



CITY OF AUBURN HILLS

REGULAR CITY COUNCIL MEETING

MINUTES

NOVEMBER 25, 2024

CALL TO ORDER & Mayor Marzolf at 7:00 PM.

PLEDGE OF ALLEGIANCE:

LOCATION: Council Chamber, 1827 N. Squirrel Road, Auburn Hills MI

ROLL CALL: Present: Council Members Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

Absent: Council Member McDaniel

Also Present: City Manager Tanghe, Assistant City Manager Skopek, City Attorney Beckerleg, City Clerk Pierce, Chief of Police Gagnon, Fire Chief Massingill, Assistant Fire Chief Robinson, DPW Director Baldante, Community Development Director Cohen, Asst to Dir./Construction Coord. Lang, Director Recreation and Senior Services Adcock, Asst Dir. Recreation and Senior Services Beckett, Fieldstone Golf Club General Manager Hierlihy, Assistant to the City Manager Hagge, Engineer Driesenga

13 Guests

4. APPROVAL OF MINUTES

4a. City Council Regular Meeting Minutes, November 11, 2024.

Moved by Knight, Seconded by Hawkins.

RESOLVED: To approve the City Council Regular Meeting Minutes of November 11, 2024.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.175

Motion Carried (6 - 0)

5. APPOINTMENTS AND PRESENTATIONS

5a. Motion – To confirm the reappoint of Gail Cartwright to the Public Safety Advisory Committee.

Moved by Ferguson, Seconded by Fletcher.

RESOLVED: To confirm the reappointment of Ms. Gail Cartwright to the Public Safety Advisory Committee for a term ending November 20, 2025.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.176

Motion Carried (6 - 0)

6. PUBLIC COMMENT

Ronald Matthews, 2330 Joy Rd, expressed concern with the approval of a marihuana dispensary at the corner of Joy Rd/Opdyke Rd which abuts a residential area. He expressed concern with an increase in traffic and property value decrease.

Victoria Dobreanu, 2032 Joy Rd, expressed concern with the marihuana dispensary located at the corner of her residential street.

Chief Gagnon commented that marihuana dispensaries have been in Oakland County for a while now. The Police Department has always been cooperative and partner with local law enforcement sharing information

and intelligence. There have not been any concerns about criminal activities surrounding these establishments that has been shared with the department.

Patricia Matthews, 2330 Joy Rd, stated that the residents should have had more knowledge that this was coming into the community.

Mr. Cohen confirmed that the referenced property is zoned commercial, B-1 Limited Business District. Mr. Tanghe noted that this is an allowable use in that commercial zoning. The property abuts a residential neighborhood, but it is not in a residential zoned neighborhood. He pointed out that there is a lot of development along Opdyke, for example, with side streets that have homes behind commercial buildings.

Mr. Tanghe explained that prior to 2022, the City had been opposed to adult use marihuana facilities in the City. The City took a firm stance and opted out of allowing it in the community. There is a provision in state law that allows a petition-initiated vote. The petition received enough signatures to be placed on the ballot in 2022. The residents of Auburn Hills voted to allow this in the community. He explained that there was a barrage of communication to the residents at that time. He further explained that all public meetings are posted the same.

7. CONSENT AGENDA

7a. Board & Commission Minutes

7a1. Planning Commission, November 13, 2024

7a2. Public Safety Advisory Committee Special Meeting, November 19, 2024

RESOLVED: To receive and file the Board and Commission Minutes.

7b. Motion – To approve the 2025 Fee Schedule.

RESOLVED: To adopt the 2025 City of Auburn Hills Fee Schedule as submitted.

7c. Motion – To adopt the 2025 Benefits Resolution for Non-Union Personnel.

RESOLVED: To adopt the 2025 Benefits Resolution for Non-Union Personnel, as submitted. (Attachment A)

7d. Motion – To approve a third Food and Beverage Services Extension Agreement with Crank’s Services, LLC.

RESOLVED: To approve the “Third Food and Beverage Services Extension Agreement” with Crank’s Services, LLC. The extension will be in effect for the 2025 golf season beginning January 1, 2025, and concluding December 31, 2025.

7e. Motion – To approve the SBCA Fill Station Grant Purchase.

RESOLVED: To approve the purchase of the SCBA fill station provided by West Shore Fire in the amount of \$72,097.00. Move to approve budget amendments as detailed in this memo increasing the revenues \$64,887.30.

7f. Motion – To purchase extrication equipment.

