

**SUPERIOR CHARTER TOWNSHIP BOARD  
REGULAR MEETING  
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**1. CALL TO ORDER**

The regular meeting of the Superior Charter Township Board was called to order by the Supervisor William McFarlane at 7:30 p.m. on May 20, 2013, at the Superior Township Hall, 3040 North Prospect, Ypsilanti, Michigan.

**2. PLEDGE OF ALLEGIANCE**

The Supervisor McFarlane led the assembly in the pledge of allegiance to the flag.

**3. ROLL CALL**

The members present were William McFarlane, David Phillips, Brenda McKinney, Rodrick Green and Alex Williams. Trustees Nancy Caviston and Lisa Lewis arrived at 7:40 pm.

**4. ADOPTION OF AGENDA**

It was moved by Caviston, seconded by Lewis, to adopt the agenda with the addition of Change to Township Employee Vision Service Plan as item "n" under New Business.

The motion carried by unanimous voice vote.

**5. APPROVAL OF MINUTES**

**A. REGULAR MEETING OF APRIL 15, 2013**

It was moved by Caviston, seconded by Williams to approve the minutes of the regular Board meeting of April 15, 2013, as presented.

The motion carried by a unanimous voice vote.

**6. CITIZEN PARTICIPATION**

**A. KEN PALKA, PHP CPA'S, TOWNSHIP'S ANNUAL AUDIT FOR FY 2012**

Mr. Ken Palka of PHP CPA's made a presentation to the Board about the Township's FY 2012 Audit. Mr. Palka commented that the Township is in good financial shape. He indicated that all funds have good reserves and that the General Fund reserve as of December 31, 2012 was \$1,796,109.00, the highest it has ever been. There were no major issues found during the audit. He complimented Township officials and staff for doing a good job.

It was moved by McKinney, seconded by Lewis, for the Board to accept the Township's FY2012 Audit.

The motion passed by a unanimous voice vote.

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**B. CITIZEN COMMENTS**

There were none.

**7. REPORTS**

**A. SUPERVISOR REPORT**

Township Planner Don Pennington, made a presentation to the Board about the LeForge Corridor, which is south of Geddes, north of Clark and the possibility of expanding the Planned Manufacturing (PM) zone in the area. He indicated that the Township has an abundance of property zoned for single-family dwellings. He said preliminary discussions among planning staff and Township officials led to identifying the LeForge Corridor as an area where it may be desirable to promote PM type zoning in place of the typical residential subdivisions that have been proposed in the past. There are obstacles in the area, such as numerous radio towers and an abandoned gravel pit, that create difficulties for residential development. Mr. Pennington suggested that some changes to the Master Plan may help to accomplish the objectives. He requested the Board approve him to place the issue on the Planning Commission's agenda. Board members expressed support for Mr. Pennington's request.

It was moved by McKinney, seconded by Caviston, for the Board to approve the Planning Commission to study expanding commercial uses in the LeForge Corridor area on the Planning Commission's agenda.

The motion carried by unanimous voice vote.

Supervisor McFarlane reported on the following: The Township has received some complaints about the every other week collection of yard waste. Some residents feel yard waste should be picked up every week. Mr. McFarlane said the Township received reduced rates based on the every other week collection but the Township would continue to monitor the issue. The Sheriff's Department has assigned a new sergeant to the Township, Sergeant Pat Bell. They have also assigned a Lieutenant to the Township, Lieutenant Marlene Radzik. Both have previously worked in the Township and they bring a wealth of experience to the Township. Township officials met with representatives of Rock Riverine Development. Rock indicated they are still interested in building on the approximately 500 acres they own or control and would prefer public water and sewer. However, if it is not available, they will continue to pursue a permit from the MDEQ for a private waste water treatment system. Township officials discussed with them the abundance of lots ready to build in the Township existing Urban Services district and suggested they work out a trade with a property owner who owns approximately 71 acres in the existing Urban Services district that is already zoned for R-4 density residential development. Rock was also advised that the Township would continue to oppose their permit for a private

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waste water system because of the excess capacity in the existing Urban Services district for the type of residential development they are proposing.

**B. DEPARTMENT REPORTS: BUILDING DEPARTMENT, FIRE DEPARTMENT, FIRE MARSHALL, HOSPITAL FALSE FIRE ALARM, ORDINANCE OFFICER REPORT, PARK COMMISSION MINUTES, SHERIFF'S REPORT, FINANCIAL REPORTS FOR UTILITIES DEPARTMENT, PERIOD ENDING MARCH 31, 2013**

It was moved by Caviston, seconded by Lewis, that the Superior Township Board receive all reports.

The motion carried by a voice vote.

**8. COMMUNICATIONS**

**A. LETTER FROM MR. JERRY VORVA**

Mr. Jerry Vorva of Lawyers Real Estate Services, Inc., provided a letter to Supervisor McFarlane in which he praised the service provided to him by Township employee Deborah Kuehn. Mr. Vorva indicated he is a former State Representative and City Commissioner and that whenever he encounters a public employee who demonstrates courteous service, he makes their superior aware of the fact.

It was moved by McKinney, seconded by Lewis, for the Board to accept the communication from Mr. Jerry Vorva, regarding the excellent service he received from Township employee Deborah Kuehn.

The motion carried by a unanimous voice vote.

**9. UNFINISHED BUSINESS**

**A. ORDINANCE NO. 186, TRAFFIC AND VEHICLE CODE ORDINANCE, SECOND READING AND ADOPTION**

Supervisor McFarlane explained that the Township Attorney recommended the adoption of the following ordinance. It provides for the Township's adoption by reference of the Uniform Traffic Code for Michigan Cities, Township's and Villages, contains language that allows the Township to prosecute "Super Drunk" violations and it also adopts by reference other State Laws related to the operation of motor vehicles. There were no changes to the proposed ordinance from first reading and second reading.

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It was moved by McKinney, seconded by Lewis, for the Board to approve the following ordinance for second reading and adoption:

**SUPERIOR CHARTER TOWNSHIP  
WASHTENAW COUNTY, MICHIGAN**

**ORDINANCE NO. 186**

**TRAFFIC AND VEHICLE CODE ORDINANCE**

**THE CHARTER TOWNSHIP OF SUPERIOR, WASHTENAW COUNTY, MICHIGAN,  
ORDAINS:**

**Section 186.01 Purpose**

An Ordinance enacted pursuant to MCL 257.951 to 257.955 and MCL 42.15, 42.23 and 41.181 to adopt by reference the Uniform Traffic Code for Michigan Cities, Townships and Villages as promulgated by the Director of the Michigan Department of State Police pursuant to the Administrative Procedures Act of 1969, Public Act 306 of 1969, as amended (MCL 24.201, et seq.) and made effective October 30, 2002, and to adopt by reference certain state laws; and to repeal all ordinances or parts of ordinances in conflict herewith.

**Section 186.02. Title**

This Ordinance and the provisions of the Uniform Traffic Code and state laws adopted by reference herein shall be collectively known and may be cited as the "Charter Township of Superior Traffic and Vehicle Code Ordinance".

**Section 186.03. Adoption of Uniform Traffic Code By Reference**

The Uniform Traffic Code for Cities, Townships, and Villages as promulgated by the Director of the Michigan Department of State Police pursuant to the Administrative Procedures Act of 1969, Public Act 306 of 1969, as amended (MCL 24.201, et seq.) and made effective October 30, 2002, is hereby adopted by reference. All references in said Uniform Traffic Code to a "governmental unit" shall mean the Charter Township of Superior.

**Section 186.04. Adoption of Provisions of Michigan Vehicle Code By Reference**

The following provisions of the Michigan Vehicle Code, 1949 Public Act 300 of 1949, as amended (MCL 257.1, et seq.) are hereby adopted by reference:

1. Chapter I (Words and Phrases Defined): MCLs 257.1 to 257.82

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2. Chapter II (Administration, Registration): MCLs 257.225, 257.228, 257.243, 257.244, 257.255, and 257.256.
3. Chapter III (Operator's and Chauffeur's License): MCLs 257.301, 257.310e, 257.311, 257.312a, 257.324, 257.325, 257.326, and 257.328.
4. Chapter VI (Obedience to and Effect of Traffic Laws): MCLs 257.601 to 257.601b, 257.602 to 257.606, 257.611 to 257.616, 257.617a to 257.622, 257.624a to 257.624b, 257.625 (except felony provisions), 257.625a, 257.625m, 257.626 to 257.626b, 257.627 to 257.627b, 257.628, 257.629b, 257.631 to 257.632, 257.634 to 257.645, 257.647 to 257.655, 257.656 to 257.662, 257.667 to 257.675d, 257.676 to 257.682b, 257.683 to 257.710e, 257.716 to 257.724.
5. Chapter VIII (License Offenses): MCLs 257.904 to 257.904a, 257.904e, 257.905.

**Section 186.05. Adoption of Other State Laws By Reference**

The following provisions of state law are hereby adopted by reference:

1. Section 3102 of the Michigan Insurance Code of 1956, 1956 Public Act 218, as amended presently and hereafter, pertaining to required insurance (MCL 500.3102).
2. Subchapter 6 of Part 811 of the Natural Resources and Environmental Protection Act, 1994 Public Act 451, as amended presently and hereafter, pertaining to off-road vehicles (MCL 324.81101-324.81147).
3. Part 821 of the Natural Resources and Environmental Protection Act, 1994 Public Act 451, as amended presently and hereafter, pertaining to snowmobiles (MCL 324.82101-324.82158).
4. Section 703 of the Michigan Liquor Control Act, 1998 Public Act 58, as amended presently and hereafter, pertaining to minors and alcoholic liquor (MCL 436.1703)

**Section 186.06. Penalties**

1. Except for violations of MCL 257.625(1)(c), the penalties provided by the Uniform Traffic Code and the provisions of the state laws hereinabove adopted by reference are hereby adopted as the penalties for violations of the corresponding provisions of this Ordinance.
2. Pursuant to MCL 42.21(5) violations of MCL 257.625(1)(c) are a misdemeanor punishable by 1 or more of the following:
  - (a) Community service for not more than 360 hours.

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- (b) Imprisonment for not more than 180 days.
- (c) A fine of \$700.00.

**Section 186.07. Severability**

If a court of competent jurisdiction declares any provision of this Ordinance or the Uniform Traffic Code or a statutory provision adopted by reference herein to be unenforceable, in whole or in part, such declaration shall only affect the provision held to be unenforceable and shall not affect any other part or provision; provided that if a court of competent jurisdiction declares a penalty provision to exceed the authority of the Township, the penalty shall be construed as the maximum penalty that is determined by the court to be within the authority of the Township to impose.

**Section 186.08. Repeal of Conflicting Ordinances**

This ordinance shall take effect upon publication as required by law. All ordinances or parts of ordinances in conflict or inconsistent with the provisions of this ordinance are hereby repealed; including without limitation, the following ordinances of Superior Township:

Ordinance 45 adopted September 19, 1977  
Ordinance 66 adopted July 31, 1979  
Ordinance 72 adopted August 17, 1981  
Ordinance 78 adopted March 21, 1983  
Ordinance 120 adopted October 4, 1993  
Ordinance 132 adopted August 7, 1994  
Ordinance 149 adopted November 1, 1999  
Ordinance 158 adopted November 6, 2003

provided that any violation charged before the effective date of this Ordinance under an Ordinance provision repealed by this Ordinance shall continue under the Ordinance provision then in effect.

**Section 186.09. Effective Date**

This ordinance shall take effect upon publication as required by law.

Ayes: McFarlane, Phillips, McKinney, Caviston, Green, Lewis, Williams

Nays: None

Absent: None

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The motion carried.

**10. NEW BUSINESS**

**A. WOODLANDS AT GEDDES GLEN DEVELOPMENT AGREEMENT**

Toll Brothers is developing the Woodlands at Geddes Glen, which is 32 luxury homes located on 30 acres on Geddes Road at the Township's western border. Clerk Phillips explained that the development agreement addresses the developer's sureties and compliance with the Township's zoning ordinance and engineering standards. He said that some of the major issues of this development agreement were the mitigation and replacement of trees and the maintenance of the storm water system and detention basin. Language contained in this development agreement ensures the developer's compliance with items agreed upon in the final site plan. This development agreement has been reviewed and approved by the Township's attorney.

It was moved by Phillips, seconded by Caviston, for the Board to approve the following development agreement and to authorize the Supervisor to sign the agreement:

Copy of the proposed Development Agreement is below or the approved and signed Development Agreement is recorded at the Washtenaw County Register of Deeds.

**SUPERIOR CHARTER TOWNSHIP  
DEVELOPMENT AGREEMENT**

**The Woodlands of Geddes Glen - A Residential Subdivision**

THIS DEVELOPMENT AGREEMENT ("Agreement") is entered into as of the first day of January, 2013, by and between **TOLL MI V LIMITED PARTNERSHIP**, a Michigan limited partnership, whose address is 29665 William K. Smith Drive, Suite B, New Hudson, Michigan 48165, (the "Developer"), and the **CHARTER TOWNSHIP OF SUPERIOR**, a Michigan municipal corporation, whose address is 3040 N. Prospect Road, Ypsilanti, MI 48198 (the "Township").

**RECITALS**

- A. **WHEREAS**, the Developer desires to develop an overall parcel of a size totaling approximately 30.36 acres which real property is described on Exhibit "A" attached hereto and made a part of this Agreement, which is located on the north side of Geddes Road, west of Gale Road, which property is being developed as a residential subdivision

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project known as "The Woodlands of Geddes Glen", (hereafter referred to as the "Development"). As used in this Agreement the Development contains a total of 32 lots to be developed in one single phase; and

- B. **WHEREAS**, the Developer desires to develop the Development pursuant to the Superior Township Zoning Ordinance No. 174, as amended, according to the provisions of the Michigan Condominium Act (Act 59, Public Acts 1978), as amended: and
- C. **WHEREAS**, the Developer desires to build all necessary on-site and off-site infrastructure for the development, such as, but not limited to, water mains, sanitary sewers, storm sewers, drainage facilities, roads, tree replacement, curbs and gutters and detention facilities, without the necessity of special assessments by the Township; and
- D. **WHEREAS**, the Developer desires to install the grading and soil erosion and sedimentation control improvements proposed on the construction plans in order to facilitate the drainage of storm water from the Development in such a manner as it is not expected to result in damage to any adjacent property outside of the Development or any adjacent lot within the overall development from an increase in the flow of storm water or decrease in water quality of storm water from the Development; and
- E. **WHEREAS**, agreements, approvals, and conditions agreed to by the Developer and the Township remain in effect, including, but not limited to, conditions of all approvals by the Township regarding zoning and Final Site Plan approval for the entire Development and permits that may have been issued by appropriate governmental review agencies for the subject site: and
- F. **WHEREAS**, on December 17, 2012, the Superior Charter Township Board approved the rezoning of the land to Planned Community (PC) and the Area Plan based on the recommendation of the Township Planning Commission; and
- G. **WHEREAS**, the Superior Charter Township Planning Commission approved the Preliminary Site Plan on November 28, 2012; and
- H. **WHEREAS**, the Superior Charter Township Planning Commission approved the Final Site Plan on February 27, 2013; and
- I. **WHEREAS**, the approved Final Site Plan of the Development is consistent with the purposes and objectives of the Superior Charter Township Growth Management Plan and the Township's Zoning Ordinance; and
- J. **WHEREAS**, Section 14.03 of the Township's Zoning Ordinance requires the execution of a Development Agreement with the Township Board for completion of all improvements required in the Final Site Plan as approved, which Agreement shall be binding upon the Township, Developer and the owners of the site, their successors-in-

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interest and assigns, and the owners of lots within the Development.

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants of the parties described in this agreement, and with the express understanding that this Agreement contains important and essential terms as part of the approval of the Developer's Final Site Plan for the Development, the parties agree as follows:

**ARTICLE 1  
GENERAL TERMS**

- 1.1 Recitals Part of Agreement.** Developer and the Township acknowledge and represent that the foregoing recitals are true, accurate and binding on the respective parties and are an integral part of this Agreement.
- 1.2 Zoning District.** The Township acknowledges and represents that the Development is zoned PC (Planned Community) and, for purposes of recordation, it shall be referred to as The Woodlands of Geddes Glen.
- 1.3 Approval of Final Site Plan.** The Final Site Plan for the Development, a copy of which is attached hereto and made part hereof, has been approved pursuant to the authority granted to and vested in the Township pursuant to the Michigan Zoning Enabling Act, Act No. 110, Public Acts of 2006, as amended.
- 1.4 Conditions of Final Site Plan Approval.** The Developer and the Township acknowledge that the approved Final Site Plan dated February 5, 2013 for the Development incorporates the Township's approved conditions and requirements that were adopted by the Township Planning Commission pursuant to recommendations by the consultants and departments of the Township and as approved by the Township Board.
- 1.5 Agreement Running with the Land.** The terms, provisions and conditions of this Agreement shall be deemed to be of benefit to the Development described herein, shall be deemed a restrictive covenant which shall run with the land and be binding upon the inure to the benefit of the parties, their successors and assigns; and may not be modified or rescinded except as may be agreed to in writing by the Township, the Developer and/or their respective successors and assigns. This restrictive covenant shall be incorporated by the appropriate executed instruments into the title of the Development. Anything to the contrary herein notwithstanding, no person who is neither a party hereto or the successor assignee of a party shall be deemed an intended contractual beneficiary of this Agreement or have the right to commence any lawsuit or proceeding to enforce this Agreement or any portion thereof.
- 1.6 Master Deed, By-Laws and Restrictions.** The Master Deed and By-Laws for the Development and the restrictions and conditions contained therein have been submitted

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by the Developer and approved by the Township as part of the site plan approval process. The Township shall retain the right, but shall have no obligation, to enforce the provisions of said documents if the Township determines enforcement to be necessary in the interests of public health, safety or welfare. Said documents are hereby incorporated and made a part of the approved Final Site Plan of the Development. Any amendments to the aforesaid Master Deed or By-Laws must be approved by the Township in those instances where the Master Deed or By-Laws provisions provide for the Township's approval, which approval shall not be unreasonably withheld. The Woodlands of Geddes Glen Home Owners Association (HOA) shall be responsible for the maintenance of all site improvements, including but not limited to, detention basins sidewalks and private roads in the Development.

