stated that the University began to plan for expanding the Kresge Library facilities in 1975. In 1976 the Board of Trustees approved plans for a "wrap-around" addition to the Library which would have quadrupled its space. However, the State never funded the project because of budget concerns. Mr. Kleckner noted that such a large project undoubtedly would not be financed now since the cost would likely exceed \$15,000,000. Therefore, Rossetti Associates, the architects, were commissioned to study the feasibility of a reduced size, staged construction

project. The feasibility report developed from this study has been provided to the Board members. Mr. Kleckner stated that while it is neither architecturally nor economically feasible to phase the construction of the originally proposed "wrap-around" facility, several alternative proposals are amenable to phased construction. It has been determined that the necessary additional space for the Library can be built in stages. The report recommends a first phase construction of approximately 55,000 assignable square feet of space at an approximate cost of \$7,800,000. The Board's approval to proceed with an alternative Library expansion project in accordance with the outlines in the feasibility study is now sought through approval of the following recommendation:

That the Board of Trustees accepts the staged-construction feasibility study prepared by Rossetti Associates and authorizes the University to take the steps necessary to secure funding for the preparation by the firm of Rossetti Associates of specific design plans and construction cost estimates for a first-stage library addition consistent with the recommendations contained in the feasibility study.

Mr. Sims inquired if the project contract is with the State or the University. Mr. De Carlo indicated that it is with the State.

Mr. Saltzman asked if plans would be submitted to the Board early enough in the process so that changes could be effected if the design appeared to be aesthetically inappropriate. Mr. Saltzman stated that he wanted to be certain that the Trustees would have an opportunity to say "no" to a plan which they did not feel made an aesthetic contribution to the University.

President Champagne responded that since Mr. Saltzman had expressed this opinion previously, and since Mr. Sims also had expressed similar concerns, he saw "no problem" in providing early Board involvement. He noted that one of the reasons that the University wished to move along with this project and have the State make a funding commitment was to use the Library addition as a part of the upcoming fund-raising campaign.

Mrs. Hartmann inquired if there was legislative interest in this project. Mr. De Carlo responded that since the feasibility study had been funded by the Legislature, it was hoped that the project would now receive favorable endorsement from the Governor's Office to the Joint Capital Outlay Subcommittee for continued funding for schematic plans.

Mrs. Hartmann asked about the potential for receiving State funding. Mr. De Carlo noted that there has been a State "freeze" on almost all new construction starts. However, he added, that it was hoped that funds would be released for certain critical projects which are in process such as our Library addition.

Mr. Sims moved that the recommendation be approved with the substitution of the word "alternatives" for "recommendations" in the last sentence. Therefore, the recommendation would read as follows:

That the Board of Trustees accepts the staged-construction feasibility study prepared by Rossetti Associates and authorizes the University to take the steps necessary to secure funding for the preparation by the firm of Rossetti Associates of specific design plans and construction cost estimates for a first-stage library addition consistent with the alternatives contained in the feasibility study.

Mr. Saltzman seconded the motion which was voted on and approved by all of the Trustees present.

Acceptance of Insurance Settlement Offer on Barn Fire

Mr. McGarry informed the Board that University staff and Fireman's Fund Insurance Company (the University's insurance carrier) had arrived at a settlement to cover the loss by fire this summer of stables on the east campus. The total replacement value placed on this loss is \$946,000, including contents valued at \$221,000. Emergency repairs amounting to \$54,000 have been made by the insurance carrier. There is a \$5,000 deductible clause, leaving an unexpended balance of \$887,000. Upon the University's formal acceptance of the settlement offer, the Fireman's Fund Insurance Company will pay the University \$677,000. The balance of \$210,000 will be paid when replacement of lost properties has been made at a cost equal to or greater than the established loss values. Replacement must occur within two years of date of settlement (rather than date of fire).

President Champagne stated that both he and Mr. McGarry appreciated the fine manner in which negotiations for the settlement were conducted by the insurance carrier and the agent.

Chairman Morris then presented the following recommendation for the Board's approval:

That the Board of Trustees accepts the Fireman's Fund Insurance Company settlement offer of \$946,000 subject to approval of settlement document by the University President.

Mr. Saltzman moved that the recommendation be approved. Mrs. Hartmann seconded the motion which was voted on and approved by all of the Trustees present.

Approval of Construction of the Katke-Cousins Golf Course
Maintenance and Storage Building

Mr. McGarry informed the Board that the University wished to construct a maintenance and storage building on the University's Katke-Cousins Golf Course to replace the maintenance building, which was destroyed by fire in June 1983 discussed under the previous agenda item. The building would be located near the fourth tee and would cost approximately \$200,000.

Mrs. Hartmann asked if this proposed \$200,000 would be funded from the \$600,000 insurance settlement. President Champagne responded that the decision on funding had not been made at this time. Funds would likely come from the insurance proceeds of the fire and/or operating accounts of the golf course.

