



# CITY OF AUBURN HILLS

## REGULAR CITY COUNCIL MEETING

DECEMBER 4, 2023

**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, and 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, Director of Recreation and Senior Services Adcock, Assistant Director of Recreation and Senior Services Beckett, Commercial-Industrial Appraiser Griffin, DPW Director Baldante, Mgr of Public Utilities Deman, Mgr of Fleet & Roads Hefner, Community Development Director Cohen, Construction Coordinator Lang, Finance Director/Treasurer Schulz, Management Assistant Hagge, Engineers Juidici & Driesenga

11 Guests

A workshop session was held prior to the regular City Council meeting at 5:30 PM.  
Workshop Topic: Workshop Topics for 2024

**4. APPROVAL OF MINUTES**

4a. City Council Regular Meeting Minutes, November 20, 2023.

**Moved by Ferguson, Seconded by Verbeke.**

**RESOLVED:** To approve the City Council Regular Meeting Minutes of November 20, 2023.

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

No: None

**Resolution No. 23.12.132**

**Motion Carried (6 - 0)**

**5. APPOINTMENTS AND PRESENTATIONS**

5a. Motion – To confirm the appointment of Peter Ducharme to the Board of Review.

**Moved by Hawkins, Seconded by Ferguson.**

**RESOLVED:** To confirm the appointment of Peter Ducharme to the Board of Review for a term ending December 31, 2026.

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

No: None

**Resolution No. 23.12.133**

**Motion Carried (6 - 0)**

5b. Motion – To confirm the reappointment of Darlene MacMillan to the Board of Review.

**Moved by Hawkins, Seconded by Fletcher.**

**RESOLVED:** To confirm the reappointment of Darlene MacMillan to the Board of Review for a term ending December 31, 2028.

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

No: None

**Resolution No. 23.12.134**

**Motion Carried (6 - 0)**

5c. Motion – To confirm the appointment of City Council Members to Boards and Commissions.

**Moved by Knight, Seconded by Verbeke.**

**RESOLVED: To appoint the City Council Members to the boards and committees as stated in the memo. (Attachment A)**

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

**No: None**

**Resolution No. 23.12.135**

**Motion Carried (6 - 0)**

**6. PUBLIC COMMENT**

None

**7. CONSENT AGENDA**

7a. Board and Commission Minutes

7a1. Brownfield Redevelopment Authority, October 3, 2023

7a2. Tax Increment Finance Authority Informational Meeting, November 14, 2023

7a3. Tax Increment Finance Authority, November 14, 2023

7a4. Planning Commission, November 16, 2023

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

7b. Motion – To approve the revisions to the City Council Rules of Order and Business.

**RESOLVED: To approve the revisions to the City Council Rules of Order and Business.**

7c. Motion - To approve the 2024 Liability and Property Insurance Renewal.

**RESOLVED: To approve the 2024 policy renewal for Liability and Property Insurance with Travelers in accordance with the specifications contained in the Coverage Summary in the amount of \$385,997 and to authorize Mr. Huttenlocher to convey acceptance on behalf of the City and for the City Manager to sign the necessary documents related to binding coverage.**

7d. Motion – To amend General Fund Departments Vehicle Rental appropriations and amend the Fleet fund vehicle rental revenue.

**RESOLVED: To amend the 2023 General Fund departments as listed above increasing appropriations \$196,481 for interfund vehicle rent and also increasing the Fleet Funds revenue to accept the increase in appropriations. (Attachment B)**

7e. Motion – To amend appropriate Wage and Benefit lines within General Fund Departments and other Funds.

**RESOLVED: To amend General Fund departments 2023 Wages and Benefits Budget by increasing or decreasing appropriations as stated above. (Attachment C)**

**RESOLVED: To Amend Local Roads 2023 Budget by increasing appropriations as stated above. (Attachment C)**

**RESOLVED: To amend the Golf 2023 Budget by increasing appropriations as stated above. (Attachment C)**

7f. Motion – To amend the 2023 General Fund Building Department Budget.

**RESOLVED: To amend the 2023 General Fund Building Department budget with an increase in revenues of \$1,081,986 and an increase in appropriations of \$169,303.**

7g. Motion – To amend the 2023 Fire Prevention Budget and Revenue Fund Increase.

**RESOLVED: To amend the 2023 General Fund Fire Prevention Department budget with an increase in appropriations of \$24,000 and increase in the Fire Department revenues of \$58,000.**

7h. Motion – To amend the 2023 Fire Suppression Budget and Revenue Fund Increase.

**RESOLVED: To amend the 2023 General Fund Fire Suppression Department budget with an increase in appropriations of \$90,000 and increase in the Fire Suppression revenues of \$119,039.38.**

7i. Motion – To approve the CDBG 2023-2024 Snow Removal Services Contract.