**ARTICLE 2  
PROVISIONS REGARDING DEVELOPMENT**

- 2.1 Permitted Principal Uses.** The only permitted principal use within the Development shall be detached single-family dwellings and permitted accessory buildings.
- 2.2 Payment of Fees and Invoices.** The Developer shall pay all such applicable fees and invoices as may be due and prior to the issuance of building permits before any such permits are issued. Construction permit fees for single-family residences and accessory buildings to be constructed within the Development shall be the responsibility of the party requesting such permits.
- 2.3 Use of Detention Areas; Use of Open Space.** Certain portions of the Development as defined herein are to be used for storm water detention and drainage purposes as depicted in the approved drainage plan in the plan. Except for landscaping improvements, storm drainage improvements, utilities or other improvements required to be installed by the Developer and which are depicted on plans and specifications approved by the Township, no improvements shall be installed or constructed within any designated detention area or Storm Water System area without the prior approval of the Township Board as required by Township ordinance or applicable deed restrictions, which shall not unreasonably be held.
- 2.4 Maintenance of Unsold Lots.** The Developer shall be responsible for maintaining all unsold lots in a manner consistent with a residential atmosphere until such time as the lot is sold and a Certificate of Occupancy has been issued. The Township shall notify the Developer in writing of any problems or issues and shall allow the Developer fifteen (15) days to correct the problem. Examples of such problems or issues may include, but are not limited to, soil erosion, drainage, grading, vegetation management, vegetation establishment and any other matters relevant to maintaining a residential atmosphere. Notwithstanding this Section, turf grass, weeds and brush on unsold lots shall be maintained and enforced according to the Township's current ordinance applying to such.

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Additionally, in emergency conditions where public health, safety, and welfare are affected, the Township may take emergency action immediately following notification of the Developer. Prior to the pre-construction meeting, the Developer shall post a restoration bond in the amount of \$25,000.00, which shall state "Security for Maintenance of unsold lots as stated in section 2.4 of the Development Agreement for The Woodlands of Geddes Glen". If the Developer fails to correct problems or issues within the required time period, the Township may draw bond funds as necessary to reimburse any out of pocket costs incurred by the Township in correcting such problems.

**2.5 Schedule for improvements in Detention Areas.** Developer has provided to the Township, a layout showing all "Detention Areas" and the improvements which the Developer proposes to install therein; which are reflected in the approved site plan and given final approval by the Township Planning Commission. All "Detention Areas" improvements as stated above shall be installed, as agreed upon between the Developer and the Charter Township of Superior and as shown on the Final Site Plan as finally approved for the Development.

**2.6 Responsibility to Preserve and Maintain Detention Areas.** During the period of construction, the Developer shall regularly remove all construction debris and rubbish from the Detention Areas within the Development. Subject to that continuing responsibility, Developer shall retain all responsibility to preserve and maintain the Detention Areas and landscaping areas, whether arising under this Agreement or any agreements entered into with the Township or other governmental entities, until such responsibility is assigned to the HOA as provided for in the Master Deed and By-Laws for the Development of the residential subdivision project.

Developer shall notify the Township in writing within thirty (30) days of the date when construction of the detention areas on the site is complete.

**2.7 Detention Area Rules.** The Developer shall be responsible for removing any man-made debris deposited in the Detention Areas during the period of construction and shall maintain the areas to ensure that they are free of trash, rubbish or unsightly weeds and shall maintain the landscaping in an attractive state. After the HOA becomes responsible for such detention areas, the HOA shall have the right to establish such additional reasonable rules and regulations with respect to the use of such Detention Areas as the HOA may deem necessary or desirable to insure the proper preservation and functioning of such detention areas, as long as such rules do not conflict with Township ordinances. The Developer shall inform the Township in writing when the responsibility for maintaining the detention areas and other responsibilities are assigned to HOA and provide the names, addresses, and telephone numbers of the officers of the HOA to the Township Clerk.

**2.8 Enforcement Regarding Storm Water System.** The storm water system and all storm

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water system areas, including the detention or retention areas and detention or retention basins, (the Storm Water System) will be a public system, dedicated to the Washtenaw County Water Resource Commission (WCWRC). The Developer will be responsible to maintain the entire Storm Water System until the WCWRC accepts the dedication of the system. Upon the WCWRC accepting the dedication of the Storm Water System, the HOA shall be assigned the responsibility for maintenance of the system. Notwithstanding the foregoing, in no event shall the Developer assign the responsibility for the Storm Water System areas until the entire system is approved by the Township's engineers and the WCWRC.

Until such time as the Storm Water System is accepted by the WCWRC, if Developer fails to maintain the system in accordance with this Agreement, the Township may serve written notice upon the Developer setting forth the manner in which Developer has failed to maintain the system. Such notice shall include a demand that deficiencies in maintenance be cured within thirty (30) days of the notice. If the deficiencies set forth in the original notice, or any modification thereof, are not cured within such thirty (30) day period or any extension thereof, the Township may, but is not obligated to, enter the site and perform the required maintenance. At the time such maintenance is performed, the Township's cost to perform any such maintenance, together with a surcharge equal to fifteen (15%) percent for administrative costs, shall be assessed against the Development, placed on the next Township tax roll as a special assessment, and collected in the same manner as general property taxes.

No part of the Storm Water System shall be allowed to remain in an unkempt condition. All grass and growth located within the Development shall be maintained and cut in accordance with Township ordinances. The inlets and outlets located within the Development shall be kept functioning as originally designed and accepted. Developer shall have the continuing responsibility to remove all construction debris during the period of construction. Upon the WCWRC's acceptance of the dedication of Storm Water System, the Developer shall assign to the HOA all responsibility to preserve, maintain and keep operational the Storm Water System, whether arising under this Agreement or any other park/open space maintenance agreements or other maintenance and/or easement agreements entered into with the Township or other governmental entities, from and after the date of certification by the Township engineer that he has inspected the required improvements and is responsibly satisfied that they are proper and complete. The Developer shall notify the Township, in writing, within thirty (30) days of the date of HOA becomes responsible for Storm Water System, pursuant to this section.

**2.9 Landscape Plan and Tree Preservation, Mitigation and Replacement for Development.** The Developer shall implement the complete landscape plan for the Development, as depicted on sheets L-1 and L-2 of the approved Final Site Plan dated February 27, 2013. The HOA shall be responsible for maintaining the landscaping. All plantings shall comply with all applicable requirements of the Superior Township Zoning

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Ordinance. All plantings shall be approved through the inspection of the Zoning Official or designated representative and be guaranteed for three years from the date of planting.

Trees shown to be preserved on the approved Final Site Plan shall be protected from encroachment. As part of the Development, and as is reflected on the approved plans, Developer agrees to plant, or cause to be planted, 775 trees (the "Tree Requirement"). Developer shall be solely responsible for satisfaction of this requirement. The size, variety and location of all trees to be planted shall be subject to the requirements of the Final Site Plan and the Township's ordinances. The aggregate number of trees required to satisfy Tree Requirement will not be adjusted in the event any existing protected trees dies or other trees are saved and not removed.

With regards to the 147 remaining trees shown on the Final Site Plan, the Developer and the Township may agree to the planting of some deciduous trees instead of the listed conifers. These trees will be ordered, delivered and installed at the same time as the other required common area landscaping. Prior to planting of these trees, Developer shall stake the proposed locations and an inspector designated by the Township shall review the staked locations and either approve the location(s) or direct that the staked locations be relocated. After all locations are identified and approved, the trees will be planted by Developer. The planting of all trees shall comply with all applicable requirements of the Superior Township Zoning Ordinance. All plantings shall be approved through the inspection of the Zoning Official or designated representative and be guaranteed for three years from the date of planting.

- 2.10 Private Roads.** All roads within the Development shall be private streets, hard surfaced and constructed in accordance with the approved plans. During the various stages of road construction, the Developer shall notify the Township of all scheduled inspections from other governing agencies.

The Developer shall also provide the Township with copies of all inspection reports which Developer receives in conjunction with the aforementioned paragraph from any other agencies, including, but not limited to, inspection reports from the various stages of road construction and any unscheduled inspections. If Developer does not receive an inspection report and the Township requests a copy, Developer will take reasonable steps to promptly obtain a copy and furnish it to the Township. The Township shall authorize the Township Engineer to inspect the private roads at the Developer's expense.

The Developer shall provide a plan for signs and installation of street name signs in accordance with the approved plans; install such temporary warning signs during the construction period as are appropriate to protect the health, safety and welfare of the public.

- 2.11 Public Sewer.** The Development shall be developed with public sanitary sewer as

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approved by the Charter Township of Superior, Ann Arbor Township Utilities and the Michigan Department of Environmental Quality, subject to applicable laws and regulations. All standard connection and inspection costs and fees imposed by the Township, or other regulatory agencies, including, but not limited to, engineering inspections, shall be paid by the Developer or its successors (e.g. builders or homeowners). In no event shall the Township be responsible for reimbursing the Developer and/or any lot owner for costs incurred as required under this section, unless the Township has unlawfully prevented the Developer from completing the Development. Developer agrees that neither its successors nor assigns shall do any work on or in preparation of the installation of "public sewer" on the site without the appropriate permits.

The Development shall be constructed as approved on the approved Engineering Plans.

- 2.12 Public Water.** The Development shall be developed with public water mains as approved by the Charter Township of Superior, Ann Arbor Township Utilities, and the Michigan Department of Environmental Quality, subject to applicable laws and regulations. All standard connection and inspections costs and fees imposed by the Township, or other regulatory agencies, including but not limited to, engineering inspections, shall be paid by the Developer or its successors (e.g. builders or homeowners). In no event shall the Township be responsible for reimbursing the Developer and/or any Lot owner for costs incurred as required under this provision, unless the Township has unlawfully prevented the Developer from completing the Development. Developer agrees that neither its successors nor assigns shall do any work on or in preparation of the installation of "public water" on the site without the appropriate permits.

The Development shall install all water services within the public R.O.W. or utility easement prior to substantial completion of the Public Utilities.

- 2.13 Performance Guarantee for Site Improvements.** The Developer shall provide a performance bond in the amount of \$1,200,700.00 to the Township to assure the installation of all site improvements reflected on the approved Final Site Plan, including, but not limited to, streets, grading, landscaping, lighting, storm drainage systems, tree mitigation and utilities (water and sewer). The Developer shall deliver such security to assure the construction of the site improvements as stated above. The Developer shall deliver security at or before the pre-construction meeting with the Township. The bond shall state "Security of Site Improvements as stated in Section 2.13 of the Development Agreement for The Woodlands of Geddes Glen". The \$1,200,700.00 performance guarantee amount stated above is based on specifications and estimates prepared by the Developer's engineer and approved by the Township's engineer based on the Final Site Plan.

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Except for the final wear course of asphalt, any replacement trees not yet planted and the street trees for homes not yet completed, all Site Improvements as stated above shall be installed, as depicted on the Final Site Plan and in the approved final engineering plans by not later than the time of application for the building permit for the construction of the 16th home. The Township shall refund the bond or irrevocable letter of credit within forty-five (45) days after Developer provides written notice of completion of the improvements and Township approves such completion, such approval not to be unreasonably withheld, conditioned or delayed. The Developer may also receive partial refund(s) and/or reductions in the amount of this bond as improvements are completed by providing written notice of completion as set forth in this paragraph. The amount of partial refund(s) and/or reductions shall be determined based upon cost estimates completed by the Developer and subject to confirmation by the Township's engineers.

- 2.14 Fees and Escrow Amounts.** The Developer shall pay water and sewer availability fees in the amount of \$1,900.00 and all normal and customary published fees as required by Township Resolution. The Developer shall also pay to the Township \$62,600.00 at, or prior to, the pre-construction meeting as an escrow to cover the costs of inspection of the improvements to be constructed as part of the Development.

The Trunk and Transmission fee will be due and payable each time a building permit is obtained for a house on any lot in the Development.

- 2.15 Drainage District.** The Developer shall provide proof regarding the creation of a drainage district through the WCWRC or the inclusion of the Property in such previously existing drainage district as may have been established through the WCWRC.
- 2.16 Engineering Approval of Plans.** In accordance with Superior Township's Ordinance and Superior Township Engineering Design Specifications, no construction work or grading shall be performed on the Development until engineering plans are reviewed and approved.
- 2.17 Sump Pump Discharge.** The Developer may connect all sump pumps to the storm sewer system or gravity drain to "daylight" where sufficient topography allows positive drainage away from proposed structures.
- 2.18 Driveways.** All driveways shall be a maximum grade of eight (8%) percent, unless otherwise approved on the engineering plans.
- 2.19 Construction Access.** Developer shall take all reasonable measures required by the Township to reduce any dust created by trucks traveling to and from the construction site, which measures may include deploying a water truck on site when dust conditions create a nuisance during the site development stage of construction, the expense of which shall be born exclusively by the Developer. The Developer agrees to comply with any

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agreements entered into with the Washtenaw County Road Commission with regard to the maintenance and repair of Geddes Road during and after construction. The Township shall be copied on all agreements with the Washtenaw County Road Commission.

- 2.20 Construction Work Schedule.** Construction work within the Development (including excavation, demolition, alteration and erection) and construction noises shall be prohibited at all times other than

Monday through Friday from 7:00 A.M. to 6:00 P.M.

Saturday from 8:00 A.M. to 5:00 P.M.

The Township may issue a work permit for hours other than those identified immediately above upon written request of the owner or owner's representative that demonstrates an unusual or unique circumstance relating to the proposed extended hours.

- 2.21 Monuments/Corner Markers.** At, or prior to, the Pre-Construction Meeting the Developer shall post with the Township security for the placement of monuments and corner markets for the development in the form of cash, a or performance bond in the amount of \$6,500.00. This security will be drawn on by the Township in the event that the Developer is unable to satisfy the Township Engineer that the monuments and corner markers are installed and correct. The security shall be released to Developer if the Township is furnished with a written certification from a surveyor, licensed in the State of Michigan, that he or she has caused all monuments and unit markers to be correctly located in the ground.

- 2.22 Maintenance and Guarantee Bond for Public Utilities.** Developer shall submit a maintenance bond in the amount of \$382,500.00 to the Township Treasurer prior to the final acceptance. The bond shall be consistent the Township's standard form. The term length shall not exceed two (2) years from the date of which the Township Utility Department issues final acceptance of Public Utilities. The amount of the bond will be based on the sealed Design Engineer's estimate for the work approved by the Township Engineer.

- 2.23 Repair of Public Utilities.** Developer shall submit cash or performance bond in the amount of \$19,200.00 to the Township Treasurer, which totals five (5%) percent of estimated underground utility infrastructure at, or prior to, the pre-construction meeting. The bond shall be consistent with the Township's standard form. The term length shall not exceed thirty (30) days from the date of Township's final acceptance of utilities. The bond will be used by the Township to repair any damages, which occur to the utility system after substantial completion but prior to final acceptance if the Developer (or the Developer's successor or assign) does not complete such repair within a reasonable amount of time after the Township's request.

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**2.24 Engineering and Certification.**

- A. Developer shall furnish three (3) Mylar As-built Drawing plans signed and sealed by an engineer licensed in the State of Michigan indicating that the site grading, water transmission system, sanitary sewer system, storm water conveyance, soil erosion/sedimentation, detention/retention facilities, have been constructed in substantial accordance with the approved engineering plans. All inspections for water and sewer (sanitary and storm) installations are to be performed by the Township engineers with applicable fees paid by Developer. The Township will review and approve improvements in accordance with the Township "Engineering Design Specification for Site Improvements" and other applicable laws and ordinances prior to final completion.
- B. Developer shall furnish As-Built Drawing plans in CD format that is in conformance with the Charter Township of Superior Standards for Submitting Digital As-Built Drawings.

**2.25 Underground Utilities.** The Developer shall install all electric, telephone and other communication systems underground in accordance with requirements of the applicable utility company and applicable Township Ordinances. As required by Superior Township's Engineering Standards, no underground structure, i.e.; manholes, are allowed in driveways.

**2.26 Removal of Construction Debris.** In addition to its responsibilities above, the Developer shall remove all discarded building materials and rubbish at least once each month during construction of the Development and within one month of completion or abandonment of construction; provided that the responsibility under this section shall be deemed transferred to any subsequent owner of a portion of the Development as to that portion. No burning of any kind will be allowed on the site, including the burning of trees, brush, stumps, or vegetative materials, while clearing the site, or of construction material during construction.

**2.27 Site Grading and Building Setbacks.** The Developer or the Developer's representative shall certify that the as-built site grading, individual lot grading, and building setbacks conform to the Township approved site and engineering drawings. Prior to the issuance of each building permit, the Developer shall submit an individual lot grading plan for review and approval by the Township Engineers. These individual lot grading plans, certifications, and as-built drawings shall be prepared by and bear the seal of a professional land surveyor licenses in the State of Michigan.

The certification shall be submitted as directed on forms provided by the Township (Exhibit "B"). The Township shall have the right to spot-check certification grades at their own discretion. The final certificate of use and occupancy shall be withheld until the

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site grading/setback certification is received and approved by the Township. The Township shall have the right, at its own discretion, to waive some or all of the site grading and building setback certification requirements.