Mr. Sims requested that the recommendation be amended to include any necessary design or engineering fees. The recommendation presented for approval by the Board thus read:

RESOLVED, That the Board of Trustees authorizes the Vice President for Finance and Administration to obtain competitive bids for the design and construction of the Oakland University Katke-Cousins Golf Course maintenance and storage building at a cost of approximately \$200,000 but no more than \$250,000 including any necessary design and architectural fees; and be it further

RESOLVED, That the Vice President for Finance and Administration is authorized to award the contract to the lowest qualified bidder; and be it further

RESOLVED, That the above authorizations are subject to the condition of prior compliance with all University policies and procedures and any appropriate requirement of the State of Michigan.

Mr. Mair moved that the recommendation be approved. Mrs. Hartmann seconded the motion which was voted on and approved by all of the Trustees present.

Approval of Proposed Agreement Between Oakland University and Pontiac Township Regarding Settlement of Litigation on Special Sewer Assessment Levies

Mr. John De Carlo, Secretary to the Board of Trustees and Vice President for Governmental Affairs and General Counsel, stated that in 1967 Pontiac Township and five other communities participated in the financing of a sewer system constructed by Oakland County. In 1979 the Township determined that commercial and private construction had not developed adequately to financially support the sewer system. The Township levied a special assessment against all vacant property including the University's property, to meet its annual obligation to the County. The University challenged the 1979 special assessment and the Township removed the University from the assessment rolls. From 1980 to date the Township included on the tax rolls University property south of the main campus. In 1980 the Board of Trustees authorized the University to file an appeal with the Michigan State Tax Tribunal challenging the legality of the special assessment. The case was set for trial on several occasions and postponed due to the fact that the Township and the University entered into discussions for settlement of the case. The Tax Tribunal granted two postponements but declared that in the absence of a settlement, the issue must come to trial on December 6, 1983. During the past two weeks intensive negotiations have been conducted with Township officials and a tentative agreement has been reached by the parties subject to approval by the Board of Trustees. Some of the basic terms of the agreement are as follows:

1. The Township agrees to an order by the Tax Tribunal that the University's property will not be subject to special assessments. A consent judgment will be issued by the Tribunal confirming this decision.
2. The University in recognition of the Township's need for financing the sewer system, which system is necessary for current and future use by the University, will make an advance payment on future sewer connection charges. The advance payment will be computed on the basis of one-half of the amount of the disputed special assessment for the years 1980 through 1983 plus interest paid to the County, and one-half of the amount that would be charged, assuming an assessment, for the years 1984 through 1986. The amount payable for the period 1980 to 1983 is approximately \$51,000. (This amount is still subject to some further discussion.)

3. In recognition of this payment the University will not only be able to apply the advance payment to construction projects on the University's property south of Lonedale Road, but may also apply the credits to projects on the entire University campus located in Pontiac Township. The University may also transfer these credits to lessees or purchasers of its property.

The amicable resolution of this issue is recommended since the University's interests in the future use of the sewer system is protected and the legal position of the institution regarding special assessments is recognized by contract and an order of the Tax Tribunal. In addition, the relationship between the Township and the University is enhanced by this contractual arrangement. The administration recommends acceptance of this contract.

Mr. Headlee joined the meeting at this point.

Mrs. Hartmann inquired if this agreement would be binding if the Township became a city. President Champagne replied that it was binding on the city. Mr. James Howlett, University Counsel, added that if the city did not ratify the contract, then the agreement would be invalidated by its terms.

Mr. De Carlo stated that if the agreement were not ratified, then all payments would be refunded. Mr. De Carlo noted that the first payment is \$50,883.46, which covers all assessments to date. It is estimated that there could be payments of approximately \$10,000 per year for the three upcoming years. However, if the Township experienced an extensive amount of commercial development resulting revenues could reduce the amount required under the present special assessment provisions.

Mrs. Hartmann asked if the maximum would be around \$80,000. President Champagne noted that if development within the Township is sizable, there may be no reason for further special assessments. President Champagne stated that it was important to have a good relationship with the University's governmental neighbor. He said the Township had voted to accept this proposal unanimously. University Board approval would avoid further court litigation.

The following recommendation was presented for the Board's approval:

RESOLVED, That the Board of Trustees authorizes the President and the Secretary to the Board of Trustees to enter into an agreement with Pontiac Township to dismiss pending litigation before the Michigan Tax Tribunal challenging the Township's authority to levy a special sewer assessment on University property conditioned on the Township's agreement that the University is not subject to such levies; and be it further

RESOLVED, That the Board of Trustees authorizes the acceptance of the subject agreement based upon the condition that any payment made in lieu of a special assessment as set forth in the agreement will constitute advance payments for sewer connections and other charges which would normally be charged against the University for construction projects; and be it further

RESOLVED, That the Board approves the terms of the agreement as submitted by the administration and agreed to by Pontiac Township; and be it further

RESOLVED, That the proposed agreement shall be made a matter of record in the minutes of the Board of Trustees by attachment to the minutes of this meeting.

