

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

Absent: None

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

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. The Pledge of Allegiance was recited by those in attendance.

### **AMENDMENTS TO AGENDA/APPROVE AGENDA**

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

Motion passed.

### **COMMUNITY ANNOUNCEMENTS**

None.

### **PUBLIC COMMENTS**

None.

### **CONSENT AGENDA**

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

1. Review and consider approval of minutes of a regular Council meeting held July 3, 2018.
2. Review and file bills recapped as of Monday, July 9, 2018.
3. Review and consider resolution appointing delegates to the Michigan Employees' Retirement System Annual meeting.

Roll Call Vote:

Motion passed (7-0)

### **BUSINESS AGENDA**

#### **REVIEW AND CONSIDER ANNUAL FUNDING REQUEST AND CONTRACT FROM BIRMINGHAM YOUTH ASSISTANCE FOR FY 2018/2019 IN THE AMOUNT OF \$11,000**

Birmingham Youth Assistance (BYA) works to provide services and support to youths and families in the Village of Beverly Hills and the greater Birmingham School District community.

The Village Council approved funding in the FY 2018/19 budget for contract community action programs. Eleven thousand dollars (\$11,000) was allocated for BYA. BYA is requesting a contribution of \$11,000 to cover the funding of these important functions being provided to the

community by the organization. A contract entailing the services provided was provided for Council consideration.

Rueben Meyers, past Chairperson of Birmingham Youth Assistance (BYA), thanked Council for their ongoing support.

Catherine Womack, Case Worker, explained these services center on preventing and reducing juvenile delinquency, child neglect and abuse through citizen, school, court and municipal involvement. BYA acts in similar fashion to a “community services” function.

Motion by Mueller, second by Oen, be it resolved that the Council for the Village of Beverly Hills approves the funding request of Birmingham Youth Assistance in the amount of \$11,000 for the provision of youth and family services, further that Administration is directed to sign the contract document providing for this continuing community service.

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

#### **ANNOUNCEMENT OF A VACANCY ON THE BIRMINGHAM AREA CABLE BOARD**

A vacancy exists on the Birmingham Area Cable Board with a term expiration date of June 30, 2020. The Cable Board meets at 7:45 a.m. on the third Wednesday of each month in the Village Council Chamber. They advise the Village Council as to all matters related to Cable Television. The Board monitors performance of the franchisee and compliance with the franchise agreement and acts as liaison between residents and the franchisee.

Applications will be accepted until the vacancy is filled.

#### **REPORT FROM THE PLANNING COMMISSION SUBCOMMITTEE REGARDING ZONING PERMITS, I.E. SHEDS, MECHANICAL UNITS**

Borowski provided an overview of the history including the directives of Council, the formation of the sub-committee, and the research completed. An extensive report on their findings was provided to Council.

##### **Summary of findings of the subcommittee:**

1. Accessory buildings less than 200 SF are not subject to permit process.
2. Small shed buildings are readily available from many retail stores including large home improvement retail outlets (e.g. Lowe’s, Home Depot), lumber yards, hardware stores and online outlets. These sheds are available in many styles, materials and sizes and costs range from \$300 to \$400 up to several thousands of dollars.
3. Existing zoning requires buildings and structures cannot be closer than 5 feet to the property line.
4. Existing zoning requires buildings and structures must be in the back yard of the lot.
5. Existing zoning restricts building height to no more than 15 feet.
6. Buildings less than 200 sq. ft. are not required to have foundations or rat walls.
7. There are no requirements or restrictions on materials or style.

8. There are no specific requirements concerning maintenance other than general Village maintenance and health and safety concerns.
9. HVAC units and permanent natural gas-powered generators are allowed in the side yards by administrative action provided the owner of the adjacent lot agrees.
10. There is a potential issue with allowing side yard structures as they can encroach on the fire safety requirements between buildings and restrict back yard access especially in small lot zoning districts. This issue is not currently addressed by setback requirements.
11. There are no screening requirements for mechanical units.