- 2.28 Early Clearing and Grading.** Notwithstanding anything in this Agreement to the contrary, the Developer shall be permitted to commence "early Clearing" and/or "early grading" operations, prior to the issuance of required permits for development (e.g., MDEQ water permit, MDEQ sanitary permit, county road permit, and county drain/storm water permit), provided that the soil erosion control permits, if any, have been issued, and the Developer has posted any Township-required security, inspection fees, this Agreement has been executed, a preliminary preconstruction meeting has been completed and the Developer has provided proof that all contractors working on the site are properly insured according to Superior Township's standards. Developer will be proceeding at their own risk if they complete any early clearing and/or grading.
- 2.29 Phosphorus Fertilizers.** The HOA, Owners and Developer are prohibited from using phosphorus fertilizers in the development.
- 2.30 Model Home at Developer's Request.** At the Developer's request, the Township will issue building permits and utility connection permits for the construction of one (1) model home prior to completion of site infrastructure. The contractor shall not connect to public water or sewer mains unless and until specifically authorized by the Utility Department. The model shall not be used or occupied for any purpose until water and sewer connections are approved and complete, the development's fire hydrants are approved and functional, the roadway base course is installed, and a Temporary Certificate of Occupancy has been issued. The Developer acknowledges that proceeding with construction of a model home prior to infrastructure completion is at Developer's own risk with no guarantee of issuance of a Certificate of Occupancy."
- 2.31 Easements for and Assignments of Sewer and Water Lines.** The Developer shall dedicate all on-site easements to the Township for the construction and maintenance of public improvements necessary to provide service to the Development; said "public improvements" (the "Improvements") being defined as the sewer and water mains and related facilities needed to provide those services to the Development. All such easements shall be recorded by the Township with the Washtenaw County Register of Deeds and the Developer shall reimburse the Township for all recording costs prior to issuance of substantial completion. Upon approval and acceptance by the Township Engineer, Developer shall assign title to the Improvements to the Township.

**ARTICLE 3  
MISCELLANEOUS PROVISIONS**

- 3.1 Modifications.** This agreement may not be modified, replaced, amended or terminated

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without the prior written consent of the collective parties to this Agreement. Until all rights and responsibilities under this Agreement are transferred to the HOA, the Developer and the Township shall be entitled to modify, replace, amend or terminate this Agreement, without requiring the consent of any other person or entity whatsoever, regardless of whether such person has any interest in the development, including lot owners, mortgagees and others. After all rights and obligations under this Agreement are transferred to the HOA, the HOA, the Township and the Developer (but only for so long as the Developer owns and offers for sale any lot in the Development) shall be entitled to modify, replace, amend or terminate this Agreement.

- 3.2 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.
- 3.3 Township Approval.** This Agreement has been approved through action of the Township Board at a duly scheduled meeting.
- 3.4 Developer and Owner Approval.** The signers on behalf of the Developer below represent by their signatures that they represent and have authority to bind all owners of legal and equitable title in the Development. The Owners have joined in the execution of this document to show only that they consent to the terms of this Agreement being made applicable to the Development, and it is agreed that the Owners have no responsibility to carry out the responsibilities of the Developer hereunder.
- 3.5 Execution in Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one Agreement. The signature of any party to any counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart.
- 3.6 Pre-construction Meeting with Builders.** The parties acknowledge that Developer and/or other third parties can build the detached dwelling units in accordance with the approved plans. The parties agree that the Developer and/or any other third parties will comply with all related Township Policies and Ordinances. As indicated in Section 2.30 of this Agreement, prior to the commencement of any grading on the Development, the Developer or such other third parties shall schedule a meeting as per the Township's engineering standards with its general contractor, construction manager and the Township's applicable departments, officials, and consultants to review the applicable policies, procedures and requirements to the Township with respect to construction of the Development. Prior to the installation of sanitary sewer or water, a second such pre-construction meeting shall be held.
- 3.7 Continue Review.** The Developer shall be required to review conformance of this Agreement with Township Officials and/or designated Township consultants on a yearly basis or at such time as deemed reasonably necessary by the Township until completion of

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the project.

- 3.8 Fees.** The Owner shall pay for any reviews necessary to determine conformance of the Development to this Agreement. This fee would include review time by the Township engineer, Planner, Attorney or other Township consultant or staff member
- 3.9 Recordation of Agreement.** This Township shall record this Agreement with the Washtenaw County Register of Deeds and shall provide a true copy to the Developer. All costs associated with the recording of this Agreement shall be borne by the Developer. This Agreement will run with the land.
- 3.10 Assignment.** Developer may not assign this Agreement to any other third party, without the prior written consent of the Township; provided however, that such consent shall not be unreasonably withheld.
- 3.11 Incorporation of Recitals.** The Recitals set forth above are hereby incorporated into and made part of this Agreement.

IN WITNESS WHEREOF, the parties have executed this agreement as the year and date set forth above.

*Signature Pages Follow:*

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WITNESSES:

\_\_\_\_\_

\_\_\_\_\_

DEVELOPER:

**TOLL MI V LIMITED PARTNERSHIP**  
a Michigan limited partnership

\_\_\_\_\_  
By: Michael T. Noles  
Its: Vice President

STATE OF MICHIGAN

)

) ss.

COUNTY OF \_\_\_\_\_

)

The forgoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2013, by Michael T. Noles, Vice President of Toll Bros., Inc., a Pennsylvania corporation, on behalf of the company.

\_\_\_\_\_  
Notary Public,

\_\_\_\_\_ County, Michigan

My Commission Expires:

Acting in the County of \_\_\_\_\_

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TOWNSHIP:

**CHARTER TOWNSHIP OF SUPERIOR,**  
a Michigan municipal corporation

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
By: William A. McFarlane  
Its: Supervisor

STATE OF MICHIGAN )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The forgoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2013,  
by \_\_\_\_\_ of The Charter Township of Superior, a Michigan municipal  
corporation on behalf of the corporation.

\_\_\_\_\_  
Notary Public,  
\_\_\_\_\_ County, Michigan  
My Commission Expires:  
Acting in the County of \_\_\_\_\_

Drafted by and when recorded return to:  
David Phillips  
Superior Charter Township Clerk  
3040 N. Prospect  
Ypsilanti, Michigan 48198  
(734) 482-6099

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**EXHIBIT "A"  
Land Comprising the "Development"**

Commencing at the Southwest corner of Section 30, T2S. R7E. Superior Township, Washtenaw County, Michigan; thence along the West line of said Section 30, N 00° 47' 20" W 1381.90 feet to the centerline of Geddes Road for a POINT OF BEGINNING; thence continuing along said West line, N 00° 47' 20" W 1285.90 feet to the West 1/4 corner of said Section 30; thence along the East and West 1/4 line of said Section 30, N 88° 06' 20" E 1102.03 feet; thence along the East line of the West Fractional 1/2 of the Southwest Fractional 1/4 of said Section 30, as monumented and occupied, S 01° 32' 15" E 1116.92 feet to a point on the centerline of Geddes Road; thence along said centerline in the following three (3) courses: (1) S 80° 56' 35" W 455.28 feet (2) Westerly 598.97 feet along the arc of a circular curve to the left, having a radius of 10,134.98 feet, a central angle of 03° 23' 10", and a chord which bears S 79° 15' 00" W 598.88 feet and (3) Westerly 79.00 feet along the arc of a circular curve to the left, having a radius of 568.50 feet, a central angle of 07° 57' 44" and a chord which bears S 73° 34' 33" W 78.94 feet to the Point of Beginning, being part of the West Fractional 1/2 of the Southwest Fractional 1/4 of said Section 30, as monumented and occupied, and containing 30.36 acres of land more or less, subject to the rights of the public over the Northerly 33 feet of Geddes Road. Also subject to other easements and restriction of record, if any,

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**EXHIBIT "B"**

**CHARTER TOWNSHIP OF SUPERIOR  
3040 N. PROSPECT ROAD  
YPSILANTI, MI 18198**

**TELEPHONE 734-482-6099**

**FAX 734-482-3842**

DATE: \_\_\_\_\_  
SITE ADDRESS: \_\_\_\_\_  
OWNER'S ADDRESS: \_\_\_\_\_  
TELEPHONE NUMBER: \_\_\_\_\_  
BUILDING PERMIT NUMBER: \_\_\_\_\_

I certify that I have checked the distances from the side, rear, and front lines of the building(s) as well as building elevation, site and easement grades and find that the construction conforms with the Township approved engineering plans, except as specifically noted below.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Printed name of Professional Land Surveyor

\_\_\_\_\_  
Michigan Registration Number

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature & Seal of  
Professional Land Surveyor

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Ayes: Phillips, McKinney, Caviston, Green, Lewis, Williams, McFarlane

Nays: None

Absent: None

The motion carried.

**B. HYUNDAI ELECTRICAL SUBSTATION DEVELOPMENT AGREEMENT III**

Clerk Phillips explained that this development agreement was for Hyundai's construction of an electrical substation located on the northeast corner of the Hyundai America Technical Center. The copy provided to the Board is not complete. The amounts for surety, escrow and fees have not yet been determined and Hyundai has indicated there may be some minor engineering changes. Clerk Phillips explained that the action requested is for the Board to approve a development agreement similar to the following document that was provided to Board members and for the Board to authorize Township officials to sign the completed development agreement after it has been reviewed and approved by the Township attorney. Clerk Phillips said that if there any substantial or major changes to the document, it will be brought back before the Board for Board approval.

It was moved by Phillips, seconded by McKinney, for the Board to approve a development agreement for the Hyundai electrical substation similar in form and content to the draft document, which was provided to Board members and to approve Township officials to sign the completed final document after it has been reviewed and approved by the Township's attorney.

A copy of the proposed Development Agreement is below or the approved and signed Development Agreement is recorded at the Washtenaw County Register of Deeds.

**Superior Charter Township  
Washtenaw County, Michigan**

**DEVELOPMENT AGREEMENT III  
Hyundai America Technical Center, Inc. (HATCI)**

**HYUNDAI RESEARCH AND DEVELOPMENT CENTER,**

**SITE EXPANSION PHASE II  
PROJECT III, NEW ELECTRICAL SUBSTATION  
PROJECT IV, REMOVE EXISTING ELECTRICAL SUBSTATION**



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- E. WHEREAS**, all parking and drives for the Facility are to be bituminous asphalt with concrete curb and gutter, except for the service drive to the electrical substation, which may be constructed of stone without curbs or gutters;
- F. WHEREAS**, the purpose of the Facility is for automotive testing and research and shall enhance international operations of Hyundai Motor Group;
- G. WHEREAS**, the Owner/Applicant/Developer desires to build all necessary infrastructure, for this new construction, such as, but not limited to, storm sewers, water main, drainage facilities, storm detention basins, sanitary sewer extension, driveways, sidewalks, curb and gutter, parking improvements, lighting and landscaping, without the necessity of special assessments by the Township;
- H. WHEREAS**, the Owner/Applicant/Developer desires to install the lot grading and soil erosion and sedimentation control improvements proposed on the construction plans in order to facilitate the additional drainage of stormwater from the development in such a manner as to avoid damage to any adjacent property or any adjacent lot, from an increase in the flow or decrease in water quality of stormwater from the subject development;
- I. WHEREAS**, all contracts, maintenance agreements, approvals, and conditions agreed to by the Owner, Owner/Applicant/Developer and the Township remain in effect including, but not limited to, conditions of all approvals by the Township regarding zoning and site plan approval on the subject site, maintenance of the public walking trail, engineering approvals, and permits that may have been issued by appropriate governmental review agencies for the subject site;
- J. WHEREAS**, on February 6, 2013, the Superior Township Planning Commission approved the preliminary site plan, "Hyundai America Technical Center, Inc., Site Expansion Phase II ;
- K. WHEREAS**, on April 24, 2013, the Superior Township Planning Commission passed a motion to approve the final site plan for the Owner/Applicant/Developer's Hyundai America Technical Center, Inc, Site Expansion Phase II, with no conditions; .
- L. WHEREAS**, the approved final site plan for the Facility is consistent with the purposes and objectives of the Township's Zoning Ordinance pertaining to the use and development of the Property;
- M. WHEREAS**, Section 14.03 of the Zoning Ordinance, effective August 14, 2008, requires the execution of a Development Agreement in connection with the approval of the final site plan for the Development which Agreement shall be binding upon the Township, Applicant/Developer and the Owners of the site, their successors-in-interest, and assigns.

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- N. **WHEREAS**, the parties entered into a Development Agreement on May 28, 2004, (the Original Development Agreement”) which was thereafter amended on March 16, 2009 (the “First Amended Development Agreement”); and, the parties entered into a Development Agreement dated June 7, 2012, ( Development Agreement II);

AGREEMENT:

**THEREFORE**, in consideration of the promises and the mutual covenants of the parties described in this Agreement and with the express understanding that this Agreement contains important and essential terms as part of the final approval of the Owner/Applicant/Developer’s final site plan for the Facility, the parties agree as follows:

**ARTICLE I  
GENERAL TERMS**

- 1.1 Recitals Part of Agreement.** The Owner/Applicant/Developer and the Township acknowledge and represent that the foregoing recitals are true, accurate and binding on the respective party.
- 1.2 Prior Development Agreements.** This Development Agreement III does not revoke or repeal either the Original Development Agreement as amended by the First Amended Development Agreement or Development Agreement II. All of the obligations, rights and duties contained in the these prior Development Agreements shall continue in full force and effect unless specifically modified by the terms of this Development Agreement III.
- 1.3 Zoning District.** The Township acknowledges and represents that the Property is zoned Planned Manufacturing District (PM) for the Facility and for purposes of recordation shall be referred to as the **Hyundai Research and Development Center, Electrical Substation**. This district is intended to permit and encourage development of environmentally clean and safe research and development facilities in a landscaped, low-density, campus-type environment, devoid of nuisance factors commonly found in standard industrial districts; encourage uses that support research and technology uses to develop in stages and in a planned, coordinated manner, according to an overall development plan; provide facilities and services necessary for the health, safety, welfare, and convenience of employees, customers, and visitors; encourage provision of open spaces, and protect and preserve natural features by incorporating such features into the plan for the district; prevent uses in the PM District from creating any dangerous, injurious, noxious, or otherwise objectionable condition that might result from fire, explosion, or radioactivity; noise or vibration; or pollution; and encourage development that will incorporate the best features of modern land design. The maximum Ground Floor Coverage is twenty percent (20%) and the maximum Floor Area Ratio is 0.40. The

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sum of the Ground Floor Area of all buildings and the area in parking spaces, drives, and loading spaces shall not exceed fifty percent (50%) of the area of the lot.

- 1.4 **Approval of Site Plan.** The final site plan dated April 5, 2013 and approved April 24, 2013 (Exhibit A) copies of which are attached hereto and made a part hereof, has been approved pursuant to the authority granted to and vested in the Township pursuant to the Michigan Zoning Enabling Act, Public Act 110 of 2006, as amended.
- 1.5 **Conditions of Site Plan Approval.** The Owner/Applicant/Developer and the Township acknowledge that the approved engineering plans for the Facility incorporate the approved conditions and requirements that were adopted by the Township Planning Commission, the Township Board of Trustees, consultants and departments of the Township.
- 1.6 **Agreement Running with the Land.** The terms, provisions and conditions of the Agreement shall be deemed to be of benefit to the Property described herein, shall be deemed a restrictive covenant which shall run with the land and be binding upon, and inure to the benefit of the parties, their successors-in-interest and assigns; and may not be modified or rescinded except as may be mutually agreed to in writing by the Township, the Owner/Applicant/Developer and/or their respective successors. This restrictive covenant shall be incorporated by the appropriate executed instruments into the title of said property.

**ARTICLE II  
PROVISIONS REGARDING DEVELOPMENT**

- 2.1 **Permitted Principal Uses.** The principal use within the Hyundai America Technical Center and the Facility shall be for automotive testing and research with accessory administrative offices, laboratories and maintenance facilities as depicted on the Township's approved amended final site plan.
- 2.2 **Payment of Fees and Invoices.** The Owner/Applicant/Developer shall pay all such applicable fees and invoices as may be due and payable prior to the issuance of building permits before any such permits are issued.
- 2.3 **Tree Preservation.** Trees shown to be preserved and/or replaced on the amended final site plan shall be protected from encroachment by tree fencing installed at the drip line of the trees at all times during all phases of development and, if any trees shown to be preserved on the amended final site plan are damaged or removed, shall be promptly replaced by a like variety no less than four (4") inches in diameter.
- 2.4 **Use of Detention Areas; Use of Open Space and Detention Areas.** Certain portions of the Development as defined herein are to be used for storm water retention

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and drainage, recreation, open space, and wetland purposes as depicted in the approved drainage plan and/or site plan. Except for sidewalks, landscaping improvements, storm drainage improvements, utilities or other improvements required to be installed by the Owner/Applicant/Developer and which are depicted on plans and specifications approved by the Township, no improvements shall be installed or constructed within any designated common element open space area or detention area without the prior approval of the Township as required by Township ordinance, which approval shall not unreasonably be conditioned or withheld.