Mr. Mair moved that the recommendation be approved.

Mrs. Hartmann seconded the motion which was voted on and approved by all of the Trustees present.

President Champagne stated that he wished publicly to express his appreciation to the Township for the manner in which the negotiations took place.

Approval of Purchase of Telecommunications System

President Champagne stated that a recommendation for the purchase of a new telecommunications system had been presented at the October meeting, but failed passage since a majority of the Board did not vote to approve the action. The vote was four in favor of the recommendation with one abstention. A majority of the full Board, five votes, is required for passage on such matters. Since that meeting, the University permitted each of the vendors involved [ROLM Corporation/Michigan, United Technologies Communications Company, and American Bell, Incorporated (American

Telephone and Telegraph Information Systems)] to update their material so as to insure fair treatment to all vendors. United Technologies made no change in its original proposal. ROLM Corporation/Michigan made some slight modifications. AT&T made considerable modification to its bid documents. President Champagne noted that he had asked Mr. Mair to have a General Motors' telecommunications expert review the University's process. That reviewer concluded that the University's process was exhaustive and fair to all vendors. President Champagne then called upon Mr. McGarry for his report.

Mr. McGarry stated that the bid evaluation document was submitted to the Board. He noted that the administration wanted a system that would be best for the University today and for the future. While initial cost was an important factor, the system's potential for growth and low maintenance cost were also necessary ingredients. Mr. McGarry stated that an analysis of the individual system features, as asked for from the vendors, indicated the ROLM Corporation of Michigan's system to be the preferred one. The ROLM system met all of the University's requirements. Mr. McGarry said that after looking at all of the factors involved, he felt confident in recommending the ROLM system, and requested the Board's approval of the following recommendation:

RESOLVED, That the Board of Trustees authorizes the Vice President for Finance and Administration to negotiate a contract, with advice of the University's Legal Counsel, with the ROLM Corporation/Michigan for the purchase of a VLCBX system at a cost not to exceed \$1,600,000; and be it further

RESOLVED, That the acquisition is to be paid for from inter-fund borrowing using the University's pooled cash; and be it further

RESOLVED, That repayment, including an interest charge at prevailing short-term money market interest rates, will be made from the University's telephone operation over a period of four years.

Mr. Headlee moved that the recommendation be approved. Mrs. Hartmann seconded the motion.

Mr. Mair stated that he wished to emphasize that the manager of General Motors' information and communications system said that the University's study on the determination for a telecommunications system was one of the best studies he had seen.

Mrs. Hartmann added that she had reviewed the study with Ziebart's telecommunications manager who also commended the University for its thoroughness.

Chairman Morris stated that he had expressed his views previously in the Audit and Finance Committee meeting and that he would abstain from voting on this recommendation. The motion to approve the recommendation was voted on and approved by Trustees Handleman, Hartmann, Headlee, Mair, Saltzman and Sims. Chairman Morris abstained.

Report on the Formation of Commission on the Future Development of the Center for Health Sciences

Mr. Kleckner stated that after the resignation of Dr. Moon Jae Pak as Director of the Center for Health Sciences, in June 1983, the University determined not to seek a new director immediately but rather to first review the Center's status and determine its possibilities for future development. Toward this end, Messrs. Champagne and Kleckner have established a Commission on the Future Development of the Center for Health Sciences consisting of 27 individuals; one-half are University employees and one-half from outside the University. The report which was submitted to the Trustees (a copy of which is on file in the Office of the Secretary to the Board of Trustees) contains the charge to that Commission, which is to study the Center and to make a recommendation as to the future direction of the Center. This current report is submitted to keep the Trustees apprised of the status of the Center. The Commission's final report will also be submitted to the Board.

Mrs. Hartmann moved to accept the report. Mr. Headlee seconded the motion which was voted on and approved by all of the Trustees present.

Approval of Amendment to the Oakland University Ordinances

Mr. De Carlo stated that the University is authorized by State law to enact parking, traffic and pedestrian ordinances so long as such ordinances are in "substantial conformity" with the Michigan Uniform Traffic Code (UTC). The proposed recommendation will amend the existing University towing ordinance to bring it into conformity with revisions which have been made to the UTC (or into conformity with a State statute where there is conflict), and will extend the ordinances' coverage to provide for the disposal of abandoned vehicles pursuant to State statute. Mr. De Carlo requested that the Board approve the following recommendation:

RESOLVED, That the Board of Trustees adopts Ordinance No. 11 as set forth below:

OAKLAND UNIVERSITY ORDINANCE NO. 11

An ordinance to amend Oakland University Ordinance No. 1 by modifying the provision relating to the authority of the Department of Public Safety to impound vehicles.

