

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

Absent: Woodrow

Also Present: Manager, Spallasso  
Assistant Manager, Marshall  
Finance Director, Wiszowaty  
Director of Public Safety, Woodard  
Village Attorney, Ryan

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

#### **ADDITIONS TO AGENDA/APPROVE AGENDA**

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

Motion passed (6 – 0).

#### **PUBLIC COMMENTS**

Marcia Gershenson, Oakland County Commissioner, was present with information that Council had requested relative to locating an independent resource to assist with answering questions with respect to Beverly Hills becoming a city. The Michigan Association of Townships referred her to Mr. Lynne Harvey, who is an expert on this topic. He charges a fee of \$300 plus mileage for his services. Michigan Municipal League member Bill Matthews is available to consult with the Village at no charge. Beverly Hills could also contact Eric Lufer from the Citizens Research Council, a non-partisan organization used by the County. Another idea would be to contact Dave Boerger at SEMCOG (Southeastern Michigan Council of Governments), who consults with member communities. Gershenson remarked that these consultants would prefer to have a list of questions from Council before meeting to discuss the issues.

On behalf of the Oakland County Commissioners, Gershenson presented Council with a framed Resolution in honor of the 50<sup>th</sup> Anniversary of the Village of Beverly Hills. She thanked the members of the organizational committee for its hard work on the 50<sup>th</sup> Anniversary celebration planned for June 14 at Beverly Park.

Gershenson reviewed that the County Commission received a presentation today on the Community Development Block Grant (CDBG) fund allocations for this year. There has been a 4% reduction for 2008. Future funding levels will depend on the new President of the United States and how the new Administration decides to finance this program.

#### **CONSENT AGENDA**

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

- a. Review/consider approval of minutes of a regular Council meeting held May 20, 2008.
- b. Review and file bills recapped as of Tuesday, May 27, 2008.

Motion passed (6 – 0).

## **BUSINESS AGENDA**

### **PRESENTATION BY TED SOUPHIS FROM IBEX**

Ted Souphis of IBEX Insurance Agency was present with Phil Burghardt from AmeraPlan, Inc. to discuss the services that IBEX currently provides to the Village of Beverly Hills. IBEX Insurance Agency has been the risk manager and provider of insurance services for the Village for more than ten years. Souphis noted that the cost of their service is built into the insurance premium rates.

IBEX is a full service insurance agency specializing in providing a variety of insurance services to governmental employer groups. The company offers prompt and responsive service and provides its clients with cost containment benefit strategies and solutions. The Village has a dedicated account service representative to assist with claims resolution, employee additions, deletions and changes as well as providing support with group administration issues. This person makes administrative changes directly with Blue Cross Blue Shield and Blue Care Network. IBEX reviews the Village's renewal rates and provides multi-year comparison of rates and coverage; the agency was successful in 2006 and 2007 in obtaining rate reductions from Blue Cross Blue Shield.

Souphis related that IBEX assists employer groups with union negotiations. They work closely with the Village Manager and labor attorney to develop strategies and review cost containment solutions on the benefit options that are available. The Village was recently successful in negotiating a lower cost benefit plan that was union ratified.

IBEX keeps the Village updated on changes in the healthcare arena including the Health Care Reform Act passed in 2004, Public Act 106 passed in 2007, and GASB (Governmental Accounting Standards Board) Statement 45. GASB 45 requirements were outlined. The value of the promise made to provide retiree benefits must be actuarially calculated and accrued during the working years of employees and recognized as a financial obligation of the employer as the OPEB, or post employment healthcare benefit cost. Souphis stated that future benefit plan designs and strategies are key in lowering this liability. The recent implementation of a lower cost PPO plan in conjunction with the AmeraGap service was the first step in the process. Once claim data is compiled over one year, IBEX can determine what other lower cost, high deductible health plans are available to lower the Village's overall costs and also the GASB 45 liability.

Souphis addressed the company's retiree prescription benefit strategy. With the assistance of IBEX, the Village reviewed several plans and implemented a prescription reimbursement plan through BASIC, a third party administrator. This change resulted in a substantial savings to the Village over the past three years.

Souphis stated that the AmeraGap Service is provided by IBEX Insurance Agency through AmeraPlan Inc. in conjunction with the new benefit plan instituted as of May 15. The AmeraGap program eliminates the need for employee reimbursement by the Village. It is a benefit strategy that the Village can utilize to reduce its overall health care expense by 25% without changing

their employee's benefit levels. It is compatible with Blue Cross Blue Shield and Blue Care Network Plans.