- 2.5 Schedule for Improvements in General Common Element Open Space Areas and Detention Areas.** Owner/Applicant/Developer has completed all "General Common Element Open Space Areas and Detention Areas" and the improvements which are reflected in the approved final site plan dated April 28, 2004 of the Development, and the amended final site plan dated January 19, 2009. There are no additional "General Common Element Open Space Areas and Detention Areas" being installed during this expansion.
- 2.6 General Common Element Open Space and Detention Area Rules.** The Owner/Applicant/Developer shall regularly remove all construction debris and rubbish and be responsible for removing any man-made debris that is deposited in the General Common Element Open Space Areas and Detention Areas during the period of construction and shall maintain the areas to ensure that they are free of trash, rubbish or unsightly weeds and during the construction shall maintain the area and landscaping in an attractive state. Owner/Applicant/Developer shall preserve and retain the General Common Element Open Space Areas within the site in their natural state, with minimal intrusion, subject to the right of Owner/Applicant/Developer to install, maintain and repair the site improvements which are identified in the final site plan or the plans and specifications for the Development which have been approved by the Township.
- 2.7 Township Right of Enforcement Regarding General Common Element Open Space and Detention Areas.** In the event the Owner/Applicant/Developer fails at any time to preserve, retain, maintain or keep up the General Common Element Open Space or Detention Areas in accordance with this Agreement, the Township may serve written notice upon the Owner/Applicant/Developer setting forth the manner in which Owner/Applicant/Developer has failed to maintain or preserve the General Common Element Open Space and Detention Areas in accordance with this Agreement or Amendment. Such notice shall include a demand that deficiencies in maintenance or preservation be cured within thirty (30) days of the notice. If the deficiencies set forth in the original notice, or any written modification thereof, are not cured within such thirty (30) day period or any extension thereof, the Township, in order to prevent the General Common Element Open Space and Detention Areas from becoming a nuisance, may, but is not obligated to, enter upon the General Common Element Open Space and Detention Areas and perform the required maintenance or otherwise cure the deficiencies. The

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Township's cost to perform any such maintenance or cure, together with a surcharge equal to fifteen percent (15%) for administrative costs, shall be assessed to the owner of the site at the time such maintenance or cure is performed (or said owner's successors or assigns), placed on the next Township tax roll as a special assessment, and collected in the same manner as general property taxes.

**2.8 Storm Water Management.** Owner/Applicant/Developer shall comply with all requirements for Storm Water Management as required in the Original Development Agreement, the First Amended Development Agreement and Development Agreement II.

In the event Owner/Applicant/Developer at any time fails to maintain or preserve such retention/detention basin areas, the inlet and outlet areas, etc., in accordance with this Agreement, the Township may serve written notice upon the Owner/Applicant/Developer setting forth the deficiencies in the maintenance and/or preservation of the retention/detention basin area, inlet and outlet areas, etc. Said written notice shall include a demand that deficiencies in maintenance and/or preservation be cured within thirty (30) days of the date of said written notice. If the deficiencies set forth in the original notice, or any subsequent written notice thereto, are not cured within such thirty (30) day period or any extension thereof, the Township in order to prevent the retention/detention basin areas, inlet and outlet areas, etc. from becoming a nuisance, may enter upon the retention/detention basin areas, inlet and outlet areas, etc. and perform the required maintenance and/or preservation to cure the deficiencies. The Township's cost to perform any such maintenance and/or preservation, together with a fifteen percent (15%) surcharge for administrative costs, shall be assessed to the owner of the site at the time such maintenance and/or preservation is performed or its successors or assigns, placed on the next Township roll as a special assessment and collected in the same manner as general property taxes.

**2.9 Landscape Plan for Development.** The Owner/Applicant/Developer shall provide a complete landscape plan for the area covered by the new expansion depicting the type, size, and location of landscaping materials including all planned irrigation systems. Such landscaping plan shall be submitted and approved by Township's consultants prior to any building permit being issued.

This landscape plan shall supplement any previously approved landscape plans.

The sheets C-601 and C-602 of the approved Final Site Plan dated April 5, 2013 provide a complete landscape plan for the area covered by the new expansion. The landscape plan depicts the type, size and location of landscaping materials including all planned irrigation systems. This landscape plan shall supplement any previously approved landscape plan. All plantings shall comply with all applicable requirements of the Superior Township Zoning Ordinance. All plantings shall be approved through the inspection of the Zoning Official or designated representative and be guaranteed for three years from the date of planting.

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In the event Owner/Applicant/Developer fails to comply with this section or fails to complete the landscaping within a reasonable time as determined by the Township, the Township may serve written notice upon the Owner/Applicant/Developer setting forth the deficiencies in the implementation, maintenance and/or preservation of the landscaping or landscape plan. Said written notice shall include a demand that deficiencies be cured within thirty (30) days of the date of said written notice. If the deficiencies set forth in the original notice, or any subsequent written notice thereto, are not cured within such thirty (30) day period or any extension thereof, the Township in order to ensure compliance with this Development Agreement III, may enter upon the Premises and perform the required installation, maintenance and/or preservation to cure the deficiencies. The Township's cost to perform any such installation, maintenance and/or preservation, together with a fifteen percent (15%) surcharge for administrative costs, shall be assessed at the time such installation, maintenance and/or preservation is performed to the owner of the site or its successors or assigns, placed on the next Township roll as a special assessment and collected in the same manner as general property taxes.

- 2.10 No Disturbance of Wetlands.** No regulated wetland within the Development shall be modified in any manner by any person or entity unless all necessary permits for such modification have been issued by all governmental units or agencies having jurisdiction over such wetlands within the Development.
- 2.11 Township Wetland Ordinance.** Owner/Applicant/Developer shall comply with the Township's Wetland Ordinance, including such requirements as may be imposed in that ordinance with respect to wetland mitigation. The Owner/Applicant/Developer shall comply with wetland mitigation requirements imposed in connection with the issuance of any permit that may be required from the Michigan Department of Environmental Quality ("MDEQ") and the Owner/Applicant/Developer shall provide the Township with all documentation and correspondence concerning any wetland mitigation process carried out pursuant to such approvals as may be issued by the MDEQ. Such Documentation would include, but not be limited to, all wetland monitoring reports, violation notices, or any type of documentation relating to the subject development.
- 2.12 Construction Access.** Owner/Applicant/Developer shall take all reasonable measures requested by the Township to reduce any dust or unreasonable amounts of material on the road created by trucks traveling to and from the construction site, when requested in writing by the Township, the expense of which shall be born exclusively by the Owner/Applicant/Developer.

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**2.13 Continuation of Services.** Owner/Applicant/Developer shall take all reasonable measures to ensure that all vehicle and pedestrian access to the Hyundai America Technical Center shall be maintained during the period of construction.

**2.14 Engineering and Certification.**

**A.** By the date the Final Certificate of Occupancy is issued, Owner/Applicant/Developer shall furnish three Mylar As-built Drawing plans signed and sealed by an engineer licensed in the State of Michigan indicating that the site grading, storm water conveyance, soil erosion/sedimentation, and all other improvements to the site have been constructed in substantial accordance with the approved engineering plans. The Township will review and approve improvements in accordance with the Township “Engineering Design Specification for Site Improvements” and other applicable laws and ordinances.

**B.** Owner/Applicant/Developer shall furnish As-Built Drawing plans in a digital format that is in conformance with the Charter Township of Superior Standards for Submitting Digital As-Built Drawings.

**2.15 Inspection Escrow for Improvements as Shown on Final Site Plan.**

Owner/Applicant/Developer has provided a layout to the Township showing all site improvements which the Owner/Applicant/Developer proposes to install therein, as reflected in the approved final site plan. Site improvements shall include but not be limited to drives parking lots, grading, required landscaping and required screens, and storm drainage systems as cited in Section 1.12(C) of the Superior Charter Township Zoning Ordinance. Prior to the scheduling of the pre-construction meeting, the Owner/Applicant/Developer will deposit \$\$\$\$----- in escrow with the Township to secure the cost of inspection of the site by the Township’s engineers or any other experts retained by the Township to perform inspections pursuant to this Development Agreement II. . The Owner/Applicant/Developer will deposit such funds with the Treasurer’s Office in the form of cash or a check payable to the Charter Township of Superior. The escrow funds shall state “Escrow for inspection of site improvements as shown of the Final Site Plan for Hyundai Research and Development, Electrical Substation as stated in Section 2.15 of the Development Agreement III”. All site improvements shall be installed as agreed upon between the Owner/Applicant/Developer and the Charter Township of Superior as presented on the final site plan approved and signed by the Planning Commission. The Township shall refund its unused portion of the escrow within ten (10) business days after review and approval of the designated site improvements, such approval not to be unreasonably conditioned or withheld.

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- 2.16 Underground Utilities.** Owner/Applicant/Developer shall comply with all requirements for Underground Utilities as required in the Original Development Agreement, the First Amended Development Agreement and Development Agreement II.
- 2.17 Performance Guarantee for Site Improvements.** The Owner/Applicant/Developer shall provide security in the form of a financial guarantee in the amount of \$\$----- prior to the scheduling of the pre-construction meeting as required by Section 1.12 (C) of the Township's Zoning Ordinance. The financial guarantee funds shall comply with all statutory requirements and shall equal the total estimated cost for completing construction of the Facility and all associated site work including, but not limited to, paving, underground utilities, grading, soil erosion, and site restoration, including contingencies, as estimated by the Owner/Applicant/Developer's engineer and approved by the Township Engineers and Township Administrative staff. The financial guarantee funds shall state "Security for Site Improvements and Other Items as stated in Section 2.18 of the Development Agreement Hyundai Research and Development, Electrical Substation . The Owner/Applicant/Developer will deposit such funds with the Treasurer's Office in the form of cash, irrevocable letter of credit or a certified check payable to the Charter Township of Superior. All Site Improvements and other items required by Development Agreement III, as stated above shall be installed, as depicted on the Final Site Plan and in the approved final engineering plans, by no later than twelve (12) months after construction of the project begins. The Township shall release the escrow funds within twenty (30) business days after the Township verifies the project is complete and the Owner/Applicant/Developer obtained all required approvals from all other agencies, said approval not to be unreasonably conditioned or withheld. The Township may use the funds to pay for any expenditures chargeable to Owner/Applicant/Developer under any provision of this Development Agreement III.
- 2.18 Engineering Approval of Plans.** In accordance with Superior Township Ordinance and Superior Township's Engineering Design Specifications, no construction work shall be performed on the Facility until engineering plans are reviewed and approved. The Township agrees that all plan reviews required by its engineer shall be completed expeditiously.
- 2.19 Soil Erosion.** Prior to the issuance of a building permit for the Facility and prior to commencing any construction, the Owner/Applicant/Developer shall obtain and provide copies of a soil erosion permit (or waiver) obtained from the Washtenaw County Soil Erosion and Sedimentation Control Department.
- 2.20 Dedication of Utility Easements.** The Owner/Applicant/Developer has dedicated utility easements (40 feet width) along the west and south borders of the Property. The Owner/Applicant/Developer shall agree to allow utility looping when future development

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is proposed if the Township so desires. Any looping of utilities shall be at the sole expense of the Township. The Township agrees to abandonment of the utility easements, with relocation of the utility easements to the outer most borders of the Owner/Applicant/Developer's property, in the event of additional land purchases by the Owner/Applicant/Developer at the subject location. Owner/Applicant/Developer agrees to dedicate any new utility easements necessary for the completion of this new expansion. The relocation of any utilities shall be at the sole expense of the Owner/Applicant/Developer.

- 2.21 Private Utilities.** The Township Utility Department may periodically inspect the connection at the interface of the public and private water system upon reasonable notice and at times and manners that will not interfere with the delivery of utilities to the Owner/Applicant/Developer for an unreasonable length of time. The Owner/Applicant/Developer shall be completely responsible for all fire protection water needs on the site, as a private firewater loop will be in use. The Owner/Applicant/Developer shall be completely responsible for diligent maintenance of the private firewater loop systems and appurtenances, particularly the pumping facilities and force main. The Township accepts no responsibility for these items, except as set forth in the Original Development Agreement, the First Amended Development Agreement or Development Agreement II.
- 2.23 Public Utilities.** The Owner/Applicant/Developer shall submit an irrevocable letter of credit in the amount of \$10,000.00 prior to the scheduling of the pre-construction meeting. This irrevocable letter of credit will not be released until the Township issues "final acceptance" of the public utilities after completion of the building within the Development. The Township agrees not to unreasonably condition or delay the grant of the approval or the release of the letter of credit. This letter of credit will be used by the Township to repair damages, which occur to the public utility system during construction but prior to final acceptance, if the Owner/Applicant/Developer, promptly upon the Township's written request, does not complete such repairs.

- 2.24 Construction Work Schedule.** Construction work (including excavation, demolition, alteration and erection) and construction noises shall be prohibited at all times other than:

**MONDAY THROUGH FRIDAY – 7 A.M. – 7 P.M.**

**SATURDAY - 8 A.M. – 5 P.M.**

The Township may issue a work permit for hours other than listed above upon written request of the owner or owner's representative. The request must demonstrate unusual or unique circumstances relating to the proposed construction hours and approval shall not be unreasonably conditioned or withheld.

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- 2.25 Removal of Construction Debris.** Owner/Applicant/Developer shall remove all discarded building materials and rubbish at least once each month during construction of the Facility and within one month of completion or abandonment of construction. No burning of any kind will be allowed on the site in conjunction with the construction of the Development and the Facility, including the burning of trees, brush, stumps, or vegetative materials, while clearing the site, or of construction materials during construction.

**ARTICLE III  
MISCELLANEOUS PROVISIONS**

- 3.1 Modifications.** This Amendment may not be modified, replaced, amended or terminated without the prior written consent of the parties to this Amendment.
- 3.2 Governing Law.** This Amendment shall be governed by and construed in accordance with the laws of the State of Michigan.
- 3.3 Township Approval.** This Amendment has been approved by the Owner/Applicant/Developer and Township, through action of the Township Board at a duly scheduled meeting.
- 3.4 Owner/Applicant/Developer Approval.** The signers on behalf of Owner/Applicant/Developer below represent by their signatures that they represent and have authority to bind such parties. Owner has signed to show only that it consents to the terms of the Amendment being made applicable to the Property.
- 3.5 Execution in Counterparts.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one Amendment. The signature of any party to any counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart.
- 3.6 Pre-Construction Meeting with Builder.** Prior to the commencement of said construction of the Facility, the Owner/Applicant/Developer shall schedule a meeting with its construction manager and the Township's applicable departments, officials, and consultants to review the applicable policies, procedures and requirements of the Township with respect to construction of the subject development.
- 3.7 Continuing Obligations.** By execution of this Amendment, the parties do not intend to release Owner/Applicant/Developer, or the Township, from any continuing obligations under the Agreement, except where this Amendment clearly indicates such intent.

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- 3.8** **Fees.** The Owner/Applicant/Developer, if in default of a material provision of the Agreement and this Amendment, shall pay for reasonable reviews necessary to determine conformance of the Facility to this Development Agreement III. This fee would include reasonable review time at reasonable rates by the Township Engineer, Planner, Attorney, staff member or other Township consultant.

**ARTICLE IV  
CHARTER TOWNSHIP OF SUPERIOR HEREBY AGREES:**

- 4.1** **Ratification of Agreement.** The Township confirms and ratifies its agreements and undertakings as set forth in this Amendment.
- 4.2** **Inspections** In consideration of the above undertakings to approve the development, the Township shall provide timely and reasonable Township inspections as may be required during construction of the Facility.
- 4.3** **Continued Review.** The Owner/Applicant/Developer shall be required to review conformance of the Agreement and this Amendment with Township Officials and/or designated Township consultants on a yearly basis or at such time as reasonably necessary by the Township until all escrows and letters of credit issued by the Owner/Applicant/Developer have been extinguished or released.
- 4.4** **Recordation of Agreement.** The Township will record this Amendment with the Washtenaw County Register of Deeds. All costs associated with the recording of this Amendment shall be borne by the Owner/Applicant/Developer.

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**IN WITNESS WHEREOF**, the parties have executed this Amendment as the year and date set forth above.

**WITNESSES:**

**OWNER**

**HYUNDAI MOTOR AMERICA, a  
California corporation**

**By:**

\_\_\_\_\_  
**Its: Executive Director Human  
Resources and Administrative Services**

**Treasurer**

\_\_\_\_\_  
**Its:**

STATE OF CALIFORNIA            )  
  ) s.s.  
COUNTY OF ORANGE            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_ 2012, by \_\_\_\_\_, Executive Director Human Resources and Administrative Services of Hyundai Motor America, a California corporation, on behalf of the company.

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_ County,  
California

My Commission Expires:



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**CHARTER TOWNSHIP OF  
SUPERIOR, a Michigan Municipal  
corporation**

**By: \_\_\_\_\_  
William A. McFarlane  
Its: Supervisor**

\_\_\_\_\_  
  
\_\_\_\_\_

STATE OF MICHIGAN            )  
  ) s.s.  
COUNTY OF WASHTENAW    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ 2012, by William A. McFarlane, Supervisor of Superior Charter Township, a Michigan municipal corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_ County,  
Michigan  
My Commission Expires:

Drafted by and when recorded return to:

**David Phillips**  
Superior Charter Township Clerk  
3040 N. Prospect  
Ypsilanti, MI 48198  
(734) 482-6099

Ayes: McKinney, Caviston, Green, Lewis, Williams, McFarlane, Phillips

Nays: None

Absent: None

The motion carried.

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**C. RESOLUTION 2013-15, FIRE DEPARTMENT'S PURCHASE OF A FOUR WHEEL  
ATV**

Fire Chief Roberts explained that during the past year, the Fire Department has had to borrow a four wheel all-terrain vehicle from neighboring fire departments several times. Both occasions were to remove someone from a difficult situation that was very far from a road. He said that the Township has many off-road, remote locations and that an ATV would be very helpful to carry staff and equipment into an emergency scene and to carry victims out. He recommended the Board approve the purchase.