The Board of Trustees of Oakland University Ordains:

Oakland University Ordinance No. 1 is hereby amended by modifying Section 6.12 and by adding new Section 6.14 to read as follows:

Section 6.12. Authority to Impound Vehicles.

- (1) The Department of Public Safety may provide for the immediate removal of a vehicle from Oakland University property to a place of safekeeping at the expense of the registered owner of the vehicle in any of the following circumstances:
 - (a) If the vehicle is in such a condition that the continued operation of the vehicle upon the highway would constitute an immediate hazard to the public.
 - (b) If the vehicle is parked or standing upon the highway or parking area in such a manner as to create an immediate public hazard or an obstruction of traffic.
 - (c) If a vehicle is parked in a posted tow away zone.
 - (d) If there is reasonable cause to believe that the vehicle or any part of the vehicle is stolen.
 - (e) If the vehicle must be seized to preserve evidence of a crime, or when there is reasonable cause to believe that the vehicle was used in the commission of a crime.
 - (f) If removal is necessary in the interest of public safety because of fire, flood, storm, snow, natural or man-made disaster, or other emergency.
 - (g) If the vehicle is hampering the use of Oakland University property by its officials or agents or is parked in a manner which impedes the movement of another vehicle.
- (2) If the Department of Public Safety authorizes the removal of a vehicle under subsection (1), it shall do all of the following:

- (a) Check to determine if the vehicle has been reported stolen.
- (b) Within 24 hours after removing the vehicle, enter the vehicle into the law enforcement information network if the vehicle has not been redeemed. This subdivision does not apply to a vehicle that is removed from the scene of a motor vehicle traffic accident.
- (c) If the vehicle has not been redeemed within 10 days after moving the vehicle, send to the registered owner and the secured party as shown by the records of the Secretary of State, by first-class mail or personal service, a notice that the vehicle has been removed; however, if the Department of Public Safety informs the owner or operator of the vehicle of the removal and the location of the vehicle within 24 hours after the removal, and if the vehicle has not been redeemed within 30 days and upon complaint from the towing service, the Department of Public Safety shall send the notice within 30 days after the removal. The notice shall be by a form furnished by the Secretary of State. The notice form shall contain the following information:
 - (i) The year, make, and vehicle identification number of the vehicle.
 - (ii) The location from which the vehicle was taken into custody.
 - (iii) The date on which the vehicle was taken into custody.
 - (iv) The name and address of the Department of Public Safety.
 - (v) The location where the vehicle is being held.
 - (vi) The procedure to redeem the vehicle.
 - (vii) The procedure to contest the fact that the vehicle was properly removed or the reasonableness of the towing and daily storage fees.

- (viii) A form petition which the owner may file in person or by mail with the specified court which requests a hearing on the Department of Public Safety's action.
 - (ix) A warning that the failure to redeem the vehicle or to request a hearing within 20 days after the date of the notice may result in the sale of the vehicle and the termination of all rights of the owner and the secured party to the vehicle or the proceeds of the sale or to both the vehicle and the proceeds.
- (3) The registered owner may contest the fact that the vehicle was properly removed or the reasonableness of the towing fees and daily storage fees by requesting a hearing. A request for a hearing shall be made by filing a petition with the court specified in the notice within 20 days after the date of the notice. If the owner requests a hearing, the matter shall be resolved after a court hearing. An owner who requests a hearing may obtain release of the vehicle by posting a towing and storage bond with the court in an amount equal to the accrued towing and storage fees. The owner of a vehicle who requests a hearing may obtain release of the vehicle by paying the towing and storage fees instead of posting the towing and storage bond. If the court finds that the vehicle was not properly removed, the Department of Public Safety shall reimburse the owner of the vehicle for the accrued towing and storage fees.
- (4) If the owner does not request a hearing, he or she may obtain the release of the vehicle by paying the accrued charges to the custodian of the vehicle.
- (5) If the owner does not redeem the vehicle or request a hearing within 20 days, the secured party may obtain the release of the vehicle by paying the accrued charges to the custodian of the vehicle prior to the date of the sale.
- (6) Not less than 20 days after the disposition of the hearing referred to in subsection (3), or if a hearing is not requested, not less than 20 days after the date of the notice described in subsection (2)(c), the Department of Public Safety shall offer the vehicle for sale at a public sale unless the vehicle is redeemed pursuant to Section 252 of the Michigan Vehicle Code.

- (7) If the ownership of the vehicle which has been removed under this section cannot be determined either because of the condition of the vehicle identification numbers or because a check with the records of the Secretary of State does not reveal ownership, the Department of Public Safety may sell the vehicle at public sale pursuant to Section 252 of the Michigan Vehicle Code, not less than 30 days after public notice of the sale has been published.

Section 6.14. Abandoned Vehicle Procedures.