RESOLVED: To approve the purchase of extrication equipment from MacQueen Equipment, LLC. in the amount of \$41,800 from fire suppression account number 101-339-978.000.

7g. Motion – To approve the purchase of Police Department office furniture and workstations.

RESOLVED: To purchase Haworth office furniture from ISCG Workplace Design + Furnishing in an amount not to exceed \$32,258.46.

7h. Motion – To approve the Police Department Property Room remodel and locker installation.

RESOLVED: To use Allied Building Services as the vendor for installation of the property/evidence lockers and reconstruction of the property/evidence processing area for the amount not to exceed \$33,860.00.

Moved by Verbeke, Seconded by Fletcher.

RESOLVED: To approve the Consent Agenda.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.177

Motion Carried (6 - 0)

8. UNFINISHED BUSINESS

9. NEW BUSINESS

9a. Public Hearing/Motion – To approve the Community Development Block Grant (CDBG) Funding Allocation for Program Year 2025.

Ms. Adcock explained that the CDBG program funds housing, public facilities, public service, and community development activities that benefit low-income households and persons with special needs. Oakland County receives CDBG funds as the agent and distributes the funds based on the total population and the number of low/moderate-income residents in the community.

Ms. Adcock explained the Minor Home Repair and Yard Service programs. She noted that the Yard Service, which is lawn mowing and snow plowing, is one of the most requested services. The Minor Home Repair program has helped homeowners obtain necessary repairs from reliable, insured contractors.

Mayor Marzolf opened the Public Hearing at 7:30 PM.

Hearing no public comment, the Mayor closed the Public Hearing at 7:31 PM.

Moved by Fletcher, Seconded by Hawkins.

RESOLVED: To accept the Conflict-of-Interest Certification as part of the CDBG application and to authorize the City Mayor to sign the application and staff to submit documents to Oakland County.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.178

Motion Carried (6 - 0)

Moved by Verbeke, Seconded by Ferguson.

RESOLVED: To accept the Community Development Block Grant (CDBG) application budget line item: Minor Home Repair in the amount of \$66,698 as part of the approximate amount of \$78,466 and to authorize the City Mayor to sign the application and staff to submit the documents to Oakland County.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.179

Motion Carried (6 - 0)

Moved by Fletcher, Seconded by Verbeke.

RESOLVED: To accept the Community Development Block Grant (CDBG) application budget line item: Yard Services in the amount of \$11,768 as part of the approximate amount of \$78,466 and to authorize the City Mayor to sign the application and staff to submit the documents to Oakland County.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.180

Motion Carried (6 - 0)

9b. Motion – To approve a Special Land Use Permit (SLUP)/ Wescast Industries, Inc.

Mr. Cohen explained the request from Wescast Industries, Inc. to conduct a light industrial production activity located at 3300 University Drive. He noted that they received a similar SLUP approval seven years ago, but never occupied the building. The company is now ready to proceed and agreed to honor the conditions of that original approval with two minor changes: to expand the high-bay area and to request permission to have multiple tenants within the building.

Moved by Verbeke, Seconded by Ferguson.

RESOLVED: To accept the Planning Commission's recommendation and approve the Special Land Use Permit for 3300 University Drive - Wescast Industries, Inc., subject to the conditions of the City's Administrative Review Team. The conditions of approval will be memorialized in an update to the Development Agreement between Wescast and the City, which will be drafted by the City Attorney and recorded with the Oakland County Register of Deeds. The update to the Development Agreement shall be executed before the company's Building Permit for this project is issued.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.181

Motion Carried (6 - 0)

9c. Motion – To approve a One-Year Extension of the Special Land Use Permit, Site Plan, and Tree Removal Permit / Clean View Auto Wash.

Mr. Cohen presented the request for a one-year extension for the Special Land Use Permit, Site Plan, and Tree Removal Permit for a car wash located at 3915 Auburn Rd. This project was originally approved in November, 2022 and a one-year extension was granted last year. This project will begin in the spring.

Discussion ensued regarding this project. Frank Tolma, President of Clean View Auto Wash, explained that the delay is because they grew too fast. Another entity has acquired all of their locations except this one which is family-owned. He stated that once the weather breaks, they can break ground immediately. He confirmed that they are working through the remedial work that was needed at the site.

Moved by Hawkins, Seconded by Knight.

RESOLVED: To approve a one-year extension of the Special Land Use Permit, Site Plan, and Tree Removal Permit for Clean View Auto Wash. The approval shall expire on November 28, 2025. The applicant is advised that this extension will be the final extension granted by the City Council.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.182

Motion Carried (6 - 0)

9d. Motion – To approve the revised City of Auburn Hills Architectural Design Policy.