The following resolution was moved by Phillips, seconded by Caviston:

**SUPERIOR CHARTER TOWNSHIP  
WASHTENAW COUNTY, MICHIGAN**

**A RESOLUTION FOR APPROVAL OF THE PURCHASE OF A 2013 POLARIS  
RANGER 800 FOR THE SUPERIOR TOWNSHIP FIRE DEPARTMENT**

**RESOLUTION NUMBER: 2013-15**

**DATE: May 20, 2013**

**WHEREAS,** The Superior Charter Township is a Michigan Charter Township; and

**WHEREAS,** The Superior Township Fire Department has the power, privilege and authority to maintain and operate a fire department providing fire protection, fire suppression, emergency medical services, technical rescue, hazardous incidence response and other emergency response services ("Fire Services"); and

**WHEREAS,** The department is in the process of purchasing a new four wheel side by side ATV; and

**WHEREAS,** To include a pump, water tank and patient transport capability (Mobile truck mounted fire and medical skid system), and a utility trailer capable of transporting this equipment; and

**WHEREAS,** A committee was formed to pursue specifications for a new side by side ATV, to secure prices for said vehicle; and

**WHEREAS,** It was a unanimous decision of the committee that J&L Motorsports most closely matched the criteria established by the committee; and

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**WHEREAS,** The cost of this equipment will be \$22,222.00; and

**NOW, THEREFORE BE IT RESOLVED:** That the Superior Township Board of Trustees approves the Fire Department's purchase of the new Polaris Ranger, slide in Mobile mounted fire and medical skid plate unit and transport trailer at a cost not to exceed \$22,222.00 from J&L Motorsports and other suppliers as outlined in Fire Chief Roberts May 16, 2013 Request for Legislation and that the cost of this purchase is to be taken from line item No. 207-000-393-015 and authorizes the Township Supervisor to sign any and all required purchase documents.

Ayes: McFarlane, Phillips, McKinney, Caviston, Green, Lewis, Williams

Nays: None

Absent: None

**D. RESOLUTION 2013-16, FIRE DEPARTMENT'S PURCHASE OF OVERHEAD GARAGE DOOR FOR FIRE STATION NO. 2**

Fire Chief Roberts explained that the doors at fire station No. 2 were installed in 1976 and in need of replacement. He presented two bids to the Board and recommended that the Board approve the bid from Abbey Door.

The following resolution was moved by McKinney, seconded by Lewis:

**SUPERIOR CHARTER TOWNSHIP  
WASHTENAW COUNTY, MICHIGAN**

**A RESOLUTION FOR APPROVAL OF THE PURCHASE AND INSTALLATION OF TWO OVERHEAD BAY DOORS FOR SUPERIOR TOWNSHIP FIRE DEPARTMENT STATION TWO**

**RESOLUTION NUMBER: 2013-16**

**DATE: May 20, 2013**

**WHEREAS,** The Superior Charter Township is a Michigan Charter Township; and

**WHEREAS,** The Superior Township Fire Department has the power, privilege and authority to maintain and operate a fire department providing fire protection, fire suppression,

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emergency medical services, technical rescue, hazardous incidence response and other emergency response services (“Fire Services”); and

**WHEREAS**, The department is in the process of replacing two overhead bay doors at station two; and

**WHEREAS**, Bids were requested from area door contractors; and

**WHEREAS**, It is recommended that the bid of Abbey Door be accepted; and

**WHEREAS**, The cost of the two doors including installation will be \$4,100.00

**NOW, THEREFORE BE IT RESOLVED:** That the Superior Township Board of Trustees approves the Fire Department’s purchase and installation of two new overhead doors for Fire Station No. 2 from Abbey Door at a cost not to exceed \$4,100.00, that the cost of this purchase is to be taken from line item No. 207-000-393-010 and authorizes the Township Supervisor to sign any and all required purchase documents.

Ayes: Phillips, McKinney, Caviston, Green, Lewis, Williams, McFarlane

Nays: None

Absent: None

The motion carried.

**E. SUPERIOR TOWNSHIP ROAD IMPROVEMENT PROJECTS FOR 2013**

Supervisor McFarlane recommended the Board approve the 2013 Superior Township Second Agreement with the Washtenaw County Road Commission for Township road improvement projects. The total cost of the improvements are \$363,790.00, which includes \$300,000 from the Township, \$32,061.00 from Road Commission matching funds for roads, \$8,793.00 from Road Commission matching funds for ditching and \$21,936.00 from Community Development Block Grant funds (CDBG). The highlights include extensive work on Vorhies Road; milling and overlay of Nottingham Drive, Overbrook, Harvest Lane and Bazley; three applications of brine for dust control on gravel roads and various application of limestone and ditching.

See attached 2013 Superior Township Second Agreement with the Washtenaw County Road Commission for road improvement projects in Superior Township in 2013.

It was moved by McKinney, seconded by Caviston, for the Board to approve the 2013 Superior Township Second Agreement for Township road improvement projects and to authorize the Supervisor to sign the agreement.

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Ayes: Phillips, McKinney, Caviston, Green, Lewis, Williams, McFarlane

Nays: None

Absent: None

The motion carried.

**F. BOARD POLICY ON PURCHASING FUEL AND USING TOWNSHIP FUEL DEPOTS**

Supervisor McFarlane explained the need for the Township to adopt a policy on employees purchasing fuel or using fuel from Township fuel depots. The new policy will ensure that adequate records and documentation are kept to safeguard against the unauthorized use of fuel either purchased from an outside vendor or used from a Township fuel depot.

It was moved by Phillips, seconded by Caviston to approve the following Board policy and add it to the Board's Policy Manual:

**SUPERIOR CHARTER TOWNSHIP**

**POLICY REGARDING PURCHASE OF FUEL OUTSIDE OF TOWNSHIP FUEL DEPOTS AND THE USE OF FUEL OBTAINED FROM THE TOWNSHIP FUEL DEPOTS**

**PURPOSE:**

To establish guidelines for the charging of fuel for Township owned, rented or leased vehicles, and equipment. To additionally establish guidelines for fuel stored in Township facilities for the use related to the operation and function of the Township.

**APPLICATION:**

This policy applies to all authorized employees needing to obtain fuel for the conducting of legitimate Township business.

**GENERAL POLICY:**

Under no circumstances is it acceptable to purchase or obtain fuel from the Township depots for use in vehicles or equipment not owned, leased or rented by the Township to conduct Township business. It is strictly prohibited to purchase or obtain fuel for use in privately owned vehicles or fuel storage containers.

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Purchase of Fuel Outside of Township Fuel Depots

1. Authorized employees must obtain a receipt at the time of purchasing fuel.
2. All receipts must contain the following information:
  - a. Amount of fuel purchased in gallons
  - b. Amount of fuel purchased in dollars
  - c. Location of purchase
  - d. Vehicle odometer reading at time of purchase, if applicable
  - e. Date of purchase
  - f. Name of employee purchasing fuel
3. All receipts must be turned into his/her designated accountant weekly, which will then be reconciled with the invoice when received from the vendor.

Use of Fuel from Township Fuel Depots

1. Employees requiring to obtain fuel from the Township depots must obtain authorization from his/her supervisor.
2. Documentation of fuel removed from the Township fuel depots must be kept in a log (Utility depot's log will be kept in the Maintenance Supervisor's office. Fire depot's log will be kept in the Station 1 Radio Room). Entries into this fuel log must contain the following information:
  - a. Amount of fuel withdrawn in gallons
  - b. Date of withdrawal
  - c. Name of employee making the withdrawal
  - d. Vehicle or equipment fuel is obtained for
  - e. Vehicle odometer reading, if applicable
3. Responsibility for the reconciliation of depot fuel use will be the responsibility of department heads.

**ACCOUNTABILITY AND ASSISTANCE:**

All employees authorized to purchase fuel, or use fuel from the Township, share in the responsibility for adhering to this policy.

**ENFORCEMENT:**

1. Complaints: Persons observing a violation of this policy should bring it to the attention of the Township Supervisor.
2. Investigation: The Township Supervisor will investigate the complaint and take the appropriate action to resolve the complaint in a timely manner.
3. Violators: Persons found to be in violation of this policy will be subject to disciplinary action(s) in the same manner and magnitude as violations of other Township policies.

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**DISPUTES:**

Disputes, other than disciplinary issues, arising from this policy shall be presented to the Superior Township Board for resolution.

The motion carried by unanimous voice vote.

**G. BOARD POLICY ON IMPLEMENTING WATER/SEWER RATE INCREASES**

Supervisor McFarlane explained the need for the Township to adopt a policy on implementing water/sewer rate increases. He said that under the method included in the proposed policy the increase will be averaged into the invoice for the quarter based upon the number of days the rate increase was in effect.

It was moved by McKinney, seconded by Caviston, for the Board to approve the following policy on implementing water/sewer rate increase and to add the policy to the Township's Board Policy Manual:

**SUPERIOR CHARTER TOWNSHIP  
POLICY REGARDING IMPLEMENTING WATER/SEWER  
RATE INCREASES**

**PURPOSE:**

To establish guidelines for implementing water and sewer rate increases from the Ypsilanti Community Utilities Authority (YCUA) to Superior Charter Township using a weighted average in order to accurately bill residents.

Please note that this procedure is to be used for implementing the residential portion of the YCUA rate increases only. Rate increases for commercial accounts that receive water/sewer through Superior from YCUA and all rate increases from Ann Arbor Township (used for Towsley and Valleyview only) can be implemented without using a weighted average.

**GUIDELINES:**

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Township residents are billed for water/sewer usage on a quarterly basis. The water/sewer district is divided into three sections and a different section is billed every month. When a rate increase is received, it is implemented over a three-month period using a weighted average that is based on the number of days within the quarter that are affected by the rate increase.

**PROCEDURE:**

Weighted averages for each water/sewer section of the Township are established, based on the number of days the section is being billed for that will be at the old rate and the number of days the section is being billed for that will be at the new rate. Rate tables reflecting the different weighted average for each water/sewer section of the Township are created. For the three months following the increase, the Utility Billing system rates are changed to reflect the weighted average until the sections being billed are completely under the new rate.

The motion carried by a unanimous voice vote.

**H. AWARD BID FOR SIDEWALK REPAIR**

Supervisor McFarlane explained that the sidewalk replacement program was started in August 2012 but was postponed because the cold weather reduced the time available to complete concrete replacement. He indicated the program has been re-started and he recommends the contract for sidewalk repair be awarded to Doan Construction of Ypsilanti for \$25,165.50. Midwestern Consulting has reviewed the bid and highly recommends the contract with Doan Construction be approved.

It was moved by McKinney, seconded by Caviston, to approve the contract with Doan Construction to complete approved sidewalk repairs at a cost of \$25,165.50.

Ayes: McFarlane, Phillips, McKinney, Caviston, Green, Lewis, Williams

Nays: None

Absent: None

The motion carried.

**I. LETTER OF UNDERSTANDING, SUPERIOR TOWNSHIP AND FIRE FIGHTER'S UNION LOCAL 3297, MERS HCSP**

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Supervisor McFarlane explained that the IRS rules for health care savings plans required MERS to make changes how they processed employee contributions to the health care savings plan. Employees hired on or after November 11, 2011 are not able to make individual decisions on the amount they want withheld. The employees must make the decision as a group, subject to Township Board approval. As a result of this change a letter of understanding with the firefighters union local is required.

It was moved by McKinney, seconded by Caviston, to approve the attached Letter of Understanding:

LETTER OF UNDERSTANDING

Between

Superior Charter Township

And

Fire Fighters Union Local 3292  
International Association of Fire Fighters

Regarding the MERS Health Care Savings Plan

Several years ago the Township was informed by the Municipal Employees Retirement System (MERS) that the Internal Revenue Service has become increasingly restrictive in respect to elective contribution features in programs like the Health Care Savings Program.

As a result of these IRS changes, MERS' Legal Counsel has advised MERS to discontinue individual employee HCSP Participation Agreements as were available for union firefighters hired before November 1, 2011. Therefore provisions for MERS Health Care Savings Plan for union firefighters hired after 11/1/11 shall be as follows:

(1) All full-time firefighters hired on or after 11/1/11 shall be enrolled in the MERS Health Care Savings Program on the first day of the month following month of hire and be placed in MERS HealthCare Savings Plan Division # 300799. The provisions of this division, as of 5/18/13, are:

2% of Mandatory Salary Reduction from Regular Pay

Leave Conversion as follows:

As of date of termination, 100% of employees' Sick and Vacation Benefit Day monies shall be contributed to the HCSP program. [Any sick or vacation leave

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employees wish to be paid for in cash shall be cashed out the day before the date of termination. All employees shall have a Benefit Time Pay-off Election Form on file with the Human Resources Office that outlines his/her wishes regarding benefit day cash out in the event of death or if he/she is mentally incapacitated. This form can be revised as often as desired up until 3:30 p.m. the day before termination of employment.]

(2) Between November 1<sup>st</sup> and November 15<sup>th</sup> each year, the employees in this division [all firefighters hired after 11/1/11] shall discuss among themselves what they would like their mandatory contribution to the HCSP Program to be, [ it must be at least 2% on regular pay] including the % of salary reduction, and whether this reduction shall be made from Reg Pay only; Reg and Overtime Pay only; or Reg Pay, Overtime Pay, and Education and Longevity Pay. The group shall then inform the Township Board, in writing, of their decision. If there is dissenting opinion among the group members, this shall be included in the letter. The Township Board will take into consideration the requests of the entire employee group, and shall have final determination as to the mandatory salary reduction percentage, and types of pay the reduction shall be applied to.

(4) The employer portion for this division shall be whatever is outlined in the existing union contract and this employer portion shall be subject to the same vesting schedule as defined in the existing union contract.

All firefighters hired before 11/1/11 currently enrolled in the MERS HCSP shall continue to be governed by the provisions of their individual MERS Health Care Savings Plan Participation Agreements. Firefighters with these individual MERS HCSP participation agreements shall have the opportunity to change the options of their provisions between November 1<sup>st</sup> and November 15<sup>th</sup> of each year in terms of choosing between these three options: (No further customizing is permitted.)

**Option 1#: Minimum Deduction**

\_\_\_\_\_ % deducted from REGULAR PAY ONLY. (Minimum of 2%)

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**Option #2: Optional Percentage on Regular and Overtime Pay Only**

\_\_\_\_\_ % deducted from REGULAR AND OVERTIME PAY (Minimum of 2% and must be the same for both regular and overtime pay)

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**Option #3: Optional Percentage on Regular Pay, Overtime Pay, and Longevity & Education Bonuses, Option to cash 0-100% of benefit hours upon separation from service.**

\_\_\_\_\_ % deducted from regular pay, overtime pay, longevity pay, education bonus, (must be same percentage for all) and option to contribute a portion of Vacation Day Payoffs and Sick Day Payoffs(0—100%) upon termination of employment.

Any employee selecting Option #3 must file a Benefit Time Payoff Election Form with the Human Resources Office before being enrolled in this option. This form may be revised as often as desired up until 3:30 p.m. the day before termination of employment.

This letter of understanding shall continue unless modified or eliminated by agreement of both parties, or as required by law.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Firefighters Union Local 3292 Representative

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
\_\_\_\_\_  
Superior Township Supervisor

Print Name: \_\_\_\_\_

The motion carried by a unanimous voice vote.

**J. LETTER OF UNDERSTANDING, SUPERIOR TOWNSHIP AND FIRE FIGHTERS UNION LOCAL 3297, HEALTH CARE INSURANCE**

Supervisor McFarlane explained that due to Township changing the health care provider and type of policy for Township employees, a letter of understanding is required with the firefighters union local. The Union has already reviewed and approved the letter of understanding.

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It was moved by McKinney, seconded by Lewis, to approve the following Letter of Understanding:

LETTER OF UNDERSTANDING

Between

Superior Charter Township

And

Fire Fighters Union Local 3292  
International Association of Fire Fighters

Regarding Blue Cross/Blue Shield Preferred Provider Organization Health Savings Account (PPO HSA ) \$3,000/\$6,000 High Deductible Health Insurance Plan

On April 1, 2013 the Township changed the health insurance coverage for eligible union and non-union employees from Priority Health, a Health Maintenance Organization (HMO), to a Blue Cross/ Blue Shield Preferred Provider Organization Health Savings Account High Deductible Health Insurance Plan (PPO HSA). The new PPO HSA has a higher deductible than the previous plan, but the Township has agreed to pay each employee an amount that would cover their potential deductible expenses for the health insurance contract year April 2013— March 2014. For employee/employer cost split for the years April 2014 through March 2015 and April 2015 through March 2016, refer to the union contract page 18 Section 4 (b).

The savings on premiums for the Township are low enough that even with funding employees' deductible, the plan is less costly than a renewal of the previous Priority Health HMO, which is why the change was made. By staying healthy, and efficiently spending their HSA money, employees have the ability to retain unused money in their HSA accounts, thus this kind of plan has the potential to save both the Township and employees money. Even with high utilization, an employee will spend less per year than with an HMO since the deductible is funded by the Township. HSA accounts are highly regulated by the IRS and therefore employees are encouraged to consult with their tax preparer to be certain they are correctly utilizing their HSA accounts and to review the guidelines of HSA accounts in IRS Publication #669.

1) COSTS

Employees will have the following amount deducted from their paycheck each pay period for their share of the premium cost of this plan. This will help the Township offset costs of administering this plan and for the hardship/catastrophic advances the Township is offering.

Single:           \$ 6.92           [\$15.00/MONTH]

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Couple:           \$ 9.23           [\$20.00/MONTH]  
Family:           \$11.53           [\$25.00/MONTH]

This is an after-tax deduction.

**2) DEPOSIT SCHEDULE**

The Township shall deposit the following amounts on the following dates into employees' HSA Accounts:

April 1, 2013:	\$750 for Single Coverage	\$1,500 for Couple/Family Coverage
July 1, 2013:	\$750 for Single Coverage	\$1,500 for Couple/Family Coverage
October 1, 2013:	\$750 for Single Coverage	\$1,500 for Couple/Family Coverage
January 1, 2014:	\$750 for Single Coverage	\$1,500 for Couple/Family Coverage

Once this money is deposited in employee's accounts, it belongs to the employee. The Township will not ask for any repayment if an employee leaves employment for any reason regardless of whether the funds have already been used for medical expenses or are still in the employee's HSA account.

**3) TAX FILING REQUIREMENTS**

Employees will be required to file a tax form with the IRS for 2013 and 2014 because they are receiving HSA deposits from the Township. The tax form is called 8889 and the guidelines are outlined in Publication #669. Employees need to save all their medical receipts for filing tax form 8889. Any employees having questions about the tax implications of participating in the HSA plan should consult their tax preparer/accountant.