- (1) As used in this section, "abandoned vehicle" means a vehicle which has remained on property owned or leased by Oakland University for a period of 48 hours after the Department of Public Safety has affixed a written notice to the vehicle.
- (2) If a vehicle has remained on property owned or leased by Oakland University for a period of time so that it appears to the Department of Public Safety to be abandoned, the Department of Public Safety shall do all of the following:
 - (a) Determine if the vehicle has been reported stolen.
 - (b) Affix a written notice to the vehicle. The written notice shall contain the following information:
 - (i) The date and time the notice was affixed.
 - (ii) The name and address of the Department of Public Safety.
 - (iii) The name and badge number of the public safety officer affixing the notice.
 - (iv) The date and time the vehicle may be taken into custody and stored at the owner's expense or scrapped if the vehicle is not removed.
 - (v) The year, make, and vehicle identification number of the vehicle, if available.
- (3) If the vehicle is not removed within 48 hours after the date the notice was affixed, the vehicle is deemed abandoned and the Department of Public Safety may have the vehicle taken into custody.

- (4) When the Department of Public Safety has a vehicle taken into custody, it shall do all of the following:
- (a) Recheck to determine if the vehicle has been reported stolen.
 - (b) Within 24 hours after taking the vehicle into custody, enter the vehicle as abandoned into the law enforcement information network.
 - (c) Within 7 days after taking the vehicle into custody, send to the registered owner and secured party, as shown by the records of the Secretary of State, by first-class mail or personal service, notice that the vehicle has been deemed abandoned. The form furnished by the Secretary of State shall be used. Each notice form shall contain the following information:
 - (i) The year, make, and vehicle identification number of the vehicle if available.
 - (ii) The location from which the vehicle was taken into custody.
 - (iii) The date on which the vehicle was taken into custody.
 - (iv) The name and address of the Department of Public Safety.
 - (v) The business address of the custodian of the vehicle.
 - (vi) The procedure to redeem the vehicle.
 - (vii) The procedure to contest the fact that the vehicle has been deemed abandoned or the reasonableness of the towing fees and daily storage fees.
 - (viii) A form petition which the owner may file in person or by mail with the specified court which requests a hearing on the Department of Public Safety's action.
 - (ix) A warning that the failure to redeem the vehicle or to request a hearing within 20 days after the date of the notice may result in the sale of the vehicle and the termination of all rights of the owner and the secured party to the vehicle or the proceeds of the sale.

- (5) The registered owner may contest the fact that the vehicle has been deemed abandoned or the reasonableness of the towing fees and daily storage fees by requesting a hearing. A request for a hearing shall be made by filing a petition with the court specified in the notice within 20 days after the date of the notice. If the owner requests a hearing, the matter shall be resolved after a court hearing. An owner who requests a hearing may obtain release of the vehicle by posting a towing and storage bond in an amount equal to the accrued towing and storage fees with the court. The owner of a vehicle who requests a hearing may obtain release of the vehicle by paying the towing and storage fees instead of posting the towing and storage bond. If the court finds that the vehicle was not properly deemed abandoned, the Department of Public Safety shall reimburse the owner of the vehicle for the accrued towing and storage fees.
- (6) If the owner does not request a hearing, he or she may obtain the release of the vehicle by paying the accrued charges to the custodian of the vehicle.
- (7) If the owner does not redeem the vehicle or request a hearing within 20 days after the date of the notice, the secured party may obtain the release of the vehicle by paying the accrued charges to the custodian of the vehicle and to Oakland University for its accrued costs.
- (8) Not less than 20 days after the disposition of the hearing referred to in subsection (5) or, if a hearing is not requested, not less than 20 days after the date of the notice, the Department of Public Safety shall offer the vehicle for sale at a public sale pursuant to Section 252 of the Michigan Vehicle Code.
- (9) If the ownership of a vehicle which has been deemed abandoned under this section cannot be determined either because of the condition of the vehicle identification numbers or because a check with the records of the Secretary of State does not reveal ownership, the Department of Public Safety may sell the vehicle at public sale pursuant to Section 252 of the Michigan Vehicle Code, not less than 30 days after public notice of the sale has been published.

Ordained by the Board of Trustees of Oakland University this 7th day of December, 1983, to be effective upon publication.

Mr. Headlee moved to approve the recommendation as submitted. Mrs. Hartmann seconded the motion which was voted on and approved by all of the Trustees present.