**RESOLVED: To award of the CDBG Snow Removal Service 2023-2024 contract to C-Care Lawn Services in the amount of \$27,300 following CDBG procurement and Public Service contract guidelines.**

7j. Motion – To adopt the 2024 Benefits Resolution for Non-Union Personnel.

**RESOLVED: To adopt the 2024 Benefits Resolution for Non-Union Personnel, as submitted. (Attachment D)**

7k. Motion – To award the contract for the 2024 Asphalt Maintenance Program.

**RESOLVED: To award the contract for the 2024 Asphalt Maintenance program to Highway Maintenance & Construction Co. of Romulus, Michigan for a total cost of \$94,400.00 to be paid from the accounts listed above. (Attachment E)**

7l. Motion – To amend the 2023 General Fund City Manager's department budget.

**RESOLVED: To amend the 2023 General Fund City Managers department budget with an increase in revenues of \$72,976.00 and an increase in appropriations of \$72,976.00.**

7m. Motion – To amend the 2023 Department of Public Works budget to purchase AEDs throughout City facilities.

**RESOLVED: To amend the FY2023 General Fund Facilities department budget by increasing appropriations by \$26,542.00 to purchase new AEDs for certain city facilities.**

7n. Motion - To approve the purchase of 2024 Graco Pavement Striping and Grinding Equipment.

**RESOLVED: To approve an amendment to the 2023 Fleet Equipment budget (661-594-977.000) in the amount of \$116,464.15 and the purchase of a Graco 3900 Line Sprayer, a Graco Grind LazerDC89G for sidewalks, a Graco Crind Lazer DC1013G for larger walks and roadways, and a Graco Road Lazer Roadpack with accessories for striping roadways for \$126,464.15 from Gemseal of Auburn Hills, MI (Parent store is PMG SM Holdings LLC of Romulus, MI) to be paid from 661-594-977.000.**

7o. Motion – To amend the Fleet budget for the purchase of a 2024 Kia Sportage SX.

**RESOLVED: To amend the 2023 Fleet vehicle budget in the amount of \$37,746.00 for the purchase of a 2024 Kia Sportage SX.**

Moved by Verbeke, Seconded by Ferguson.

**RESOLVED: To approve the Consent Agenda.**

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

**No: None**

**Resolution No. 23.12.136**

**Motion Carried (6 - 0)**

## **8. UNFINISHED BUSINESS**

## **9. NEW BUSINESS**

9a. PART ONE – Motion – Approval of Special Land Use Permit for the outside storage of vehicles on the east side of the building at 1399 Pacific Drive / AM General

PART TWO – Motion – Approval of Revised Special Land Permit for the outside storage of vehicles, containers, and trailers on the south side of the building at 1399 Pacific Drive / AM General.

Mr. Cohen presented the proposed revisions and expansion from AM General with regards to a storage permit that was approved in 2017.

The first request is for the expansion to accommodate 25 test military vehicles on the east side of the building within a fenced area that is already in existence. Updates to the screening around this area will take place.

The second request is to expand the area along the south side of the building which holds military vehicles and add storage containers along with space for tow trailers.

Raymond Mann, Director of Vehicle Capabilities and Systems Integration of AM General and Dave McLane, architect assisting with the project, were present.

Concerns were expressed regarding to the visibility on I-75 as well as the amount of vehicles on the property. It was explained that the visibility from I-75 would not be a concern and that the height changes to the fencing will help keep the visibility low.

It was also discussed that there is a large quantity of vehicles on the property. Mr. Mann shared that there will be a rotation of 25 vehicles that will be rotated in and out, adding to what is already allowed, so it shouldn't look overcrowded. It was also stated that the stripping for emergency vehicles will be maintained.

**Moved by Knight, Seconded by Hawkins.**

**RESOLVED:** To accept the Planning Commission's recommendation and approve the Special Land Use Permit for the outside storage of up to 25 R&D/test military vehicles for AM General on the east side of the building located at 1399 Pacific Drive subject to the representations made by AM General, packet materials, and conditions of Mr. Cohen's staff report. The Special Land Use Permit shall expire on December 4, 2028.

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

No: None

**Resolution No. 23.12.137**

**Motion Carried (6 - 0)**

**Moved by Knight, Seconded by Fletcher.**

**RESOLVED:** To accept the Planning Commission's recommendation and approve the Revised Special Land Use Permit for the outside storage of military vehicles, up to six (6) storage containers, and small vehicle tow trailers within the previously City approved area for AM General on the south side of the building located at 1399 Pacific Drive subject to the representations made by AM General, packet materials, and conditions of Mr. Cohen's staff report. The Revised Special Land Use Permit will only apply to the building tenant AM General and shall expire if AM General vacates the building in the future.