Mr. Cohen explained that the current Architectural Design Policy was adopted in 2002.

The Planning Commission reviewed the policy. Mr. Cohen explained that the policy presented tonight is a refinement of how the policy has evolved over the past 22 years. The Planning Commission considered building materials and colors, what are high-quality architectural features and how buildings should be masked which has been expanded in detail in the revised policy. It also has a statement that staff has been given the authorization by the City Council to negotiate better design at the time of review so that City Council does not have to do that design at the table. This has ensured a better product and Council is presented with the final design at the public meeting. The Planning Commission has adopted the policy and recommended that City Council adopt it as well so it is clear to the development community that these are the City standards.

Mr. Cohen confirmed for Mr. Knight that there is an appeal process if needed.

Moved by Fletcher, Seconded by Verbeke.

RESOLVED: To accept the Planning Commission's recommendation and approve the revised City of Auburn Hills Architectural Design Policy.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.183

Motion Carried (6 - 0)

9e. Motion – To approve the modernization contracts for Fire Stations 1, 2, and 3.

Chief Massingill explained that over the past 20 years, the department has experienced significant growth as it transitioned from a paid on-call to a combination department consisting of full-time and part-time firefighters. The fire stations were never designed for full-time staffing and have been adapted as best they could over the years.

Chief Massingill explained that modernization of the stations has been a long-term goal and design work began in 2021. The focus of these designs was to improve service delivery for the residents and improve productivity and working conditions for staff. Heavy emphasis was placed on meeting the needs of the department today and well into the future. He explained the funding and noted that Representative Haley Stevens Office secured \$981,087 in funding as part of the Community Project Funding through The Department of Housing and Urban Development to make up the budget shortfall for Stations 1 and 3. The Tax Increment Finance Authority approved \$484,150 to address the budget shortfall for Station 2.

Moved by Verbeke, Seconded by Fletcher.

RESOLVED: To approve contracting with Shaw Construction for modernizations of Fire Stations 1, 2, and 3 and Spicer Group for construction management services at a combined cost of \$3,338,850.00, amend the 2024 General Fund Fire Suppression budget revenue with an increase of \$981,087.00 in account number 101-339-528.000-HUDGRANT, amend account number 101-336-975.000-FIRESTATION1 in the amount of \$490,543.50, and amend account number 101-336-975.000-FIRESTATION3 in the amount of \$490,543.50.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.184

Motion Carried (6 - 0)

10. COMMENTS AND MOTIONS FROM COUNCIL

Mr. Knight complimented DPW on their continued work on the pathways. He pointed out a new diverging diamond that was recently installed in the state and noted that Auburn Hills was the first in the state to install the diverging diamond. He expressed appreciation for the City Manager's explanation on the marihuana

process. He stated that he recognizes the concerns of the residents on Joy Rd, but it is commercial along Opdyke Rd.

Ms. Verbeke questioned if something could be done to eliminate the driveway out to Joy Rd. Mr. Cohen stated that is something the City Attorney would have to review. Mr. Cohen confirmed that a building permit would be required at the point they decide to renovate the building. Ms. Verbeke pointed out that CN Railroad has been clearcutting near Brown Rd.

Dr. Fletcher questioned the status of Dexter Rd. Mr. Baldanted stated that the plan is to top the road tomorrow, but it is weather dependent. Mr. Cohen confirmed for Dr. Fletcher that the former Rite Aid building is currently vacant and there are no development proposals at this time.

Mr. Hawkins thanked DPW on their response to an issue on South Blvd. He noted that whenever there are any issues that arise, the DPW is extremely responsive.

Mayor Marzolf wished everyone a happy and safe Thanksgiving.

11. CITY ATTORNEY REPORT

12. CITY MANAGER REPORT

Mr. Tanghe noted that the Tree Lighting is on Friday, December 6th at 6:00 PM. The location has moved to the plaza area in Riverside Park.

13. ADJOURNMENT

Moved by Knight, Seconded by Ferguson.

RESOLVED: To adjourn the meeting.

VOTE: Yes: Ferguson, Fletcher, Hawkins, Knight, Marzolf, Verbeke

No: None

Resolution No. 24.11.185

Motion Carried (6 - 0)

The meeting adjourned at 8:07 PM.