Authorization for University Compliance with the Lobbyist Regulation Act

Mr. De Carlo stated that the State of Michigan passed a lobby reform act in 1978. Prior to the effective date of June 16, 1981, the act was challenged by a group of corporations and citizens in the Ingham County Circuit Court. The Ingham County Circuit Court declared the act unconstitutional. On appeal, the Michigan Court of Appeals reversed the Ingham Circuit Court decision (with the exception of some severable provisions which are not applicable to the University). The Supreme Court has declined to hear an appeal, thus in effect sustaining the Court of Appeal's decision. The Secretary of State is currently issuing rules and regulations and has established a compliance date of January 1, 1984. While many issues remain unresolved, Mr. De Carlo stated that there is no question but that the University is included under the act. Mr. De Carlo stated that because of his activities he has registered the University as a "lobbyist" and himself as a "lobbyist agent". He stated that the Trustees are currently exempt from the act when working on behalf of the University without compensation. Mr. De Carlo stated that there are criminal penalties for violation of the act. Therefore, scrupulous records need to be kept, and reports are required twice a year. Mr. De Carlo noted that both the Secretary of State's Office and the Office of the Attorney General are working to clarify several matters. In order to permit the University to comply efficiently with the act, Mr. De Carlo requested the Board's approval of the following recommendation:

RESOLVED, That the Board of Trustees authorizes the President and the Vice President for Governmental Affairs or their written designees to comply with all applicable provisions of Public Act 472 of 1978 known as the Lobbyist Regulation Act; and be it further

RESOLVED, That the Board of Trustees authorizes the President and the Vice President for Governmental Affairs or their written designees to develop and implement the necessary rules and regulations for compliance with the Act; and be it further

RESOLVED, That the President and the Vice President for Governmental Affairs or their written designees are the only individuals authorized to represent the University and to be reimbursed for expenditures as required by the provisions of Public Act 472 of 1978.

Mr. Sims moved that the recommendation be approved.
Mrs. Hartmann seconded the motion.

Mr. De Carlo also noted that President Champagne may also be exempt, from the Act's coverage because he is a Board appointed public official, but the Secretary of State has not yet rendered his opinion on this matter.

The motion to approve the resolution was voted on and approved by all of the Trustees present.

Approval of Eye Research Facility Funding Increase

Mr. McGarry explained that in September 1982 Oakland University was awarded a construction grant from the National Eye Institute in the amount \$254,520, which called for the University to match one-third, or \$84,840. The funds were to be used to construct an addition to the Institute of Biological Sciences research laboratory. In November 1982 plans were submitted to the federal agency for approval. Required changes caused delays; final acceptance of the plans was received in October 1983. As a result of the delays and changes, the construction bids, which were received in November 1983, exceeded the original budget by \$53,000. Federal funding was from a 1981/82 appropriation and cannot be supplemented. Therefore, Mr. McGarry stated that if this project is to be undertaken, it is necessary to provide an additional \$53,000 from University funds in order to meet the \$392,000 project bid. Mr. McGarry then requested the Board's approval of the following recommendation:

RESOLVED, That the Board of Trustees authorize an additional sum of \$53,000 toward the funding of the eye research facility, bringing the total project budget to \$392,000.

Mr. Headlee moved that the recommendation be approved.
Mrs. Hartmann seconded the motion which was approved by all of the Trustees present.

Ratification of Package Insurance Policy

Mr. McGarry stated that it is University policy to bid major insurance coverages every six years. In 1982 general liability coverage was awarded to the low bidder, Fireman's Fund. The contract was for a three-year policy. It contained a provision for annual premium adjustments and a cancellation clause. He noted that during the first part of 1983 there were two sizable fire losses amounting to almost \$1,000,000. As a result, Fireman's Fund proposed a 1984 premium of more than \$190,000; the previous year premium was only \$98,000. After considerable diligent work, this figure was reduced to \$169,000

which the administration still believed was too high. The University's agent, Huttenlochters, Kerns, Norvell, Inc., obtained an alternative proposal from Insurance Company of North America (INA) for the same coverage with a premium cost of \$125,000. Mr. McGarry stated that because the University uses public funds, it was necessary and appropriate to award the policy to INA. Also, since the expiration date of the policy was November 30, 1983, it was critical to assure continued coverage, and the policy needed to be awarded prior to this Board meeting. Because the amount involved was over \$100,000, the concurrence of both the Board Chairman and the Vice Chairman was sought and obtained. Mr. McGarry then requested the Board's approval of the following recommendation to ratify the administration's action:

RESOLVED, That the Board of Trustees ratifies the awarding of the University's package insurance policy for the period December 1, 1983 through November 30, 1984 to Insurance Company of North America.

Mr. Saltzman moved approval of the recommendation. Mr. Sims seconded the motion which was voted on and approved by all of the Trustees present.

Mr. De Carlo noted that the administration had followed the Board's contracting authority policy which permits the President to authorize an action of this nature subject to the concurrence of the Board's Chairman and Vice Chairman.

Approval of the Ken Morris Labor Studies Center

Chairman Morris asked Vice Chairman Mair to conduct the meeting for this item. Mr. Mair called upon Mr. Kleckner.