Souphis outlined the AmeraGap benefit strategy. The employer purchases a high deductible health plan from Blue Cross Blue Shield that can significantly reduce premiums. Employees keep the current benefit levels from their current benefit plan. The employer self funds the added deductible and out-of-pocket costs on behalf of the employee, only if utilization occurs. The employer hires the services of AmeraPlan, Inc. to administer the self-funded portion of the added deductible and out-of-pocket costs. At the end of the Plan Year, after the employer has self funded a small amount of deductible and out-of-pocket expenses, the average group saves 25% on their annual health care spent for the year when compared to the current benefit plan. Phil Burghardt from AmeraPlan Inc., a provider of Third Party Administration services, presented additional information about the AmeraGap strategy and advantages.

Souphis addressed questions from Council on the AmeraGap service, union negotiations, and retiree prescription benefits. Stearn emphasized that the Village is trying to save on health care costs as well as bring down retiree health care costs. He remarked that the Village's unfunded retiree health care liability was not addressed to any extent in the presentation. Souphis responded that the Village needs to be progressive in changing policies for new hires and for future retiree benefits. For current employees, IBEX will be looking at claims data to determine what plans will be applicable to reduce that liability going forward.

Stearn questioned whether the Village could join with other communities for the purpose of purchasing health insurance. Souphis responded that this is an available option under Public Act 106, but noted that Beverly Hills is already pooled in the public sector. He added that other entities can join your group. A community would only want to combine services with groups that had good health experience.

Norm Downey of 23042 Nottingham Drive expressed concern about the Village's expenditure on retiree health care costs. He compared the BC/BC benefits received by Village retirees with his BC/BS plan, which appears to provide the same benefits at less cost. Souphis commented on the differences in Downey's individual Medicare plan compared with the Medicare plan that covers Village retirees.

Council thanked Ted Souphis and Phil Burghardt for their presentation.

#### **SECOND ANNOUNCEMENT OF THREE VACANCIES ON FINANCE COMMITTEE**

Stearn made the second announcement of three vacancies on the Village Finance Committee with terms to expire on June 30, 2011. He encouraged residents who would like to serve on the Finance Committee to submit an application to the Village. Applications are available at the Village office or can be printed from the Village web site ([www.villagebeverlyhills.com](http://www.villagebeverlyhills.com)). The deadline for receiving applications is Friday, June 6 at 4:30 p.m. A subcommittee of Stearn, Oen and Peddie will meet on Tuesday, June 17 at 7:00 p.m. to review applications and make a recommendation.

**REVIEW AND CONSIDER APPROVAL OF CONTRACT WITH SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY FOR WATER PURCHASE AND DISTRIBUTION**

Before Council for consideration is a second amendment to the existing contract between Beverly Hills and the Southeastern Oakland County Water Authority (SOCWA). The amendment extends the agreement to July 1, 2038 from its current expiration date of July 1, 2015. The reason for the extension is to allow SOCWA to enter into a new water purchase contract with the Detroit Water and Sewer Department.

Motion by Oen, second by Peddie, to approve the second amendment to the contract between the Village of Beverly Hills and the Southeastern Oakland County Water Authority that extends the existing contract to July 1, 2038 and authorize the Village Manager to sign the contract.

Jeff McKeen, General Manager, and Bob Davis, Attorney for the Water Authority addressed questions and comments from Council. McKeen was asked whether the Authority has given consideration to building a new water line so as not to rely on the City of Detroit for purchasing water. He responded that SOCWA and the Oakland County Drain Commissioner have thoroughly evaluated all of the alternatives to the DWSD water supply and have determined that none of the alternatives were financially feasible for this 30-year planning period. McKeen affirmed that the Authority's relationship with the DWSD has improved over the last four to five years and the Authority has had a substantial voice in how Detroit does things. The Authority is active in convincing Detroit to run its system better than it has been run in the past.