**Recommendations by Planning Commission to Council**

1. Regulation of small buildings in excess of 120 sq. ft. should be implemented.
2. Small structures over 120 sq. ft. are by their size and expense more permanent in nature and should be required to have some minimal standard of foundations or rat walls or concrete slab or flooring.
3. Regulation of style and materials should not be required except the general statement that they be harmonious and compatible with surroundings.
4. Placement of mechanical units such as HVAC units and natural gas-powered emergency electrical generators in side yards should be allowed and regulations be implemented.

Council thanked Borowski for the sub-committee’s extensive work on the topic. They agreed that any structure over 120 sq. ft. should be regulated, particularly by requiring a rat wall and proper footing.

Delaney expressed reservations related to the challenges presented by changes to the regulations related to mechanical units.

Wilson supported regulations related to supplemental buildings, and believes regulation related to mechanical units should be considered. Administration receives numerous requests each year for side yard generators.

Paula Roddy, East Rutland, asked that the Commission consider noise pollution when allowing mechanical units in the side yard. She also suggested consideration be given related to adequate space for contractors to access equipment.

Motion by Nunez, second by Peddie, that the Village of Beverly Hills Council direct the Planning Commission to draft an ordinance with regard to mechanical units in side yards, and a revision to the supplemental structure ordinance, based on the recommendations of the subcommittee.

Roll call vote:

Oen -	yes
Peddie -	yes
Abboud -	yes
Delaney -	no
Mooney -	no
Mueller -	no

Nunez - yes  
Motion passed (4-3)

**RECEIVE AND FILE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) ACTUARIAL REPORT DATED 12-31-17**

The Village is in receipt of the most recent actuarial valuation report from the Municipal Employees' Retirement System of Michigan (MERS). This report is produced annually to analyze the Village's demographic data, investment performance, and other factors to produce a contribution rate for pension costs for the coming year.

The Village's funding ratio as of 12/31/2011 is 87%. The Village's market rate of return for 2017 was 13.07%. With the use of 5-year asset smoothing, the actuarial rate of return for 2017 was 6.08%. The Village's actuarial value of assets as of December 31, 2017 is 101%. MERS is currently using an actuarial assumption for the annual rate of return of 7.75%.

MERS made changes to their assumptions and methods in 2015 for all members. These changes are being phased in over a five-year period. FY19 will be the third year of the five year phase in. Use of the phase in rates will result in a monthly charge of \$36,825 or \$441,900 annually. For FY19 the Village budgeted \$441,940 for this expense. Per this report, our costs for FY20, with continued use of the phase in, will be \$38,787, or \$465,444 annually. Village administration will use the projected figures for FY20 in future budget preparations.

Village Administration remains concerned about the projected rapid increase and precipitation crash forecasted by MERS for future contributions. The Village's projected costs are to rise sharply over the next five years and remain relatively high before falling to around \$100,000 annually in 2029. It is precisely this type of volatility that the Village would hope MERS would be working to avoid in future years. Such an aggressive prefunding of future pension costs over a short time horizon, followed by decades of negligible contributions, seems an undue and unfair burden to this generation of taxpayers.

This short horizon is being imposed on the Village due to our program being "closed" to new hires since 2013. In 2013, the Village implemented a Defined Contribution Plan (DC) for all new hires. It is confusing to Administration why MERS actuarial standards would punish communities who stop accruing new liability in their defined benefit plans with models that greatly increase costs in the short term while allowing "open" plans to accrue new liability annually on a much longer payment schedule.

Nevertheless, the Village Administration is pleased with the current funding status and recommends that Council receive and file the MERS Actuarial Valuation Plan as of December 31, 2017.

Mueller stated it was an undue burden to be charged additional monies when the plan is self-funded.

Tony Lott, Riverside Drive, explained his concerns related to the risk of underfunding MERS and being unable to make up the difference.

Motion by Oen, second by Peddie, be it resolved that the Village of Beverly Hills Receive and file Municipal Employees' Retirement System (MERS) Actuarial Report dated 12- 31-17.

Motion passed.

**REVIEW AND CONSIDER AWARDING CONTRACT FOR 2018 CONCRETE ROAD REPAIR PROGRAM**

The Village took bids for the 2018 Concrete Road Improvement Program on July 12<sup>th</sup> at 11:00AM. This work will consist of concrete slab replacement on 13 Mile Rd. west of Evergreen in Beverly Hills and on Old Stage Rd north of 13 Mile Rd. in Bingham Farms; of which Bingham Farms will be bearing the cost for replacement.