Brain W. Marzolf, Mayor

Laura M. Pierce, City Clerk

ATTACHMENT A

CITY OF AUBURN HILLS
2025 RESOLUTION
BENEFITS FOR NON UNION PERSONNEL – AS AMENDED
EFFECTIVE JANUARY 1, 2025 THROUGH DECEMBER 31, 2025

This Resolution, as adopted by City Council on August 28, 1985, and subsequently amended as stated in Section XIII of this resolution, is proposed to be amended as follows:

WHEREAS, certain employees of the City are not covered by a collective bargaining agreement; and

WHEREAS, the salaries and certain benefits for these employees are covered in other Resolutions and Motions of the City Council, but certain other conditions of employment and benefits have not been specifically stated before; and

WHEREAS, it is the intent of this Resolution to specifically state and provide for certain conditions of employment and benefits.

NOW, THEREFORE, BE IT RESOLVED that the following shall be effective for these employees of the City of Auburn Hills:

I. WORK WEEK

The normal work week consists of five (5) days, Monday through Friday. The normal workday consists of eight (8) hours of work with a one-hour lunch break. Normal work hours are 8:00 a.m. to 5:00 p.m. daily. In addition to normal office hours, employees may be required to attend evening meetings and perform other duties outside regular office hours in the best interest of the City.

II. VACATION LEAVE

A. Administrative (Non-Union) employees shall receive leave time as follows:

- | | |
|-----------------------------|--|
| 1. First year | 6.66 hours/month (10 days) |
| 2. Year 2 to end of year 9: | 10 hours/month (15 days) |
| 3. Year 10 and over: | 13.33 hours/month (20 days) |
| 4. Maximum accrual: | 1 times annual accrual, excess forfeited |

B. Employees who lost time due to on-the-job disability under Worker's Compensation up to a maximum of one (1) year shall receive their vacation as though the time was worked. In instances where employees lose time other than on-the-job disability, the City Manager shall determine the extent of their benefits earned during their absences, if any.

C. Employees are encouraged to take leave and each employee covered by this resolution shall be required to take one period of leave per year consisting of forty (40) consecutive work hours (5 days). Employees may elect to receive a buyout of up to 40 hours of vacation time at the end of each year, to be paid in January for the preceding year and at the preceding year's regular base pay rate, only if the employee has eighty (80) or more hours accumulated in their bank as of December 31. Vacation time buyout shall not be considered as part of Final Average Compensation Calculations for Defined Benefit Pensions.

D. Upon termination of employment, an employee shall be paid for the unused and earned accumulation of leave hours in their leave bank up to a maximum of two (2) times the amount of leave hours allowed on an annual basis. However, an employee who resigns from the City must submit a written resignation to Human Resources designating their effective date of resignation ("termination of employment date"). A minimum of fourteen (14) days advanced written notice is required. Leave time will not be permitted during the fourteen (14) day notice period. Any employee failing to give that advance timely written notice shall receive payment for only fifty percent (50%) of their unused and earned accumulation of leave hours.

III. NON-DUTY CONNECTED DISABILITY

- A. The employer shall pay the premium to provide the STD insurance policy presently in effect. The weekly benefit shall be equal to 66 2/3% of the employee's base weekly salary to a maximum of \$1,500.00.
- B. The employer shall pay the premium to provide the LTD insurance policy in effect. The monthly benefit shall be equal to 66 2/3% of the employee's base monthly salary to a maximum of \$6,500.00.

IV. Sick Leave

- A. All administrative employees shall accrue sick leave at the rate of eight (8) hours for each month of service, not to exceed ninety-six (96) hours per year.
- B. Sick leave is provided to permit an employee to remain in pay status while absent from work because of:
 - 1. Personal illness or injury
 - 2. Pregnancy
 - 3. Illness or injury in own family (mother, father, wife, husband, children, step-children).
- C. Accumulation of sick leave may not exceed thirty (30) days at the end of any calendar year. Employees will be paid for all accumulated sick days over thirty (30) at the end of any calendar year.
- D. Upon the employee's death, retirement, or resignation, the City will pay one hundred percent (100%) of their accumulated unused sick time. An employee who resigns from the City must submit a written resignation to Human Resources designating their effective date of resignation ("termination of employment date"). A minimum of fourteen (14) days advanced written notice is required. Any employee failing to give that advance timely written notice shall receive payment for only fifty percent (50%) of accumulated unused sick time.
- E. Employees off sick shall be required to bring in a doctor's slip if the City Manager requests it. The employer may require an examination of the employee, following an illness or injury, by a doctor of the employer's choice on City time and City expense.