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

**REVIEW AND CONSIDER FLAG DAY PROCLAMATION**

Motion by Pfeifer, second by Berndt, to adopt the following Proclamation:

**Village of Beverly Hills  
Proclamation**

**Whereas**, the first annual day specifically celebrating the Flag is believed to have originated in 1884; and

**Whereas**, Flag Day was officially established by the proclamation of President Woodrow Wilson on May 30, 1916; and

**Whereas**, on August 3, 1949 President Harry Truman signed an Act of Congress designating June 14 of each year as National Flag Day; and

**Whereas**, on June 14<sup>th</sup> each year communities across the nation recognize the Stars and Stripes by properly displaying the flag from their homes, business, and public buildings; and

**Whereas**, by observing this tradition of a Flag Day celebration by properly displaying the Flag of the United States of America it is strongly endorsed by the Village of Beverly Hills,

**Now, Therefore, Be It Resolved** that the Village Council of Beverly Hills urges all residents to participate in this traditional celebration of Flag Day by properly displaying the flag on Saturday, June 14, 2008.

Motion passed (6 – 0).

**REVIEW AND CONSIDER APPOINTMENT OF VILLAGE REPRESENTATIVE AND ALTERNATE TO SOUTHEASTERN OAKLAND COUNTY RESOURCE RECOVERY AUTHORITY BOARD**

The Southeastern Oakland County Resource Recovery Authority (SOCRRA) is a 12-member community consortium that provides for collection of solid waste, yard waste, and recyclables and for the proper disposal, processing and/or sale of the same for the purchase, maintenance and care of the collection and disposal facilities.

Motion by Oen, second by Pfeifer, to appoint Renzo Spallasso as representative and Ellen Marshall as alternate to represent the Village of Beverly Hills on the Board of Trustees of the Southeastern Oakland County Resource Recovery Authority for the July 1, 2008/2009 fiscal year.

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

**REVIEW AND CONSIDER APPOINTMENT OF VILLAGE REPRESENTATIVE AND ALTERNATE TO SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY BOARD**

The Southeastern Oakland County Water Authority (SOCWA) provides Detroit water through its member distribution systems to its 11 member communities.

Motion by Oen, second by Pfeifer, to appoint Renzo Spallasso as representative and Bob Wiszowaty as alternate to represent the Village of Beverly Hills on the Board of Trustees of the Southeastern Oakland County Water Authority for the July 1, 2008/2009 fiscal year.

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

**REVIEW AND CONSIDER CONTRACT WITH CITY OF BIRMINGHAM FOR GUN RANGE USAGE**

Beverly Hills Public Safety Officers are required to complete periodic pistol/long gun range training in order to remain proficient in the use of weapons that they carry. This training mandate is supported by Department use-of-weapons policy and the MMRMA, the Village's risk insurer. Beverly Hills does not have its own facility and uses an outside resource, most frequently the Birmingham Police Department range. Beverly Hills' use of the range has been covered by a no-cost contract. Given the ongoing costs of regular maintenance and scheduled upgrading of the facility, the Birmingham Police Department is calling for a fee-based contract for upcoming years.

Maintenance and upkeep of the 6-position range facility include utilities charges for the building, repair and preventative maintenance to the automated range equipment along with periodic cleaning of the air filters and capture element. The Birmingham Police Department has proposed a use fee of \$3,000 per year to Beverly Hills. In determining this fee, total costs for the range operation and comparative fees assessed by other range-hosting agencies were considered. The term of the contract is for one year with three subsequent one-year renewals, subject to either party giving six months notice to be released from the contract. The contract has been reviewed by the Village Attorney. The Public Safety fiscal year 2008/09 budget contains funds for this expense.

Motion by Peddie, second by Stearn, that the Village of Beverly Hills Council authorize the Village Manager to sign the proposed contract for pistol range use with the Birmingham Police Department.

Director Woodard addressed questions from Council and the public on use of alternative ranges in surrounding communities. He explained that the proximity, air quality, and other features of the Birmingham range were taken into consideration. Due to the proximity of the facility, officers can do range activity on duty at straight time.

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

**REVIEW AND CONSIDER INSTRUCTING THE PLANNING BOARD AND PLANNING CONSULTANT TO AMEND SECTIONS OF CHAPTER 21 AND 22 OF THE MUNICIPAL CODE REGARDING DUAL MEMBERSHIPS ON ZONING AND PLANNING BOARDS**

Oen explained that there is a need to amend Chapters 21 and 22 of the Municipal Code to be in compliance with the State of Michigan Zoning Enabling Act. The Act requires dual membership on both the Planning Board and Zoning Board of Appeals. An ordinance amendment is also recommended to provide for the appointment of two alternate members of the Zoning Board of Appeals.