**4) DEBIT CARD USE AND GUIDELINES**

a) Employees will be issued a debit card to dispense the money deposited in their HSA accounts for qualified medical expenses. The money in the HSA account can be used for both medical expenses that apply to the Blue Cross/Blue Shield deductible, **OR** qualify for IRS approved HSA expenditures without paying taxes on the money. The employee will know if the expenses are IRS approved because the HSA debit card will be programmed such that ineligible expenses will not go through.

b) If employees use their HSA money for medical expenses that meet IRS guidelines, but not Blue Cross/Blue Shield deductible guidelines, such as dental or vision related expenses or medical expenses exempted by Blue Cross/Blue Shield such as acupuncture, the employees will have to pay some of the Blue Cross Blue/

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Shield deductible out-of-pocket if they incur medical expenses beyond what remains in their HSA accounts.

c) Employees can also withdraw money from their HSA accounts at any time and use it for purposes that do NOT qualify towards the Blue Cross Blue Shield deductible OR meet IRS guidelines for approved medical expenses. If an employee chooses to do this, he/she will be responsible for paying taxes and a 10% IRS penalty on the money used for non-qualified expenditures. The Township therefore highly recommends that employees DO NOT withdraw money out of their HSA accounts for purposes other than paying expenses towards the deductible for their BCBO Health insurance plan during the plan year. The Township will not loan employees money or give cash advances on paychecks to cover medical expenses in situations where an employee has withdrawn money from his/her HSA account designated for the current plan year, and used it for expenditures other than to meet the deductible on his/her BCBS Health Insurance plan.

**5) ADVANCES**

If during the plan year, an employee incurs medical expenses that are eligible for his/her BCBS deductible, that are more than the amount in his/her HSA account at that point in time, the Township will advance up to the full \$3,000/\$6,000 that the employee is eligible for the plan year and deposit this advance into the employee's HSA account. The employee will not be required to repay this advance even if he/she leaves employment with the township before the plan year ends.

**6) PROCEDURES FOR ADVANCES**

Any employee needing an advance to pay medical bills will fill out a Request for Additional HSA Deposit Form requesting an advance (See Attached). This form is turned in to the Township Supervisor. Advances are automatically approved contingent upon authentic medical bills eligible under the Blue Cross Blue Shield deductible being presented to the third party administrator. The employee then submits the signed request letter, along with the medical bills, to the third party administrator of this plan [Marwil Associates], along with a HIPPA medical release form. Employees can strike out personal information such as medication names, tests, etc. The third party administrator will examine the medical bills and ascertain their validity. To protect the privacy of the employee regarding his/her medical conditions/treatments, the employee will not be required to discuss or show these medical bills to his/her supervisor or any other Superior Township official. Upon receiving approval from the third party administrator, the Superior Township HR Administrator will deposit the approved funds. The money usually can be made available within five working days. If an employee needs to provide proof to a medical provider that additional funds will be deposited to cover the upcoming expense, the Township will provide a letter affirming this.

**7) TAX IMPLICATIONS FOR ADVANCES**

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If an employee leaves employment for any reason during the plan year and does not stay enrolled in a qualified High Deductible Health Insurance Plan (i.e. through Cobra, through a high deductible plan of their spouse, or through a privately purchased plan), the employee may owe the IRS taxes on any money that the Township deposited **as an advance on future quarters**. This tax liability may apply even if the advance money was spent on bonafide medical expenses; it has to do with eligible months in the plan and deposits given, not what was spent. Please consult a tax accountant if you would like more information on this or read IRS Bulletin #969 entitled Health Savings Accounts and Other Tax-Favored Health Plans.

**8) COBRA**

If an employee leaves employment with the Township for any reason during this plan year, he/she may elect to continue this plan under Cobra. The premiums the employee will be charged are:

Single:	\$355.71 / Month
Couple:	\$853.71 / Month
Family:	\$1,067.15 / Month

After separation from service, the employee will no longer receive quarterly deposits into his/her HSA account and will become responsible for paying any deductibles under this plan.

IRS guidelines say that HSA money cannot be used to pay premiums. So a departing employee may not use any money remaining in his/her HSA account to pay Cobra premiums to the township or to pay for health insurance premiums from any private insurance company. The employee can begin using his/her MERS Health Care Savings Plan money to pay Cobra premiums. Or the employee can cash out his/her HSA account and pay income taxes on the money (approximately 25% and a 10% IRS penalty) and then use the remaining money to pay Cobra premiums.

**9) UNUSED FUNDS**

As this plan year comes to a close, (i.e. March 2014), the Township will decide what health insurance plan it will be providing for employees for the subsequent year. It could continue with this plan, it could be a similar but not identical HSA plan, or the Township could decide to return to an HMO plan. Any money left in employees' HSA accounts at the end of the plan year will belong to the employees. The employees may leave the money in their HSA account to be used for future co-pays or deductibles (in whatever plan the Township uses in the future including an HMO), or vision and dental expenses without paying any taxes on the money. He/she may not use it to pay premiums to the Township or any other health insurance premiums. Employees can

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also cash out the account, or part of it, and pay taxes plus a 10% penalty on it and use the money for whatever he/she chooses.

This letter of understanding shall continue unless modified or eliminated by agreement of both parties, or as required by law.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Firefighters Union Local 3292 Representative

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Superior Township Supervisor

Print Name: \_\_\_\_\_

It was moved by Caviston, seconded by Williams, for the Board to approve postponing the road improvement projects in Superior Township in 2013 and the corresponding Agreement with the Washtenaw County Road Commission until the next regular Board meeting of May 20, 2013.

The motion was approved by unanimous voice vote.

**K. ADDITIONS AND CORRECTIONS TO THE PERSONNEL MANUAL FOR NON-UNION EMPLOYEES**

Supervisor McFarlane explained that due to the Township changing the health care insurance provider and type of policy for Township employees and routine updating, changes to the Personnel Manual for Non-Union Employees were required. In a Memo dated May 18, 2013, Susan Mumm, Township Human Resource Coordinator, listed the changes to the Manual, which include: Updating the policy manual to match the policy that we have already been following for some time (sometimes we forget to update the manual); Factual mistakes in the manual that have gone unnoticed (i.e. description of the workweek) or clarifying sentences; Rewording so passages are easier to understand/interpret; Policies that have already been adopted through board resolution, but never made it into the manual; a new Appendix A that addresses the new Blue Cross/Blue Shield HSA health insurance plan. A copy of the pages that required changes were provided to the Board members. There were a total of fifteen pages that were changed or added.

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It was moved by Caviston, seconded by Green, for the Board to approve the changes to the Personnel Manual for Non-Union Employees as outlined in Susan Mumm's May 18, 2013 Memo and as indicated in the draft document provided to Board members.

The motion carried by a voice vote.

**SECTION 1.0 GENERAL INFORMATION**

**1.1 Work Status/Job Definition**

**A.** Employees may be hired as

- 1) Temporary Employees (Either part or full time)
- 2) Seasonal Employees (Either part or full time)
- 3) Permanent Employees (Either part or full time)

**B.** All employees, except those governed by a collective bargaining agreement, shall be considered at will employees.

**C.** Employees shall be given a written job description upon being offered a position at Superior Township. However, the Township reserves the right to redefine an employee's job description as it deems necessary, or to direct an employee to temporarily perform work that may be of a different nature or in a different department from that which the employee is normally engaged.

**1.2 Work Week, Working Hours, Pay Periods**

**A. Work Week** The work week shall be thirty-seven and one-half (37.5) hours, consisting of five (7.5) hour days for full-time employees (unless otherwise designated) with the exception of full-time utility workers, whose normal work week shall be forty (40) hours, consisting of five (8) hour days (unless otherwise designated). However, nothing contained herein shall constitute a guarantee of thirty-seven and one-half (37-1/2) hours a week.

**B. Working Hours.** Normal Township work hours are from 8:30 a.m. to 4:30 p.m. daily for full-time employees, unless otherwise authorized by the employee's Department Head in writing. Utility Department employees work 8:00 a.m. to 4:30 p.m.

**C. Pay Periods.** Pay periods are two weeks long beginning **Monday and ending on Sunday** for all departments ~~except the Utility Department which begins on Monday and ends on a Sunday.~~ Paychecks are issued every two weeks on Thursday mornings and cover all days worked through the preceding ~~Friday/Sunday.~~ The Township reserves the right to move a payday back or forward up to two days to accommodate holidays.

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**D. Advance Vacation Pay.** An employee who will be on vacation during a pay week may request advance vacation pay. Requests must be in writing at least ~~two~~ **one** week in advance.

**1.3 Time Sheets**

All employees shall keep a weekly time sheet showing the daily time in and time out and any benefit time used. The employee shall sign the time sheet and turn it in to his/her Department Head by Monday at 9:00 a.m. following the week covered by the time sheet. The Department Head must approve the time sheet by his/her signature. All time sheets, after departmental approval, must be turned over to the Payroll Administrator no later than Monday at 9:30 a.m. of the same week in which it was received by the Department Head.

**1.4 Overtime**

**A.** Superior Charter Township generally attempts to discourage overtime. Overtime is paid to hourly employees only, and is defined as a work week over 37½ hours (or a workweek over 40 hours for Utility Dept employees). The Township will normally compensate eligible employees at one and one-half (1-1/2) times their regular rate of pay. The Township reserves the right to pay straight-time rather than overtime if an employee uses benefit time during the week constituting a work week over 37½ hours (or 40 hours Utility Dept) and has thus not physically worked more than 37½ hours (40 hours Utility Dept). Straight time shall be paid in lieu of overtime if the use of the benefit time created the need for the overtime, and the employee is deemed to be exhibiting excessive absenteeism as determined by the Department Head or Township Supervisor.

**B.** All hourly employees who are required to work on days designated as official holidays of the Township shall be paid double-time for hours worked plus their normal holiday pay.

**C.** All overtime must be approved in advance unless blanket approval is given to an employee or group of employees to work overtime for specific duties. There is mandatory "on call" duty for Utility Department employees, see department manual for details.

**D.** If the employee and employer agree, the employee can choose to receive compensatory time in lieu of overtime pay. If this option is chosen, 1.5 hours of comp time shall be deposited in the employee's benefit bank for every hour of overtime worked. An employee who works overtime shall fill out an overtime reporting form on which he/she will describe the overtime work and request either compensatory time or overtime pay for the time worked. This form shall be submitted to the Department Head who shall approve the over-time work, and approve either pay or comp time.

**E.** The maximum compensatory time an employee may have in his/her benefit bank shall be 37 ½ hours (40 hours Utility Department). If an employee's comp time bank is at 37 ½ hours (40

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hours Utility Dept) he/she will automatically be paid for the overtime. Employees shall be given a report of their Comp Hour Bank total with each paycheck.

**F.** Utility employees shall receive a minimum of three (3) hours pay or comp time for all “call outs”. A call-out is defined as being called back into work. Hours worked immediately preceding or following the normal work schedule shall not qualify as a call-out; these hours shall be dealt with as normal overtime.

**G.** An employee may cash out hours in his/her Comp Bank for pay by submitting a request form to the Payroll Administrator, **signed by his/her department head.**

### **1.5 Managerial Time**

All managerial and professional employees of the Township are exempt from overtime pay, but (as a courtesy) shall be permitted to earn up to four Managerial Comp Days per calendar year. Managerial employees are eligible for management time credit if their workweek exceeds 37½ hours (or 40 hours Utility Dept.) Managerial hours are awarded on a one hour for each hour worked basis, not 1.5 hours credit/ hour worked as with compensatory overtime. The Township reserves the right to deny management time credit if (a) The need to work additional hours outside of 8:30 a.m. - 4:30 p.m. (8:00 a.m. - 4:30 p.m. Utility Dept) does not seem warranted for the workload assigned, or (b) the need to work extra hours is caused by the use of benefit time during the workweek and the employee is deemed to have been exhibiting excessive absenteeism as determined by the Department Head or Township Supervisor. Management Time credit must be approved by the Department Head and the Township Supervisor. A managerial employee may keep no more than 37½ hours (40 hours Utility Dept) in his her Managerial Comp Bank. Managerial Comp days may not be converted to cash, except upon termination of employment. Employees shall be given a report of their managerial comp hour bank total with each paycheck.

### **1.6 Lunch/Rest Breaks**

**A.** Each employee shall **normally** be allowed a thirty (30) minute unpaid lunch break. The specific lunch break will be scheduled by the respective Department Head. Abuse of lunch break time limits may result in disciplinary action.

**B. Rest Breaks.** Rest breaks are generally allowed twice a day, with one in the first four (4) hours of the work day and one in the last four (4) hours of the work day. Each coffee or rest break period is not to exceed fifteen (15) minutes and will be scheduled by the Department Head.

### **1.7 Smoking**

All Township buildings are non-smoking buildings. Please see the Township's Non-Smoking Policy.

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**1.8 Gender**

Reference to the male gender shall apply equally to the female gender and vice versa, throughout this manual.

**1.9 Records**

Employees are required to report changes in their personal status for tax withholding and insurance purposes, such as address, telephone number, marital status and births or deaths in the immediate family, to the Human Resources Administrator within five (5) days after such change has occurred. Employees are also required to provide their current telephone number to their immediate supervisor and immediately inform him/her of any changes. The Township shall be entitled to rely upon the staff member's last name, address, phone number, marital status and number of dependents shown on his/her records for all purposes involving his/her employment.

**1.10 Workers' Compensation**

**A.** Township employees are covered by the Workers Compensation laws of Michigan. Any employee involved in a work-related accident or injury shall report that accident or injury to his/her Department Head and the benefits representative or his/her designee as soon as possible after the mishap and fill out the proper reporting forms. In the event a regular full-time employee who has been employed for one (1) year or more is off work and is being compensated under the Worker's Compensation Law for an on-the-job injury or illness, the Employer will continue the insurances provided hereunder for a maximum of 365 days from the date of the injury. Thereafter the employee is eligible to continue insurance coverage at his/her expense under COBRA which allows employee purchased coverage for 18 months.

**B.** If the employee is in the John Hancock Pension Plan, participation in the pension plan will be suspended while on workers compensation; this is dictated by John Hancock. If the employee is in the MERS Pension Plan the wages will not be reported and therefore no employee deduction or employer contribution will be paid. However, the employee will receive service credit for the time they are on disability, this is a MERS policy.

**C.** The employee shall not continue to accrue vacation, sick and personal time while on workers compensation disability.

**D.** The employee shall have the option, but not be required, to cash in sick, vacation, and personal time to make up the difference between his/her normal pay and the compensation he/she receives while on workers compensation.

**1.11 Harassment**

Employees ~~must~~ have the right to a work environment free from intimidation and harassment because of their sex, race, age, religion, ethnic origin or physical condition. The Township

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prohibits any physical, verbal or visual harassment. An employee should report any complaints to his/her immediate supervisor or designated Township official.

**SECTION 2.0 BENEFITS**

**2.1 Funeral Leave**

In the event of a death of **any of the following members of an employee's family:** (mother, father, sister, brother, wife, husband, children, stepchildren, grandparents, grandchildren, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law) the employee will be granted time off with pay for a maximum of three (3) days. Each case shall be handled on an individual basis. Sick or personal or vacation time may be used for longer periods of bereavement with prior approval of the Department Head.

**2.2 Jury Duty**

**A.** Staff members summoned by the Court to serve as jurors will be given time off for the period of their jury duty. For each day that a staff member serves as a juror, when the staff member would otherwise have worked, the staff member shall receive his/her regular straight time rate of pay provided that the employee turns over to the Township his/her jury fee (not mileage). In order to receive jury duty pay from the Township, a staff member must:

- 1) Give reasonable advance notice that he/she has been summoned for jury duty.
- 2) Give satisfactory evidence that the staff member served as a juror at the summons of the Court on the day that the staff member claims to be entitled to jury duty pay.
- 3) Have been scheduled to work.
- 4) Return to work if excused with three (3) hours left in normal schedule.

**2.3 Travel Reimbursement**

Employees engaged in Township Business shall be reimbursed for mileage at the current IRS rate. Mileage Reimbursement Forms shall be filled out **with odometer readings, and a description of the trip** and signed by both the Department Head and the Township Supervisor. The Township shall only authorize mileage reimbursement expense for drivers who have a valid Michigan driver's license. A copy of a valid Michigan driver's license shall be provided to the Township Clerk prior to submitting a request for mileage reimbursement.

**2.4 Meals/Lodging Reimbursement**

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Employees shall be reimbursed for meals or lodging while attending Training Seminars, or when out-of-town engaged in official Township business. Off-site work and seminars must be approved by the Township Supervisor ahead of time. The maximum that will be reimbursed is \$6.00 for breakfast, \$11.00 for lunch, and \$17.00 for dinner. Lodging expenses must be reasonable and not include unnecessary amenities. Original receipts must be submitted with the request for reimbursement.

**2.5 Training Seminars (Non-College)**

Employees may be required to attend training seminars in connection with their jobs. If the training is mandatory, employees will be paid their regular hourly rate for the time spent attending training sessions including travel time. They will be paid overtime for hours required after their normal work schedule. They will also be reimbursed for mileage. Employees may also submit a request to voluntarily attend training seminars related to their job, either during or after regular work hours to their department head, who will discuss the matter with the Township Supervisor. The Supervisor and Department Head shall (a) approve payment of tuition and materials and pay for the employee for his/her hours of attendance (but no overtime), (b) approve payment of tuition and materials only, or (c) deny the request.