V. DUTY-CONNECTED INJURY PAY

- A. Provisions of the Michigan Worker's Compensation Act shall apply to all duty-connected accidents or injuries of the employees in the line of duty.
- B. The employee shall receive eighty percent (80%) of his/her gross pay exclusive of all deductions for duty-connected injuries for up to one (1) year in conjunction with Worker's Compensation.

VI. OTHER LEAVE

- A. Jury Duty: Any employee required to serve on jury duty will suffer no loss of pay but will be paid the difference between jury pay and his/her regular pay. The employee shall return to work if his/her presence is not required at court.
- B. Funeral Leave: In the case of death occurring in the employee's immediate family requiring his/her absence during a duty period, the employee shall be granted a leave of absence with pay for such period not to exceed five (5) consecutive workdays as will be necessary in the particular circumstances, one day of which shall be the day of the funeral. Immediate family is defined as the employee's wife, husband, children, mother, father, sister or brother. Three (3) days, one of which shall be the day of the funeral, shall be granted for parents-in-law, grandparents, or grandchildren. One (1) day on which the funeral takes place, shall be granted for grandparents-in-law, brother-in-law, sister-in-law, niece, nephew, aunt, or uncle of the employee or employee's spouse, provided the funeral occurs on an employee's scheduled workday.

VII. HOLIDAY PROVISIONS

The paid holidays are designated as follows:

- | | |
|------------------|------------------------------|
| 1. New Years Day | 6. Thanksgiving Day |
| 2. Good Friday | 7. Friday after Thanksgiving |
| 3. Memorial Day | 8. Christmas Eve |
| 4. 4th of July | 9. Christmas Day |
| 5. Labor Day | 10. New Years Eve |

In addition to the above ten (10) holidays, employees will be granted ~~three (3)~~ four (4) "Floating Holidays" each calendar year. The "Floating Holidays" shall be granted at any time provided one (1) week notice is given by the employee. "Floating Holidays" can also be used to extend vacations provided notice is given one (1) week prior to the scheduled vacation. Floating holidays shall not be carried over to the next year and shall not be paid out at the conclusion of the calendar year. An employee who resigns from the City must submit a written resignation to Human Resources designating their effective date for resignation ("termination of employment date"). A minimum of fourteen (14) days advanced written notice is required. Any employee failing to give that advance timely written notice shall receive payment for only fifty percent (50%) of their unused and earned floating holidays.

VIII. HEALTH INSURANCE

Section 1. Active Employee Health Benefits

The employee and his/her eligible dependents shall be covered by health insurance, including a prescription drug plan under the terms and conditions of the plan manager, and cost containment provisions for second opinion surgery, and exclusion for pre-existing conditions may exist. Hospital pre-admission certification may be required for the employee and eligible dependents in accordance with the policy currently in effect.

Effective January 1, 2024, The HMO/EPO shall have a \$20 PCP/\$40 specialist office visit co-pay, \$40 urgent care visit co-pay, \$100 emergency room visit co-pay. The in-network deductible shall be \$500/\$1,000. Co-insurance is 80/20% to \$1,000 single/\$2,000 couple or family. The PPO shall have \$25 PCP/\$50 specialist office visit co-pay, \$50 urgent care visit co-pay, \$100 emergency room visit co-pay. The in-network deductible shall be \$750/\$1,500. In network co-insurance is 80/20% to \$1,000 single/\$2,000 couple or family. Out-of-network co-insurance is 50/50% to \$5,000 single/\$10,000 couple or family.

A. Job-Related Injury

Health insurance premiums shall be paid for a period of up to five (5) years for an employee disabled due to a job-related injury and for a period of up to one (1) year for other disabilities not related to employment.

B. Medical Insurance Buyout Option

Medical Insurance buyout is available at the rate of \$130 per pay period or \$3,380 per year to employees who elect to no longer take the City's health care insurance. This waiver of insurance shall apply only to the medical and prescription portion of coverage and not to the dental or optical portions. Should the employee lose coverage from another source, the employee may elect to once again take coverage and to relinquish their right to the monthly buyout. The City shall require that the employee provide proof of insurance coverage from another source (including spouse and dependent coverage where applicable) prior to the City granting buyout payment. In any case, the annual buyout payment shall not exceed 1/3 the cost of the annual premium amount of the medical coverage. Payment for the medical insurance buyout shall not be included as part of the final average compensation calculations for the pension.