Motion by Oen, second by Berndt, to instruct the Planning Board and Planning Consultant to review and recommend amendments to sections of Chapters 21 and 22 of the Village Municipal Code to accommodate dual members on both the Planning Board and Zoning Board of Appeals and to allow for appointment of two alternate members of the Zoning Board.

Berndt related that this action is in response to the State Zoning Enabling Act of 2006, which instructed municipalities to have a voice from the planning body on the Zoning Board of Appeals. There are nine members on the ZBA. In order for the Zoning Board of Appeals to approve a variance, there must be an affirmative vote of five members of the Board no matter how many are sitting at the time. Many communities have alternate members of the Zoning Board in order to provide a more fully represented board.

Motion passed (6 – 0).

**REFER A REQUEST FROM THE BEVERLY HILLS CLUB, 31555 SOUTHFIELD ROAD, TO THE PLANNING BOARD FOR SITE PLAN REVIEW AND RECOMMENDATION**

Motion by Oen, second by Berndt, to refer a request from the Beverly Hills Club at 31555 Southfield Road for an interior addition to the Planning Board for review and recommendation.

Motion passed (6 – 0).

**PUBLIC COMMENTS**

Sharon Tischler of 21415 Virmar Court suggested that the business agenda items should be worded in a manner that would explain the subject to be discussed.

**REPORTS – MANAGER**

Spallasso reported that the 13 Mile Road reconstruction project is 50% complete. Work will begin on constructing curbs within the next 10 days. He related that 3,303 new water meters have been installed to date. Spallasso reminded residents to call and make an appointment when they receive notice that the contractor is in their area.

Spallasso stated that staff is working on preparing contract documents for the 2008 concrete road repair program and anticipates going out for bids before the end of the month.

In response to an inquiry from Council, Spallasso stated that he has nothing to report relative to the recent Zoning Board of Appeals decision on the Detroit Country Day School request for variance. Ryan suggested that Detroit Country Day was waiting for the minutes of the May 12, 2008 Zoning Board of Appeals meeting to be approved before exercising its option to go to Circuit Court. The Zoning Board will not meet in June.

**COUNCIL**

Peddie stated that the Village's 50<sup>th</sup> Celebration is coming up on Saturday, June 14. She mentioned that a small group of hard working volunteers have been organizing the event. Ellen Marshall was thanked for all her help.

Berndt commented that everyone had a great time at the Memorial Day Parade and Carnival.

Oen thanked everyone who has been involved in organizing the 50<sup>th</sup> Anniversary celebration and those members of the public and business community who have contributed in any way. He suggested that the Village consider placing separate receptacles in Beverly Park for recyclable containers.

Stearn reported that the Parks and Recreation Board met on May 15 with representatives of Brother Rice High School to discuss their proposal to create a baseball complex in Beverly Park and use the park for their baseball program. The Parks and Recreation Board recommended against accepting their proposal. Stearn questioned whether there is a need for any further consideration of this matter. The Finance Committee met on May 13 and will meet again on June 10.

Stearn encouraged residents to come out for the all-day 50<sup>th</sup> Anniversary Celebration on June 14. The Village will host a volunteer appreciation dinner tomorrow night, June 4.

Pfeifer thanked the Village Woman's Club for sponsoring the Memorial Day Parade and Carnival. She urged residents to join in the 50<sup>th</sup> Anniversary celebration on June 14<sup>th</sup> in the park. Pfeifer commented on the great job Eagle Scout Dan Mooney did on improvements to the south baseball diamond.

Pfeifer reported on the May 21 Cable Board meeting at which time AT&T representatives presented the Board with an update on their U-verse product and PEG solution. There was a discussion on what the communities will need in terms of equipment and transport products to carry their PEG channels on the U-verse system.

Koss listed the various activities that will take place during the day at the Village's 50<sup>th</sup> Anniversary Celebration in Beverly Park on Saturday, June 14. She hopes to see everybody there.

Motion by Pfeifer, second by Oen, to adjourn the meeting at 9:16 p.m.

Motion passed (6 – 0).

**Rosanne Koss**  
**President Pro-Tem**

**Ellen E. Marshall**  
**Village Clerk**

**Susan Bernard**  
**Recording Secretary**