**2.6 College Training**

Employees may submit a Request for Educational Allowance to cover tuition, books, and student fees up to \$500.00 year. (Non-college training seminars are considered separately, and not part of this \$500.00 annual college training allowance.) The college class(s) must be directly related to the employee's job. The class does not necessarily need to qualify as college credit towards a degree. The request must be submitted prior to attending the class and approved by the Department Head and Township Supervisor. The allowance shall be paid retroactively and only paid if the employee provides proof that he/she received a "C" grade or higher in the class. Employee's attendance in college classes must not interfere with their regular work schedule at Superior Township or with mandatory overtime requirements. The Township's allowance shall not duplicate financial assistance from any other sources. Classes that the Township requires an employee to attend shall not decrease this \$500.00 annual allowance for elective college training.

**2.7 Uniform Allowances**

Some Departments have annual uniform allowances. Please see your Department Head for information.

**2.8 Holidays**

Superior Charter Township observes certain holidays as designated by the Township Board each year. All Township offices will close except those required by the Township Board to remain open. Regular full time employees shall only receive holiday pay if they work the day before

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and the day after the holiday, unless excused by their department head. Regular part-time employees shall be paid for the holiday if it falls on a day they are normally scheduled to work. Any non-managerial employees who are required to work on an official Township holiday shall be paid ~~double time pay~~—**as described in Article 1.4 Section B.**

**2.9 Sick Time**

Earned sick leave may be used for an employee's illness, accident or his/her doctor and/or dentist appointments. Each regular full-time employee shall earn sick leave at the rate of one-half (1/2) day per month for the first year of employment and one (1) day per month after one year of employment. There is no limit on how much sick time may be banked. (See section 2.17 for part-time benefits.) Employees shall be given a report of their Sick Time Bank total with each paycheck.

- 1) When an employee must miss work for doctor/dentist appointments, the employee must give the Department Head two (2) days advance notice unless emergency conditions exist.
- 2) An employee who finds it necessary to use sick time for an accident or illness must notify his/her Department Head as soon as possible, preferably by the start of the work day or earlier via voicemail (voice mail or answering service is on 24 hours/day and weekends). If the employee is unable to make the call him/herself he/she should have a designated person make the call. Failure to call in shall result in disciplinary action, possible dismissal, and the employee may not be permitted to use benefit time for the missed hours.
- 3) If an employee needs to be off from work due to illness or injury, and does not have enough sick time in his/her bank to cover the time off, he/she may use vacation or personal time if a doctor's excuse is presented.
- 4) If an employee needs to be off from work due to illness or injury and he/she has no sick, personal, or vacation time to cover his/her absence, the Township may grant the employee permission to take unpaid time off.
- 5) Sick days will not be granted for absences due to weather conditions, transportation problems or any other reasons except for those specified herein.
- 6) Employees returning to work from an injury or illness or use of sick leave or leave of absence may be required by his/her Department Head to submit a statement from his/her physician qualifying his/her ability to work or to verify that the employee was ill (the nature of the illness does not need to be disclosed).

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7) Employees taking sick leave on their last scheduled day of work before a holiday or vacation, and/or their first scheduled day after a holiday or vacation may be required to submit a statement from their physician verifying the illness. It shall be the employee's responsibility to check with his/her department head when calling in to determine if the statement is necessary.

8) When there is a dispute regarding an employee's physical or mental ability to perform his/her job or to return to work after a leave of absence of any kind, the employer may require a report from a medical doctor of the employer's choosing (at the employer's expense if not covered by the employee's insurance). If the dispute still exists, the employer's doctor and the employee's doctor shall agree on a third doctor to submit a report to the employer and the employee. Any expense of the third doctor shall be borne equally by the employer and the employee, if not covered by the employee's health insurance. The decision of the third doctor shall be binding.

9) Falsification of information to secure sick leave or other leaves of absence shall result in disciplinary action and shall be possible grounds for dismissal.

10) Department heads and the administrative staff shall monitor the use of sick time. The abuse of sick time can result in the disruption of staffing levels, extra work and responsibilities for other employees, and create negative effects on workplace morale. Abuse of sick time includes, but is not limited to:

- a) Establishing a pattern, such as using sick time in conjunction with weekends, vacations or holidays.
- b) Excessive use of sick time. This may be defined as maintaining fewer than thirty (30) hours of sick time in the employee's Sick Time Bank after the first year of full time service. The requirements for part-time employees shall be proportionally adjusted.

If it is determined that an employee has abused sick time, the employee may be subject to corrective action which includes: documented counseling, requiring the employee to provide a doctor's excuse for future sick time use; disciplinary action up to and including dismissal.

## **2.10 Vacation Days**

A. Full-time employees receive one (1) week of vacation time on the first annual anniversary of their date of hire. Beginning the thirteenth (13th) month of service, full-time employees shall receive vacation days at the rate of 6.25 hrs per month. Beginning the fifth (5th) year of service employees shall receive vacation days at the rate of 9.37 hours per month. Utility Department

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employees shall receive vacation days at the rate of 6.66 hours per month beginning the thirteenth month of service. Beginning the fifth (5th) year of service Utility Department employees shall receive vacation days at the rate of 10 hours per month. (See Section 2.17 for part-time benefits). Employees shall be given a report of their Vacation Time Bank total with each paycheck.

**B.** Regular Part-time Employees receive one (1) week of vacation time on the annual anniversary of their date of hire based on their average work week. Beginning the thirteenth (13th) month of service, Regular part-time employees shall receive vacation based on the formula: [ # of hours worked every two weeks / 12 ] each month. Beginning the fifth (5th) year of service regular part-time employees shall receive vacation using the following formula: [ # of hours worked every three weeks / 12 ] each month. Employees shall be given a report of their Vacation Time Bank total with each paycheck.

**C.** Employees may only bank one and one-half (1-1/2) times their yearly vacation accrual. Employees who have reached this limit may receive cash in lieu of their monthly vacation accrual a maximum of five times **their monthly allotment, per calendar year.** After receiving cash payment in lieu of monthly vacation accrual the **for the maximum hours allowed,** the employee must maintain his/her vacation bank at or below the limit by scheduling time off, or forfeit any hours which put his/her vacation bank over the limit. Employees may, in extenuating circumstances, be granted an exception by the Township Supervisor to temporarily exceed the vacation bank limit.

**D.** All vacations should, if possible, be requested two weeks in advance. However, requests with less than two weeks' notice may be approved if this does not cause problems for the department. Each request is decided on a case-by-case basis by each department at the time the request is made. Given the fact that each department has different needs and operating modes, and different levels of staff coverage, it is quite possible that similar requests approved in one department may be declined in another department or vice versa. Likewise, some departments may allow these requests during certain parts of the year but not others depending on the seasonal workload of the department.

**E.** If an employer-recognized holiday falls during the employee's scheduled vacation, that day shall be considered a holiday and not a vacation day.

**F.** Department Heads may permit employees to use vacation hours for unexpected personal business if this does not create a problem for the functioning of the department.

**G.** Employees in their first year of employment may be permitted to take up to one week of **unpaid** vacation if approved by their Department Head and the Township Supervisor. Such requests shall be submitted at least two weeks in advance.

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**H.** Beyond the first year of employment, the Township does not normally allow unpaid time off for vacation or personal business. Since fulltime employees are being given pension and health insurance benefits based on the fact they are full-time employees, it is expected that they are working full time. However, employees may, upon occasion, request to take unpaid vacation days if they have exhausted their vacation bank and desire additional time off. Each request is decided on a case-by-case basis at the time the request is made. Requests must be approved by the department head and the Township Supervisor. Given the fact that each department has different needs and operating modes, and different levels of staff coverage, it is quite possible that similar requests approved in one department may be declined in another department or vice versa. Likewise, some departments may allow these requests during certain parts of the year but not others depending on the seasonal workload of the workload.

**2.11 Personal Days**

**A.** Each regular full-time employee shall earn personal days at the rate of two (2) days per year. They shall accrue on the first day of employment and subsequently on January 1st of each year. Unused Personal Days may carry over from one calendar year to the next.

**B.** If possible, 48 hour notice shall be given to use personal time hours. However, if an employee must miss work due to family or personal emergencies, or unforeseen circumstances, he/she may use personal hours without advance notice. Employees using Personal Hours unexpectedly must call in to their immediate supervisor (or have a designated person if they are unable to call). This call in should happen by the start of the work day or earlier via voicemail (voice mail or answering service is on 24 hours/day and weekends). Failure to call in when taking time off for personal reasons shall result in disciplinary action, possible dismissal and the employee may not be allowed to use benefit time for the missed hours.

**C.** Employees may use Personal Hours without advance notice for non-emergencies purposes, if taking the time off does not create a problem for the functioning of the department as determined by the department head or immediate supervisor.

**D.** Employees may only bank up to five personal days at any one time. If the accrual of personal days on January 1<sup>st</sup> would put an employee's Personal Day bank over the 5 day limit, the employee shall forfeit all hours over the five day limit. Employees shall be given a report of their Personal Day Bank total with each paycheck.

**2.12 Requests for Paid Time Off**

**A.** Prearranged requests for time off:

- 1) Requests for day(s) off shall first be turned into the employee's Department Head.

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- 2) The Department Head will determine if there are other prior requests for the same day(s) in his or her department which may cause staffing problems. If there are conflicting requests, the Department Head shall make a determination as to whose request shall be given priority based on the date the request was submitted, seniority, ability to change plans, and importance of event.
- 3) If the Department Head doesn't see any conflicts, he or she turns in the request form to the Township Supervisor (excluding Park and Util Dept employees) who will then determine if this request conflicts with any other time-off requests from other departments. The Township Supervisor shall determine whose request shall be given priority based on the date the requests were submitted, seniority, ability to change plans, and the importance of the event. The Township Supervisor will determine if duties from one department can be covered by staff from other departments so that more than one person can have the same day(s) off. After making a determination, the Township Supervisor returns the approved or denied request to the Department Head. If approved, the Department Head gives the request form to the employee. If denied, the Department Head will discuss the problem with the employee and the employee may have to select a different day(s).
- 4) Time Off Requests for Department Heads in the General, Utility and Building Fund shall be turned in directly to the Township Supervisor for approval. The Parks Administrator turns his/her requests in to the appointed Parks' commissioner. Utility and Park Department Heads shall inform the Township Supervisor of all approved vacations of their employees.

**B. Unexpected days off:**

- 1) If an employee unexpectedly needs to use personal or sick time, he/she must fill out a Time Off Request Form immediately upon returning to work. Department Heads turn in their forms directly to the Township Supervisor for signature. Employees turn their forms in to their Department Heads who signs them and then turns them in to the Township Supervisor.
- 2) The Township Supervisor signs the Time Off Request Form and returns it to the employee who then attaches it to his/her time sheet.

**~~2.13 Medical, Dental, Vision and Life Insurance~~**

~~These benefits are provided to eligible full-time employees and their families. These benefits are not provided to part-time employees. An employee becomes eligible for health insurance the first day of the month following month of hire. There is currently no employee premium for health insurance (excluding prescriptions described below). The Township reserves the right to~~

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~~implement employee premiums for insurance if costs become prohibitive. See the Human Resources Administrator for details of the various plans. The Township offers COBRA insurance coverage, as required by law, to employees and family members.~~

**2.14 — Option for Cash Payment in Lieu of Care Choices Medical Insurance**

~~A. A regular full-time employee of the Township is eligible for the Township's Care Choices Medical Insurance for him/herself, spouse and dependent children. An employee may opt out of coverage for him/herself and spouse, if he/she and the children are covered under the health insurance plan of his/her spouse or other group plan coverage from retirement, severance, etc. The employee must provide proof of coverage under another group health insurance plan. The employee shall be compensated 40% of the cost of the family plan he/she was eligible for. This amount shall be paid in (26) equal payments each pay period as a taxable benefit. Employees choosing to opt out of the plan must state so in writing. Employees who opt out may rejoin the Priority Health Plan at a future date under various conditions: divorce, loss of employment by spouse resulting in loss of coverage, and during Priority Health's open enrollment period each year.~~

~~B. Employees with children who have health insurance coverage for their children from other sources i.e. through a divorce decree, Department of Human Services etc. may opt out of the family coverage and be compensated 40% of the difference between family coverage and coverage for themselves. This amount shall be paid in (26) equal payments each pay period as a taxable benefit. Such an employee may reinstate coverage for his/her children under the plan under certain conditions: Loss of coverage for the child, or during Priority Health's open enrollment period. The employee must provide proof of coverage for his/her children and state his/her choice to opt out of coverage for his/her children in writing.~~

**2.13 Medical, Dental, Vision and Life Insurance**

These benefits are provided to eligible full-time employees and their families. These benefits are not provided to part-time employees. An employee becomes eligible for health insurance the first day of the month following month of hire. ~~There is currently no employee premium for health insurance (excluding prescriptions described below).~~ **The cost to employees for health insurance is outlined in Appendix A. Currently there is no charge for dental or vision insurance, only for medical insurance.** The Township reserves the right to ~~implement~~ **increase** employee premiums for insurance if costs become prohibitive. See the Human Resources Administrator for details of the various plans. **Whenever a health insurance plan changes, a new summary of benefits will be distributed to employees.** The Township offers COBRA insurance coverage, as required by law, to employees and family members.

**2.14 Option for Cash Payment in Lieu of Care Choices Medical Insurance**

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A. A regular full-time employee of the Township is eligible for the Township's ~~Care Choices~~ Medical Insurance for him/herself, spouse and dependent children. ~~An employee may opt out of coverage for him/herself and his/her entire family, or just his/her spouse, or just his/her children, if the employee or his/her children and or spouse are covered under another group health insurance plan i.e. through retirement benefits from a previous job, the spouse's employment, a divorce decree, department of health services etc. The employee must provide proof of coverage under another group health insurance plan. The employee shall be compensated 40% of whatever portion of the Township insurance he/she opts out of. For example, if the employee elects only single insurance when he/she is entitled to couple insurance, the employee receives 40% of the difference between single and couple coverage. If the employee opts out of family coverage completely, he /she received 40% of the cost of family coverage.~~

This amount shall be paid in (26) equal payments each pay period as a taxable benefit. Employees choosing to opt out of the plan must state so in writing. Employees who opt out may rejoin the ~~Priority~~-health insurance plan at a future date under ~~various~~ **specific** conditions: divorce, loss of employment by spouse resulting in loss of coverage, and during ~~Priority Health's~~ open enrollment period each year.

~~B. Employees with children who have health insurance coverage for their children from other sources i.e. through a divorce decree, Department of Human Services etc. may opt out of the family coverage and be compensated 40% of the difference between family coverage and coverage for themselves. This amount shall be paid in (26) equal payments each pay period as a taxable benefit. Such an employee may reinstate coverage for his/her children under the plan under certain conditions: Loss of coverage for the child, or during Priority Health's open enrollment period. The employee must provide proof of coverage for his/her children and state his/her choice to opt out of coverage for his/her children in writing.~~

## **2.15 Pension Benefit**

A. The Township provides pension programs for permanent full-time employees and permanent part-time employees working at least twenty (20) hours/week.

B. Permanent part-time employees are eligible (the plan is optional) to participate in the John Hancock Defined Contribution Pension Plan beginning the 1<sup>st</sup> day of the month following the month of hire. However, if a part-time employee chooses to opt out, that is irrevocable and they cannot later choose to join the plan. The employee must sign an IRREVOCABLE WAIVER OF PARTICIPATION if they choose to opt out. For the John Hancock Plan, employee contribution is 5% and the Township Contribution is 10%. An employee becomes vested after twenty (20) months of participation in the plan.

C. Permanent full-time employees are required to participate in the MERS Defined Benefit Pension Plan beginning the 1<sup>st</sup> day of employment. Employee contribution is 5%. The MERS plan allows for retirement at age 55 with a minimum of fifteen (15) years of service, retirement

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at any age with thirty (30) years of service, or retirement at age sixty (60) with six years of service. The benefit multiplier is B-3 (see the MERS booklet for further explanation). Employees become vested in MERS after six years.

**D.** Full-time employees hired before 1/1/04 were given a one-time option to remain in the John Hancock Plan or convert to the MERS Pension Plan. All full-time employees hired after 1/1/04 must participate in the MERS Pension Plan.

**E.** Pension is deducted from all pay including overtime, longevity and education/certification incentives; likewise the employer match is paid on all forms of pay. Refer to Section 3.3 for explanation of how pension is dealt with when switching from part-time to full-time status. See the Human Resources Administrator for further information on either of these pension plans.

## **2.16 Retirement Health Benefits**

### **A. MERS HEALTH CARE SAVINGS PLAN**

(1) All full-time employees hired after 11/1/13 shall be enrolled in MERS HealthCare Savings Plan Division # 300800 the first day of the month following month of hire. Employees placed in this division shall have a mandatory pre-tax deduction of 2% of the employee's gross regular pay deducted from each paycheck. All employees enrolled in this division of the HCSP program, will be required to fill out, and file with the Human Resources Department, a *Benefit Time Pay-off Election* form.

(2) Between November 1<sup>st</sup> and November 15<sup>th</sup> each year, the employees in this division (which will include all non-union full-time employees hired after 11/1/11) shall discuss among themselves what they would like their mandatory contribution to the HCSP Program to be for the upcoming fiscal year [ it must be at least 2% on regular pay]. including the % of salary reduction, and whether the deduction shall be made from Reg Pay only, or Reg and Overtime Pay. The group shall then inform the Township Board, in writing, of their decision. If there is dissenting opinion among the group members, this shall be included in the letter. The Township Board will take into consideration the requests of the employee group, and then make final determination as to the mandatory salary reduction percentage, and types of pay the reduction shall be applied to.

(3) **Employees Hired before 11-1-11.** All employees already enrolled in the MERS Health Care Savings Plan as of 11-1-11, **are in their own individual division** and shall have Mandatory Pre-tax deductions from their bi-monthly paychecks as outlined in their individual MERS HCSP Participation Agreements which can be amended once per year between November 1<sup>st</sup> – November 15<sup>th</sup> in that employees may choose between Option #1, Option#2, and Option #3 as outlined on the MERS Health Care Savings Plan Option Form for Non-Union Employees **which is included**

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in Appedix B of this manual. Employees who choose Option #3 must fill out a Benefit Time Elections Form and file it with the Human Resources Department.