Mr. Kleckner stated that for over ten years, Oakland University has conducted a labor education program, which has been modest in scope because of the unavailability of funds. Recently, this situation was rectified primarily through the efforts of Chairman Ken Morris who secured a line-item legislative appropriation in support of the program, endowment support from the labor movement, as well as private gifts. In recognition of these efforts, Mr. Kleckner said he was pleased to request the Board's approval of the following resolution:

WHEREAS, for over a decade Oakland University has served the organized labor movement by conducting special labor education programs of particular interest to it; and

WHEREAS, Oakland University wishes to enhance these efforts and to expand them to include labor education offerings of interest and benefit to a broader audience; and

WHEREAS, such enhancement and expansion has been made possible, in great measure, through the efforts of Ken Morris, distinguished labor leader and charter member of this Board, to secure adequate legislative funding for labor education at Oakland University; and

WHEREAS, Ken Morris has been instrumental in establishing an endowment in support of labor education, having himself contributed substantially to this endowment; be it therefore

RESOLVED, That the Board of Trustees herewith names the administrative unit sponsoring Oakland University's labor education program as the Ken Morris Labor Studies Center.

Mr. Headlee moved that the recommendation be approved. Mrs. Hartmann seconded the motion which was voted on and approved by Trustees Handleman, Hartmann, Headlee, Mair, Saltzman and Sims. Chairman Morris abstained.

President Champagne stated that as a result of Chairman Morris' activities and leadership, the University now has a viable labor studies program. Chairman Morris has been very close to this program and his hard work in Lansing and on the local scene have been instrumental in bringing about what the administration believes to be a very fine program. The staff for this program is now being put in place, and an executive advisory committee is also being named. Chairman Morris' efforts were essential to these program improvements. The program would "not have happened without Chairman Morris' interest".

Chairman Morris thanked the Board for this honor and their support.

Chairman Morris again assumed the presiding role.

President's Report

President Champagne stated that in May of this year the Board approved the reclassification of the associate vice president position in the Office of Developmental Affairs to a higher classification with broadened responsibilities to include involvement with the fund development campaign. As a result of this authorization, a national recruitment process was conducted

with a number of candidates being interviewed. President Champagne stated that he was pleased to announce that Mr. David Rodwell has been appointed to this position and will assume his duties on February 1, 1984. Mr. Rodwell is currently the Vice President for Development at Berry College in Georgia. He has held this position for nearly four years. Previously, he served for five years in the area of university relations and development at Rice University in Houston. President Champagne said that while he had not known Mr. Rodwell personally, he knew of his accomplishments at Rice University. Before that Mr. Rodwell had been at Trinity University in San Antonio, Texas, and New Mexico State University. President Champagne said that Oakland University was very fortunate to have Mr. Rodwell accept this assignment, and he was pleased to have Mr. Rodwell fill this key position. President Champagne stated that in keeping with Board policy he was reporting the appointment of Mr. David Rodwell as Director of Development.

Mrs. Hartmann moved to accept the President's report. Mr. Handleman seconded the motion which was voted on and approved by all of the Trustees present.

Chairman Morris asked if there were any comments or questions from the Trustees or the audience. There were none.

Mr. Headlee moved that the meeting be adjourned. Mr. Saltzman seconded the motion which was voted on and approved by all of the Trustees present. The meeting was adjourned at 6:15 p.m.

Approved,

John De Carlo, Secretary
Board of Trustees

Ken Morris, Chairman
Board of Trustees

Date _____

AGREEMENT REGARDING SPECIAL ASSESSMENTS

Agreement made November __, 1983, between the Charter Township of Pontiac, a Michigan municipal corporation (Pontiac Township), and Oakland University, an institution of higher education of the State of Michigan (Oakland University), to settle pending litigation, to acknowledge certain rights, and to provide for certain payments in lieu of special assessments.

1. Settlement of Litigation. The parties hereby authorize and direct their respective legal counsel to stipulate to the entry of a consent judgment dismissing the litigation currently pending before the Michigan Tax Tribunal as Docket Nos. 48297 and 57408. The stipulation will reference that the dismissal is occasioned by and subject to the provisions of a settlement agreement executed by the parties. The stipulation will also request the Tax Tribunal to enter a consent judgment that will provide that the subject property is exempt from the Pontiac Township Annual Sewer Contract Obligations Special Assessments heretofore levied and will not be placed on any future such Special Assessment Rolls provided that its use by Oakland University remains similar to its current use or, if substantially changed, it continues to be used by Oakland University consistent with its purposes and programs.

2. Acknowledgment of Rights. The parties acknowledge that all of the lands currently owned by Oakland University in sections 13 and 24 of Pontiac Township, Oakland County, Michigan, are state owned lands currently being used for public purposes and are exempt from ad valorem property taxes under section 7 of the General Property Tax Law, 1893 PA 206, as amended, MCL 211.7 and are similarly exempt from special assessments.