The bids ranged from \$361,615 as the high bid by HMC, LLC Concrete Co. to a low bid of \$165,056 by Great Lakes Contracting. Great Lakes Contracting has never worked for the Village, a background check on the company was conducted and they were found to be an acceptable contractor. The low bid of \$165,056 is split at \$129,155.50 for the Village of Beverly Hills and \$35,900.50 for Bingham Farms. Bingham Farms was contacted and they find this bid acceptable. Bingham Farms will be billed for their share of the work as it progresses. The budget for Village of Beverly Hills' portion can be found in line item 202-451-810. Administration recommends that the Village of Beverly Hills award this project to Great Lakes Contracting.

Motion by Delaney, second by Oen, that the Village of Beverly Hills Council award the 2018 Concrete Road Improvement Program to Great Lakes Contracting in the amount of \$165,056 for the replacement of concrete on 13 Mile Rd. west of Evergreen and on Old Stage Rd. in the Village of Bingham Farms. The budget for Village of Beverly Hills' portion can be found in line item 202-451-810.

Roll call vote:

Motion passed (7-0).

**PUBLIC COMMENTS**

Racheal Hrydziuszko, Evergreen, shared with Council several national news articles related to the popularity of backyard chicken ownership across the US.

**MANAGER'S REPORT**

**Water Bill Comparison** – SOCWA has produced their annual comparison of water bills for all member communities. I have included a copy of their analysis for your review. Water and Sewer Billing methodology varies significantly across all communities, so to make a comparison SOCWA uses a standard of quarterly charges based upon 4,000 cubic feet of water use per quarter with a 5/8" meter. 4,000 cubic feet would equal 40 units as measured by the Village. Amongst the ten (10) communities listed in the analysis the Village has the third lowest rate at \$402.01. The rate of \$408.01 incorrectly includes a meter charge of \$6 that we no longer assess. SOCWA has been notified of the correction. The average amongst the ten communities was \$428.26. SOCWA also produced a comparison chart of the average costs per 1,000 cubic feet (10 units) based upon

water consumption of 4,000, 8,000 12,000, 16,000 and 20,000 cubic feet per quarter. Again, the Village was below the average of each of these measures.

**Fence Ordinance** – The revised fence ordinance will take effect on July 17th. Village Administration has produced a revised application form based upon the new regulations. Village Administration has also begun the process of identifying all existing non-compliant fences and notifying those homeowners to seek permits and bring those fences into compliance.

**Southfield Rd. Joint Sealing** – The Village has been notified that the Road Commission for Oakland County will be performing joint and crack sealing on Southfield Road sometime between now and this fall between 12 Mile and 14 Mile. An anticipated date for this work is not available, but will shared when a date becomes known.

CORE Projects will be presenting their findings related to the Southfield Corridor Project at the July 25<sup>th</sup> Planning Commission meeting.

### **COUNCIL COMMENTS**

Abboud congratulated the renewed and newly appointed chairperson Charles Raeder, and Vice-Chairperson Reanna Maxwell on their appointment. He thanked Michele Tillman for her time as Chairperson and Mary Ann Verdi-Hus for her time on the Board. He announced his intention to run for Council in November 2018.

Delaney reported that the Public Safety mini pumper is expected to be delivered in September, and the large pumper is expected in January 2019. There has been an update to the state of Michigan statute; a driver is required to allow 3 feet of space to the left of a bicycle when passing.

Mooney explained that the Parks Millage on the November Ballot is intended to be used for all parks in the Village, with concentration on Riverside Park and the pocket parks in the neighborhoods east of Southfield. On the August ballot the residents will vote on Council Remuneration. If passed, the change will not begin until 2020, at which time all current Council members will have either left Council or been reelected.

Motion by Oen, second by Abboud, to adjourn the meeting at 9:11 p.m.

Motion passed.

**John Mooney**  
**Council President**

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

**Elizabeth M. Lyons**  
**Recording Secretary**