C. Prescription Drug Coverage

Prescription drug coverage shall be provided to the employee and his/her eligible dependents based on a three-tier co-pay system whereby the employee is responsible for:

- \$10 for Generics
- \$30 for Brand Name Drugs
- \$80 for Non-Preferred Drugs

with two times the applicable co-pay for the 90-day supply mail-in program and generic enforcement. The plan shall include formulary changes from time to time that may cause drugs to be placed into different co-pay categories. Specialty drugs, as determined by the plan manager shall have a 50% employee co-pay. Availability of specialty drugs shall occur only after all other drug therapies have been exhausted.

D. Dental Coverage

Dental coverage shall be provided to the employee and his/her eligible dependents through the Delta Dental Family Plan, Class I and Class II, or equivalent coverage from another provider with an accrued benefit amount of \$1,200 per family member and an 80/20 co-pay. The co-pay for major restorative (caps, crowns, etc.) shall be 50/50. The coverage shall also include orthodontics with a 50/50% benefit level to a maximum of \$2,000 per family member with an age limit of 19.

E. Vision Coverage

Vision coverage shall be provided to the employee and his/her spouse and eligible dependents through Preferred Vision or equivalent coverage from another provider. Coverage includes annual eye exam, lenses, frames and contact lenses; frame allowance of \$135 (approximately) retail, contact lenses \$100 for cosmetic purposes/covered in full for medical necessity (in lieu of all other benefits); \$10 co-pay for examinations.

F. COBRA

The City shall offer the employee continuation health coverage as required under the Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272 Title IX). The premiums for such coverage shall be the responsibility of the employee and/or eligible beneficiary.

G. EMPLOYEE PREMIUM SHARE

The Employer may opt to implement either PA 152 cap on an annual basis. The Employee contribution shall be collected by way of twenty-four or twenty-six equivalent payroll deductions and shall begin on January 1, 2015.

Section 2. Retiree Health Benefits

A. Employees Hired before January 1, 2007

Health insurance, including a prescription drug plan, dental coverage and optical services, shall be provided for the eligible retiree and his/her spouse. An eligible spouse is one who is the spouse of record two years prior to retirement. In the event of the death of the retiree, the City shall pay the total cost of providing medical coverage, subject to contribution requirements below under "Effective January 1, 2011 for Defined Benefit Retirees", for the surviving spouse until such time the surviving spouse is eligible for Medicare Supplemental Policy, at which time the City shall pay the cost of the Medicare Supplemental Policy.

EFFECTIVE JANUARY 1, 2010 FOR ALL RETIREES: Health insurance, including a prescription drug plan, dental family coverage and optical services, shall be available for the eligible dependents of the retiree. Such care may be purchased through the City at a cost of 102% of the policy premium in effect at the time. Eligible dependents qualify by being on record with the City for at least two years prior to employee's retirement and meeting eligibility requirements of the policies.

EFFECTIVE JANUARY 1, 2011 FOR DEFINED BENEFIT RETIREES: Health insurance, including a prescription drug plan, dental and optical coverage, shall require a contribution from all retirees, regardless of retirement date, as follows: For retirees whose monthly pension payment is equal to or greater than \$5,000.00, the employee shall contribute the equivalent of 10% of the monthly premiums for each type of coverage listed in this paragraph.

Continuing Coverage for Surviving Spouse and Eligible Dependents of Retiree hired before January 1, 2007

- a. City-paid health care coverage shall be limited to a surviving spouse as defined in 2A., above.
 - b. The City shall continue to make health care coverage available for eligible dependents as defined and at the cost shown in 2A., above.
 - c. Regular retirement medical will be provided to the surviving spouse if they are not Medicare eligible, until such time they achieve Medicare eligibility. The employee must have met the eligibility requirements for retiree health care.
 - d. The City shall provide dental and optical coverage for a surviving spouse of a retiree.
 - e. The City shall continue to make dental and optical coverage available for eligible dependents as defined and at the cost shown in 2A., above.
 - f. Once a surviving spouse becomes eligible for coverage under another group medical plan, the City-provided coverage shall cease, subject to COBRA extensions paid for by the surviving spouse.
 - g. Coverage shall not be available to the surviving spouse once it has been terminated.
 - h. If an employee should die prior to retirement, the surviving spouse shall qualify for coverage, if the employee had been eligible for normal retirement.
 - i. If an employee should die prior to retirement, the City shall continue to make coverage available for eligible dependents as defined and at the cost shown in 2A., above, if the employee had been eligible for normal retirement.
- B. Employees Hired on or after January 1, 2007
The City will provide a Retirement Health Savings (RHS) Plan for employees with an employer contribution of 3% of base pay only per pay period and a 3% required match by the employee on base pay, during active employment. Such plan shall be utilized as the sole retirement health coverage provided to retirees by the City. No medical, prescription, dental or optical insurances shall be provided to the retiree, spouse or eligible dependents.