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

No: None

**Resolution No. 23.12.138**

**Motion Carried (6 - 0)**

**9b. Motion – Approval of Site Plan and Tree Removal Permit to construct a light industrial building / 3295 Lapeer Road West Industrial Building.**

Mr. Cohen presented the proposed 149,170 square foot building to be constructed at 3295 Lapeer Road in the Light Industrial District by Auburn Hills Realty Ventures. This is a speculative building with the potential of holding one to two tenants. Construction is anticipated to begin in the summer with completion in the Fall of 2025.

Chris Cousino of Auburn Hills Realty Ventures, LLC was present.

**Moved by Hawkins, Seconded by Ferguson.**

**RESOLVED:** To accept the Planning Commission's recommendation and approve the Site Plan and Tree Removal Permit for 3295 Lapeer Road West Industrial Building subject to the conditions of the City's Administrative Review Team.

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

**No: None**

**Resolution No. 23.12.139**

**Motion Carried (6 - 0)**

**9c. Motion – Approval of Revised PUD Step Two – Site Plan and Revised Tree Removal Permit / Residences at River Trail PUD.**

Mr. Cohen presented revisions to a PUD that was approved five years ago. The proposed changes would include townhouses, a stack flat rental product with eleven buildings as opposed to the six apartment buildings that were previously approved. With this development being a PUD, there are benefits to the community. This development will help improve the City's Park system by providing an easement through the site that will link the existing pathways that are currently in place. \$100,000 will be provided towards a new bridge and an acre and a half will be given to increase the size of Riverwoods Park. Construction is to begin July of 2024 with completion in December 2025.

Chris Cousino of Adams-59, LLC and John Dell'Isola of Nowak and Fraus were present.

Concern was provided regarding the noise from M-59. Mr. Cousino stated that he is comfortable with the existing attenuation of the current forest and overgrowth to provide enough of a sound barrier from M-59.

Mayor Marzolf shared his concerns for the landmark trees that are on the property and the pathway near one of the buildings that has a right angle and the effect it could have for people riding their bikes.

This project will keep as many mature trees as they can and the land also holds an existing Eagle Permit which will not be bothered, the 10ft. wide pathway will be maintained for all seasons by the developer and the pathway will be reviewed to see if changes can be made while still being ADA compliant.

**Moved by Knight, Seconded by Hawkins.**

**RESOLVED:** To approve the Revised PUD Step Two – Site Plan and Revised Tree Removal Permit for The Residences at River Trail subject to the conditions of the City's Administrative Review Team. Adams-59, LLC shall finalize the First Amendment to the Development Agreement with the City by December 11, 2023.

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

**No: None**

**Resolution No. 23.12.140**

**Motion Carried (6 - 0)**

**9d. Motion – To allow the Director of Public Works to execute a Memorandum of Understanding with Oakland Christian School.**

Mr. Baldante presented the reconstruction plan for the 2024 project encompassing Shimmons Road from Dexter Road to Grove Lane and Dexter Road from Shimmons Road to Walton Boulevard. A Memorandum of Understanding (MOU) addressing the reduction of the sharp curve, improve sight lines and improve road geometrics will be drawn up between the City and Oakland Christian Schools, as discussed at the November 20, 2023, meeting. Once the road alignment is finalized, appropriate legal descriptions illustrating exact property coordinates will be supplied as part of the project design. It was shared that before a transfer of land takes place, Council will review the decision.

This project will also include a sidewalk in front of the school, all the way to Grove Lane. The proposed plan is to complete this construction in 2024.

**Moved by Fletcher, Seconded by Ferguson.**

**RESOLVED: To allow the Director of Public Works to execute the MOU agreement on behalf of the city for the obligations set forth in the agreement attached as Exhibit A – Memorandum of Understanding.**

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

**No: None**

**Resolution No. 23.12.141**

**Motion Carried (6 - 0)**

**9e. Motion - To approve the scope of services for the design of the South Blvd Water Main Replacement Project.**

Mr. Deman presented the replacement plan for the South Blvd Water Main project which has been in need for several years. He shared that the average lifespan for these materials is around 60 years old and the pipes are at the end of their lifetime. This project will be paid for by the water fund, there are no other funding sources. This project will span from Adams to Opdyke. It will not involve tearing up the road since the overlay was recently applied in 2019. Any pathways that are disturbed will be replaced in kind. This project is the design phase only.