3. Payments in Lieu of Special Assessments.

Pursuant to its authority under section 14, 1954 PA 188, MCL 41.734, and in order to assist Pontiac Township in its current funding needs, Oakland University shall make advance sewer connection payments and related charges to Pontiac Township in an amount equal to fifty percent of the assessments levied against Oakland University on the 1980, 1981, 1982, and 1983 Pontiac Township Annual Sewer Contract Special Assessment Rolls, plus fifty percent of the interest charges imposed by the Oakland County Treasurer attributable to such special assessments and accrued to the date of this payment by Oakland University. This amount shall be due and payable forthwith upon entry of a consent judgment in the Michigan Tax Tribunal as provided herein.

4. Delinquent Tax Rolls. Pontiac Township shall pay to the Oakland County Treasurer the full amount of all special assessments against Oakland University for 1980, 1981, 1982, and 1983 which it has assigned to that office for collection together with all interest charges imposed thereon by the Oakland County Treasurer and shall assure that the liability for payment of such special assessments is removed from the delinquent tax rolls. This payment shall be made forthwith upon receipt of the payment from Oakland University to Pontiac Township as provided herein.

5. Future Payments in Lieu of Special Assessments.

In the event that Pontiac Township or its successor elects to finance its sewer contract obligations by additional special assessments in 1984, 1985, and 1986, Oakland University agrees to assist Pontiac Township by making additional advance sewer connection payments in lieu of special assessments. Such payments shall be in an amount equal to fifty percent of the

amount which would be assessable in each of those years against Oakland University if its property were not exempt from special assessments and computed under the methodology used in prior years in establishing the Pontiac Township Annual Sewer Contract Special Assessment Rolls. The amounts payable hereunder shall be computed by Pontiac Township subject to the review and audit by Oakland University and shall be due and payable at the times when special assessments levied for those years are due and payable. Oakland University assumes no liability for any other or additional payments in lieu of special assessments but may decide in its sole discretion to provide additional voluntary financial support to Pontiac Township in the future.

6. Credits. All payments by Oakland University to Pontiac Township pursuant to this agreement shall entitle Oakland University to credits against future sewer system connection fees and other charges for sewer connections at any location designated by Oakland University on Oakland University's property in Pontiac Township in accordance with the methodology used to establish such credits based upon special assessments against other property. Pontiac Township represents that there is currently sufficient sewer capacity from its current Clinton-Oakland Interceptor System allocation for Oakland University or its assignees so that it could provide service for all connections to which Oakland University is entitled as a result of such credits and Pontiac Township has no knowledge of any proposed development or any other events that would adversely impact the right of Oakland University to properly utilize the afforded credits. If Oakland University is unable to utilize all such afforded credits solely by reason of there not being

sufficient sewer capacity in the Clinton-Oakland Interceptor System, there shall be refunded to Oakland University the dollar equivalent of the credits that cannot be utilized plus interest at the rate of eight percent (8%) per annum from the date Oakland University made its payment that entitled it to such credits. For purposes of computing any such interest, credits utilized will be deemed to correspond to the order in which Oakland University makes its required payments hereunder.

7. Disposition of Property. In the event of the lease or conveyance by Oakland University of any of its property in Pontiac Township to other parties, Oakland University may retain for its own future use the sewer connection credits which it could apply to any of its property, or it may assign any or all such credits to the lessee or grantee of such property. Oakland University shall provide Pontiac Township with written notice of any such assignment of credits and Pontiac Township shall allocate the credits between the property leased or conveyed by Oakland University and the property retained by Oakland University in accordance with the assignment by Oakland University. Property leased or conveyed by Oakland University shall not be deemed exempt from taxes or special assessments pursuant to this agreement after such lease or conveyance to other parties.

8. Pending Appeals. If at the conclusion of the appellate process involving the Tax Tribunal's decision in Frankel, et al., v. Pontiac Township, MTT Docket Nos. 40042 and 48298, it is finally determined that the Pontiac Township special assessments referred to herein are invalid and Pontiac Township or the City of Auburn Hills elects not to levy new special

assessments to cure the invalidity and raise necessary monies to meet its contractual obligations, amounts previously paid by Oakland University hereunder and not used by Oakland University or its assignees in the form of sewer connection credits will be refunded to Oakland University.

9. Binding Effect. This agreement is intended to establish rights and liabilities of immediate effect which will be binding upon the parties and their successors. As expressly intended, this agreement shall create rights and obligations which will be binding upon the City of Auburn Hills, and the right of Pontiac Township and the City of Auburn Hills to retain any monies paid hereunder by Oakland University is conditioned upon ratification of the agreement by the City Council of the City of Auburn Hills no later than March 31, 1984.

CHARTER TOWNSHIP OF PONTIAC

By _____
Robert W. Grusnick, Supervisor

Veronica C. New, Clerk

OAKLAND UNIVERSITY

By _____
Joseph Champagne, President

John De Carlo, Secretary