IX. RETIREMENT BENEFITS

Section 1. Defined Benefit Plan

A. Pension Benefits

In accordance with the Plan Document, the Defined Benefit Pension Plan shall provide pension benefits to the participating employee calculated using a benefit factor of two and sixty-five-one-hundredths percent (2.65%) for all eligible years of service, to a maximum of 80% of final average compensation and will continue to be provided for the employees covered under this resolution, and to set the age for full retirement for vested employees at the age of fifty-five (55) with early retirement no sooner than age fifty (50) with at least ten (10) years of service with a reduction of calculated benefit of ½% for each month prior to age 55. The Pension Plan for this group shall provide adjustments as follows: January 1, 1992, and annually thereafter as of January 1, the amount of pension benefit payable to each retiree whose service to the City has terminated and has reached fifty-five (55) years of age, shall be increased by five percent (5%) of the amount of pension benefit which the participant is entitled to receive, when such benefit first becomes payable. Each January 1 thereafter, the pension benefit shall be increased by the same dollar amount for a period of fifteen (15) years. Employees in the Defined Benefit Pension Plan who are eligible and elect to retire on or after January 1, 2010, shall have their Cost-of-Living-Allowance reduced from 5% non-compounding for fifteen years to 2.5% non-compounding for fifteen years as prescribed in this section.

Effective on the February 8, 2007 payroll, the pension plan requires a six percent (6%) employee contribution of base earnings to be paid as a pre-tax employer pickup under Internal Revenue Code 414(h)(2). All eligible employees shall participate in the employer "pick-up" program whereby mandatory employee contributions to the Retirement System shall be paid by the City of Auburn Hills in lieu of contributions by the employees. The terms and conditions of such contributions shall be in accordance with the provisions of the Internal Revenue Code Section 414(h)(2) and related Treasury Regulations and applicable law. The provisions of this section are mandatory, and the member shall have no option concerning the pick-up or to receive the contributed amount directly instead of having such amount paid by the City directly to the

Retirement System. Member contributions picked-up under the provisions of this section shall be treated as City contributions for purposes of determining income tax obligations under the Internal Revenue Code; however, such contributions picked-up under this section shall continue to be designated member contributions for purposes of the Retirement System and all other federal and state laws. All contributions picked-up under the provisions of this section shall be considered part of the member's salary for purposes of determining the amount of the member's contribution. Implementation of the pick-up program occurs upon authorization by the Retirement System. In no event may implementation occur other than at the beginning of a pay period. Pensions are vested at fifty percent (50%) for five (5) years of service and ten percent (10%) for each additional year, with full vesting at ten (10) years of service.

Employees in the Defined Benefit Pension Plan shall qualify for retirement medical coverage per the current resolution (as defined in Section IX (2) above) with ten (10) years of service as defined in the pension plan and with the attainment of 55 years of age, or age 50 if an early retirement provision is elected. Employee must be actively employed by the City at the time of retirement in full pay status and meet the qualifying pension age to obtain medical insurance.

B. Supplemental 401(K) Plan

In addition to the Defined Benefit Pension Plan, the City shall make available a Supplemental 401(K) Plan to which employees may make contributions.

Further guidelines are set forth in Section 401(k) of the Internal Revenue Code and in the plan documents.

Section 2. Defined Contribution Plan

For employees hired on or after April 1, 1998, the City will provide a Defined Contribution Plan jointly funded by the employer and employee. The City shall contribute 9% of base salary without an employee contribution. However, an employee who elects to contribute 3% of base income shall have that matched with an additional employer match of 3%, bringing the total employer/employee contribution to 15% of base salary. City contributions shall vest at the rate of 20% per year, 100% at five (5) years. The plan documents more fully describe the Defined Contribution Plan.

Employees in the Defined Contribution Plan shall qualify for retirement medical coverage per the current resolution (as defined in Section IX (2) above) with ten (10) years of service and the attainment of 55 years of age. Employee must be actively employed by the City in full pay status at time of retirement and meet the qualifying retirement age to obtain medical insurance.

Section 3. Deferred Compensation

The City shall make available a 457 Deferred Compensation Plan that is funded solely by employee contributions. Such plan is available to employees who participate in either the Defined Benefit or Defined Contribution plans. Rules of participation are found in the employer plan documents and as set forth in Section 457 of the Internal Revenue Code.