**Moved by Verbeke, Seconded by Fletcher.**

**RESOLVED: To approve the Scope of Services to design the South Boulevard Water Main Replacement Project to OHM Advisors for \$275,000 and to G2 Consulting for \$35,500.**

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

**No: None**

**Resolution No. 23.12.142**

**Motion Carried (6 - 0)**

**10. COMMENTS AND MOTIONS FROM COUNCIL**

City Council wished everyone a Happy Holiday Season and expressed their gratitude for the tree lighting event.

**11. CITY ATTORNEY REPORT**

**12. CITY MANAGER REPORT**

Mr. Tanghe – TIFA will be making a new Downtown Christmas Tree purchase. The current tree is older and the lights do not come on if there is water involved.

**13. ADJOURNMENT**

**Moved by Knight, Seconded by Verbeke.**

**RESOLVED: To adjourn the meeting.**

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

**No: None**

**Resolution No. 23.12.143**

**Motion Carried (6 - 0)**

The Mayor adjourned the meeting at 8:08 PM.

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Brain W. Marzolf, Mayor

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Laura M. Pierce, City Clerk

## ATTACHMENT A

### Appointment of City Council Members to Boards and Commissions

Mayor Marzolf	Pension Board Retiree Health Care Board Downtown Development Authority
Mayor Pro Tem Hawkins	Public Safety Advisory Committee
Mr. Ferguson	Planning Commission
Dr. Fletcher	Tax Increment Finance Authority
Mr. Knight	Brownfield Redevelopment Authority
Ms. Verbeke	Zoning Board of Appeals



## ATTACHMENT B

	General Fund	2023	2023	Appropriation
Fleet Vehicle Rent	Departments	Amended Budget	Anticipated	Needed
101-261-995.002	General Admin	1,369.00	3,713.00	2,344.00
101-301-995.002	Patrol	371,441.00	415,001.11	45,561.00
101-305-995.002	Police Admin	8,610.00	17,000.00	8,390.00
101-336-995.002	Fire Admin	43,764.00	66,365.00	22,601.00
101-339-995.002	Fire Suppression	299,438.00	368,044.00	68,606.00
101-341-995.002	Fire Prevention	11,858.00	12,000.00	142.00
101-371-995.002	Building	25,320.00	42,492.00	17,172.00
101-441-995.002	DPW Admin	18,981.00	30,219.00	11,238.00
101-686-995.012	Smart	6,754.00	26,780.00	20,026.00
101-685-995.002	Seniors		401.00	401.00
TOTAL INCREASE IN VEHICLE INTERFUND APPROPRIATIONS				196,481.00
661-594-699.001	Fleet Fund			176,455.00
661-594-699.002	Fleet Fund			20,026.00
TOTAL INCREASE IN VEHICLE INTERFUND REVENUES				196,481.00

## ATTACHMENT C

Department	Net Amendment	Primary Reason
257 - Assessing	522.00	Boards and Commisions wages
270- Human Resources	2,550.00	Part time wages
301- Police	62,962.00	Extra-Duty OT
685- Seniors	(18,256.00)	Part time wages
686- Smart	9,045.00	Part time wages
755- Recreation	(155,000.00)	Part time wages
770- Parks	(60,200.00)	Part time wages
<b>Total General Fund</b>	<b>(158,377.00)</b>	
453- Local Roads	11,380.00	Termed Employee payout
753- Golf	64,639.00	Part time wages
	(82,358.00)	Total Net Amendment

## **ATTACHMENT D**

### **CITY OF AUBURN HILLS 2024 RESOLUTION BENEFITS FOR NON UNION PERSONNEL – AS AMENDED EFFECTIVE JANUARY 1, 2024 THROUGH DECEMBER 31, 2024**

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.

### **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 the 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) "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.

## **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, 2021, 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.

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.

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 "2024 Resolution - Benefits for Non-Union Personnel" as adopted and made effective January 1, 2024 through December 31, 2024 by the Auburn Hills City Council.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 4<sup>th</sup> day of December, 2023.

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Laura M. Pierce, City Clerk

## **ATTACHMENT E**

Bids were received and Highway Maintenance was the only bid. They have over 50 years of experience and have done many projects of this nature for the city in the past. The bid breakdown (exhibit 2) gives a detailed breakdown of the bid and shows that the project will cost \$28,080.00 for Waukegan and \$66,320.00 for Commonwealth, totaling \$94,400.00. Funds are available in the following accounts: 202-452-935.000-ASPHALTMAINT (Waukegan) and 203-453-935.000-ASPHALTMAINT (Commonwealth).

### **STAFF RECOMMENDATION**

Staff recommends awarding the contract for the 2024 Asphalt Maintenance program to Highway Maintenance & Construction Co. of Romulus, Michigan for a total cost of \$94,400.00 to be paid from the accounts listed above.