Section 4. Voluntary 457 Plan Participation for Defined Contribution Plan Participants Only

Effective February 4, 2019, the Employer will match dollar for dollar with the Employee, on a pre-tax basis, contributions to an employee's 457 plan on each payroll as follows: \$20, \$30 or \$40. Employee contributions are not mandatory; however, employees will not receive an identical employer match to one of the amounts listed in this section if they do not contribute. Contributions are not tied to wages and therefore are not subject to overtime, rollup costs on benefits, or any other circumstance that would increase employer costs. The Employer will continue the Employees' previous annual election amount into the next year unless the Employee notifies the Employer by December 1 that they wish to change their election amount. Under no circumstance shall the Employee change their election amount after December 1.

X. TUITION REIMBURSEMENT

The City shall reimburse the cost of tuition at an accredited education institution in accordance with the following:

- A. The course(s) must be related to the job.
- B. Tuition reimbursement will not be made in advance. The employee will pay for the course and be reimbursed upon proof of completion of the course with a grade of "C" or better, and the submission of a signed affidavit that the amount requested has not been requested or received from another source.
- C. City reimbursement will be for tuition and mandatory fees. Books, supplies, and other expenses will be the employee's responsibility.
- D. Reimbursement will apply to active employees only and will require prior approval by the City Manager. Reimbursement will be limited to five thousand dollars (\$5,000) per person per calendar year.

XI. LIFE INSURANCE

The City shall pay the premium to maintain life insurance in the amount of one and one-half (1 1/2) times the annual salary for employees with less than five (5) years of service, and two (2) times the annual salary for employees with five (5) or more years of service, and who are enrolled in the Defined Benefit Pension Plan.

In lieu of the above-described life insurance benefit, the employer shall pay the premium to maintain a life insurance policy equal to three (3) times the annual salary for employees covered by the defined contribution plan.

Life Insurance Reduction Schedule: Employees who are in full-time active status and who have attained the age of 65 shall have their life insurance reduced by 35%. From and after age 65, employees who remain employed in full-time active status shall receive another reduction of an additional 15% (for a total of 50%) once they have attained the age of 70.

XII. VESTED RIGHTS

The passage of this resolution shall not vest upon any employee the right or expectancy to continue receiving any benefits provided for in this resolution. The City Council expressly reserves the right to amend or repeal this resolution, or any part thereof, at any time.

THIS RESOLUTION WAS ADOPTED BY THE AUBURN HILLS CITY COUNCIL ON AUGUST 28, 1985,

AMENDED BY SAME APRIL 27, 1987, NOVEMBER 23, SEPTEMBER 18, 1989, FEBRUARY 19, 1990, JUNE 17, 1991, DECEMBER 7, 1992, OCTOBER 25, 1993, MARCH 7, JUNE 6, 1994, MARCH 6, 1995, APRIL 20, 1998, APRIL 15, 2002, MARCH 17, 2003, AND MAY 17, 2004.

THIS RESOLUTION WAS ADMINISTRATIVELY AMENDED BY CITY MANAGER RANDALL, JUNE 28, 2005

THIS RESOLUTION WAS ADMINISTRATIVELY EXTENDED BY CITY MANAGER CULPEPPER, AUGUST 25, 2006.

THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, JANUARY 22, 2007.

THIS RESOLUTION WAS ADMINISTRATIVELY AMENDED BY CITY MANAGER CULPEPPER, DECEMBER 12, 2007.

THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, FEBRUARY 2, 2009.

THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, AUGUST 24, 2009.

THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 6, 2010.

THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 5, 2011.

THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 17, 2012.

Non-Union Benefits 1/1/2025 – 12/31/2025

CC Res. No. 22, (to be issued)

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THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 16, 2013.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 15, 2014.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, NOVEMBER 23, 2015.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 12, 2016.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 11, 2017.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 12, 2018.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 16, 2019.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 7, 2020.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, NOVEMBER 15, 2021.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, NOVEMBER 28, 2022.
THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL, DECEMBER 4, 2023.

THIS RESOLUTION WAS AMENDED BY THE AUBURN HILLS CITY COUNCIL NOVEMBER 25, 2024.

AYES:
NAYS:
ABSENT:
ABSTENTIONS:

RESOLUTION ADOPTED

STATE OF MICHIGAN)
)SS
COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of "2025 Resolution - Benefits for Non-Union Personnel" as adopted and made effective January 1, 2025 through December 31, 2025 by the Auburn Hills City Council.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 25th day of November, 2024.

Laura M. Pierce, City Clerk

ATTACHMENT B