(4) All employees who are in division # 300800 and employees who have chosen Option #3 for their individual HCSP partipation agreements, shall have all the vacation, sick and personal time that they have specified in their *Benefit Time Pay-Off Election* form that they want to be paid for in cash (that is eligible for pay-off as defined in the Superior Township Employee Manual), cashed out the day before termination of employment with Superior Township. Upon termination of employment (the following day), any sick, vacation or personal time in employees' vacation, sick or personal day banks (that is eligible for pay-off as defined in the Superior Township Employee Manual) shall be deposited in employees' Health Care Savings Plan Account.

B. All employee deductions are placed in the employee's MERS HealthCare Savings Plan account. The employee contributions to HCSP accounts are pre-tax and are also not taxed when they are withdrawn. This account becomes assessable to the employee for IRS approved health care expenses for him/herself, spouse, and IRS dependents upon separation from service from Superior Township. It is also available during a medical leave of absence but only for the employee (not family members). There is no age requirement to use this money.

C. There is also a monthly employer contribution to employees' Health Care Savings accounts. See the HR Administrator for the amount for the current fiscal year. The employee contributions to HCSP accounts are pre-tax and are also not taxed when they are withdrawn. This employer money is placed in employee's accounts on a monthly basis but is subject to a vesting schedule. The vesting schedule is as follows: 25% after six years of employment, 50% after nine years of employment, 75% after 12 years of employment, and 100% after fifteen years of employment. The employer contribution can be reduced or increased by a decision of the Township Board of Trustees. It is reviewed annually and set at budgeting time for the upcoming fiscal year, by board resolution.

### **2.17 Benefit Day Payoffs**

A. An employee who resigns or retires with at least 14 calendar days notice to the Township, who has at least eight (8) years of full time service will be paid:

Twenty-five percent (25%) of unused Personal Time.

Twenty-five (25%) of unused Sick Time.

One Hundred percent (100%) of unused Compensatory or Management Time.

One Hundred percent (100%) of unused Vacation Time.

Benefit time will be cashed out as designated in the employee's *Benefit Time Pay-Off Election* form on the day before termination of employment. In the event an employee's employment is

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terminated due to sudden death or mental/physical incapacitation, whatever amount is designated on his/ her *Benefit Time Pay-Off Election* form on record with the Human Resources Department shall be used to cash out unused benefit time before any benefit time is deposited into the employee's MERS Health Care Savings Plan account. Employees may amend their *Benefit Time Pay-Off Election* form, at any time up until 3:30 p.m. the day before termination of employment. Amended forms are to be turned into the HR Administrator, in his/her absence the Township Clerk, in his/her absence the Township Supervisor.

**B.** If the employee has less than eight (8) years of service, or fails to give fourteen (14) calendar days written notice to his/her Department Head, he/she shall not receive any Sick or Personal Time payoff, but shall receive any unused Vacation, Comp, or Management Time.

**2.18 Exceptions Regarding Benefit Day Pay-Offs**

The Township may pay benefit days for employees leaving employment with less than eight years of service as part of a case-by-case severance package, at its discretion.

**2.19 Annual Raises**

Annual raises, if awarded, take effect the first pay period of the fiscal year which begins January 1<sup>st</sup>. The amount is decided by the Township Board.

**2.20 Other Raises**

The Township may award parity raises or raises for increased responsibilities. The Township does not offer merit raises. Recommendations for parity or raises due to increased responsibility, are submitted to the Township Administrative Staff (Supervisor, Clerk & Treasurer) by the Department Head. If the Administrative Staff are in support of the raise, they submit it to the Township Board for approval.

**2.21 Longevity Pay**

The Township gives full and part-time employees longevity pay on the anniversary hire date as follows:

Year 2-5	1% of base pay
Year 6-15	2% of base pay
Year 16 +	3% of base pay

If the due date for an employee's longevity pay falls during the time he/she is on unpaid leave, the longevity pay shall be prorated based on actual time worked plus paid service hours. (Service hours are defined as days for which you used paid benefit time.)

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**2.22 Education/Certification Incentives**

The Township gives an annual education incentive for full-time employees with a Bachelor's degree from an accredited university. An official transcript must be provided to the Human Resources Administrator. The amount is 3% of base pay, paid on the anniversary date of hire. Various departments have separate pay incentives for certifications. If the due date for an employee's longevity/education pay falls during the time he/she is on unpaid leave, the longevity/education pay shall be prorated based on actual time worked plus paid service hours (Service hours are defined as days for which you used paid benefit time.)

**2.23 Benefits for Regular Part-Time Employees**

- A.** Regular part-time employees receive prorated sick, vacation, and personal days based on their average work-week. They receive holiday pay if they were normally scheduled to work on the day the holiday falls. Part-time employees do not receive health or life insurance.
- B.** If an employee moves from part-time status to full-time status, his/her vacation, personal, and sick time accrual, if applicable, shall be figured at the part-time accrual rate for the months of part-time employment and full-time rate for the months of full-time employment.

**SECTION 3.0 EMPLOYMENT**

**3.1 Employment Status**

**A. Regular Employees.** Regular status employees are hired to fill job positions that are classified in accordance with assigned job duties and authorized by the Township Board. Funds for regular positions are budgeted specifically to support the positions. Either full-time or part-time staff may be assigned such employee status. Full-time staff are regularly scheduled to work a thirty-seven and one-half (37-1/2) hour work week or more excepting full-time utility workers, whose normal work week shall consist of forty (40) hours. Regular part-time staff must be scheduled to work **an average** ~~at least~~ twenty (20) hours/week but less than thirty-seven and one-half (37-1/2) hours per work week (40 hours/week Utility Dept).

**B. Temporary Employees.** The Supervisor, Clerk or Treasurer are authorized to hire temporary employees within the Board-approved budget. Temporary employees may be full-time or part-time, and are employed in a position not to exceed twelve (12) months. These

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employees are hired for the purpose of assisting regular staff members as a result of absences due to illness, vacation, or other leave of absence, or for augmenting the regular staff to meet requirements that may be occasioned by periodic work loads. Temporary employees will generally be paid at an hourly rate based on the starting salary for the position they hold; and any exceptions must be authorized in advance in writing by the Township Board. Temporary employees shall not receive any fringe benefits, such as but not limited to, health insurance, vacation, sick leave, pension and holiday pay.

**3.2 Hire Dates**

**A.** The date on which an individual begins employment with Superior Township shall serve as his/her "initial hire date". Subsequent hire dates shall be assigned if employees change status from part time to full time or from temporary to regular. Beginning 4/1/05 if an employee changes status and is assigned a new hire date, this new date shall be used for calculating benefits such as vacation and sick time, education incentives and longevity pay, and for determining vesting schedule for retirement health care benefits and determining years of service for pension benefits.

**B.** Hire dates and benefit day accruals for all employees who convert from part-time to full-time after 4/1/05 shall be dealt with as follows: When an employee converts from permanent part-time status to permanent full-time status, all sick and vacation benefits he/she has accrued to the day of conversion shall be pro-rated and added to his/her benefit bank. He/she shall then be given a new full-time hire date which shall be used to calculate all future benefits. Employees who converted from part-time to full-time or temporary to permanent status before 4/1/05 shall continue to use their initial hire date for accruing all benefits except MERS pension and MERS Health Care Savings Plan which shall use the employee's full-time hire date.

**3.3 Conversion from Permanent Part-Time to Permanent Full-Time Status**

**A.** As described in the paragraph above, an employee who converts from part-time to full-time status after 4/1/05 shall be given a new full-time hire date. All part-time benefits shall be prorated and deposited in the employee's benefit bank, and all future benefits shall accrue based on the new full-time hire date.

**B.** The employee's John Hancock pension account (if applicable) shall be changed to inactive status after the last contribution is made to John Hancock, which shall cover up through the last day worked before converting to full-time status. Both the employee and employer portion of the employee's account shall remain in John Hancock. Upon termination of employment from the Township, or upon reaching the age of 55, the employee shall become eligible to withdraw his/her money from his/her John Hancock Pension account. At that time, John Hancock shall make a determination as to whether or not the employee is vested. If the employee was enrolled in a pension plan at least twenty (20) months (adding together his/her time in John Hancock and MERS), he/she shall be classified as vested and the employee shall take ownership of the employer portion of his/her account. If the employee has less than twenty (20) months

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participation between the Township's two plans, he/she shall be classified as unvested and the employer portion of his/her account shall be withdrawn and returned to the Township. The employee shall retain the right to change his/her investments in compliance with John Hancock guidelines, while on inactive status.

C. The employee shall be enrolled in the MERS pension plan effective his/her first day of work as a full time employee. This date shall be the employee's full-time hire date for MERS. The time worked as a part-time employee shall not be counted towards years of service with MERS.

**3.4 Conversion from Temporary to Permanent Status**

A. A part-time or full-time temporary employee may be moved from temporary status to permanent status by approval of the Board of Trustees for positions of twenty hours/week or more.

B. Part-time employees shall be awarded (2) personal days (based on average work day) on the day he/she converts to permanent part-time status. Previous months of service shall be counted towards meeting the first year of employment requirement necessary to accrue vacation on a monthly basis, and for accruing a full sick day/month (based on average work day) rather than a half day as new hires do. However, he/she shall not receive benefit days retroactively. He/she shall become eligible to participate in the Manulife Pension Plan the 1<sup>st</sup> day he/she works after converting to permanent status.

C. Part-time employees shall be given a new hire date; the date he/she converts to permanent status.

D. Full-time employees shall be awarded (2) personal days on the day he/she converts to permanent status. Previous months of service shall be counted towards meeting the first year of employment requirement necessary to accrue vacation on a monthly basis, and for accruing a full sick day/month rather than a half day as new hires do. However, he/she shall not receive benefit days retroactively. His/her health and life insurance benefits shall commence the 1<sup>st</sup> day of the month following month of conversion to permanent part-time status.

E. The employee shall be given a new hire date; the date he/she converts to permanent status.

F. The employee shall enroll in the MERS pension plan effective the date he/she converts to permanent status.

**3.5 Employment of Relatives**

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Hiring of regular full or part-time employees who are immediate family members of existing employees or Township Board members is discouraged. Immediate family members are defined as mother, father, sister, brother, wife, husband, children, stepchildren, grandparents, grandchildren, mother-in-law, father-in-law, sister-in-law and brother-in-law. Hiring of qualified temporary employees who are immediate family members of existing employees or Township Board members may be allowed. The above policy shall not pertain to part-time on-call firefighters, except that no spouse, part-time or full-time, shall be in a supervisory position over his or her spouse. The above policy shall take effect upon adoption of this manual and shall not be retroactively applied.

**3.6 Outside Employment**

A. While outside or supplemental employment is discouraged, employees of Superior Charter Township may engage in outside or supplemental employment as long as the outside or supplemental employment does not conflict with or impair an employee's responsibilities to the Township. Any employee desiring to participate in outside or supplemental employment must obtain permission of his/her Department Head in writing prior to engaging in outside or supplemental employment. In the case of outside or supplemental employment by a Department Head, the Department Head must receive written permission to engage in outside or supplemental employment in advance from the Township Supervisor. The following guidelines shall be applicable to all employees engaged in outside or supplemental employment. Employees engaged in outside or supplemental employment shall:

- 1) Not use Township facilities as a source of referral for private customers or clients.
- 2) Not engage in outside activities during the employee's regularly scheduled working hours.
- 3) Not use the name of the Township or any Township agency as a reference or credential in advertising or soliciting customers or clients.
- 4) Not use Township supplies, facilities, staff or equipment in conjunction with any outside or supplemental employment.
- 5) Maintain a clear separation of outside or supplemental employment from activities performed for the Township.
- 6) Not cause any incompatibility, conflict of interest, or any possible appearance of conflict of interest, or any impairment of the independent and impartial performance of the employee's duties.
- 7) The Township shall not be liable, either directly or indirectly, for any activities performed during outside or supplemental employment.

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**3.7 Work Performance Evaluations**

**A.** New Employees shall be given a written 45 Day Evaluation. However, the Township shall have the right to require an evaluation prior to 45 days if deemed necessary by the employee's immediate supervisor or the Township Supervisor. Likewise, since Superior Township is an "at will" employer (excluding union contracts), the Township may at its discretion, terminate an employee at any time, for any reason, with no notice.

**B.** Subsequently, employees shall be given a written yearly evaluation. Employees shall be rated on punctuality, attendance, attitude, work pace, and various performance factors such as task prioritizing, initiative, problem solving, meeting deadlines, overall quality of work, etc. Certain positions may also require the passing of certification tests to receive a satisfactory evaluation. The evaluation shall be completed by the employee's immediate supervisor, and a copy given to the Township Supervisor. Performance goals shall be given to the employee for the forthcoming year based on the evaluation.

**3.8 Dealing With Work Performance Problems Between Annual Evaluations**

**A.** Superior Township may, at its discretion, terminate an employee at any time, for any or no reason, with or without notice.

**B.** However, the Township may elect to provide employees who exhibit unsatisfactory work performance with verbal or written warnings. For recurring or serious work performance problems, the Township may elect to give the employee a **Notice of Work Performance Problems**. The specific problem behaviors shall be clearly stated in the notice. A time line shall be set forth in the notice to review whether the problem behaviors have been corrected to the satisfaction of the immediate supervisor and/or the Township Supervisor. The notice shall be signed by the immediate supervisor, the employee, and the Township Supervisor. If the problems are not corrected to the satisfaction of the immediate supervisor and the Township Supervisor within the timeline specified, it is grounds for immediate dismissal. All employees covered by this handbook serve at the will of the employer and may be terminated at any time, with or without notice, and with or without cause. Nothing in this section is intended to alter or modify in any way the employee's at-will employment status.

**3.9 Personal Leaves**

**A.** A regular full-time employee after completing six (6) months of service may request an unpaid personal leave of absence for a period not to exceed sixty (60) calendar days within a twelve month period. An employee requesting a leave shall fill out a Personal Leave Request Form which requires the employee to state the reason for the leave and the expected duration of the leave. If the leave is approved by the employee's Department Head it shall be submitted to

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the Township Administrative Staff for approval. The Department Head shall submit an explanation of how the employee's work shall be covered in his/her absence and attach this to the employee's Leave Request Form.

**B.** If the leave is denied by the Administrative Staff, the employee shall have the right to appeal it to the Township Board of Trustees. The employee may request an executive session for this if he/she so chooses.

**C.** If the leave is requested and approved for less than the maximum allowable (60 days) and the employee later desires to extend the leave up to any point not to exceed the maximum of 60 days; approval for the extension shall not be automatic but rather subject to approval by the Department Head and Township Supervisor. A letter from the employee (or his/her representative) requesting an extension of the leave shall be sent to the Department Head at least (1) week in advance, circumstances permitting. The Department Head or Township Supervisor shall respond to the written request for extension in writing stating approval or denial. All personal leaves of absence shall be without pay and fringe benefits, including, but not limited to, insurances, except as otherwise mandated by law. Employees may, however, continue insurance coverages at their own expense during a personal leave of absence, by paying the premiums and if permitted by the insurance carrier. An employee will not accumulate sick leave or vacation time, nor be paid for holidays which may fall during the leave period.

**3.10 Family and Medical Leave Act (FMLA) Leaves of Absence**

**A.** Superior Township currently does not have enough full-time employees (not including elected officials or appointees) to be required to comply with the 1993 Family and Medical Leave Act. However, employees may submit a request for a leave that offers the same protection as an FMLA leave (restoration of the employee's original job or an equivalent job with equivalent pay, benefits, and other terms and conditions of employment, **and** continuation of all group health benefits during the leave period) if the reasons for the requested leave complies with FMLA guidelines. Such leave will be defined as a FMLA Equivalent Leave and the Superior Township Board of Trustees will decide whether it will approve the requested leave, on a case-by-case basis depending on the needs of the Township at that time. If the employee is denied his/her request for a FMLA Equivalent Leave, he/she may apply for a personal leave as explained in Section 4.1 above. The FMLA Equivalent Leave will only be considered for approval if it meets the following guidelines:

**B.** The employee must be a regular, full-time employee who has completed twelve (12) months of employment and worked at least 1250 hours for the Employer in the past twelve (12) months may request an unpaid personal leave of absence for a period not to exceed twelve (12) weeks in any one calendar year for any of the other reasons outlined below.

A personal leave of absence may be granted in the following cases:

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- 1) A serious health condition that makes the employee unable to perform the functions of his/her position;
- 2) In order to care for the employee's spouse, child or parent if the person being cared for has a serious health condition;
- 3) Because of the placement of a son or daughter with the employee for adoption or foster care and in order to care for such son or daughter;
- 4) Because of the birth of a son or daughter of the employee and in order to care for such son or daughter.

**C.** An employee requesting a leave shall fill out a Family/Medical Leave Equivalent Form which requires the employee to state the reason for the leave and the expected duration of the leave. He/she shall submit the leave request to his/her Department Head.

**D.** If the leave is approved by the employee's Department Head, the Department Head shall submit an explanation of how the employee's work shall be covered in his/her absence and attach this to the employee's Leave Request Form. He/she shall then submit Leave Request to the Township Administrative Staff for approval.

**E.** If the leave is denied by the Administrative Staff, the employee shall have the right to appeal it to the Township Board of Trustees. The employee may request an executive session for this if he/she so chooses.

**F.** If the leave is requested and approved for less than the maximum allowable (twelve weeks) and the employee later desires to extend the leave up to any point not to exceed the maximum of twelve weeks, approval for the extension shall not be automatic but rather subject to approval by the Department Head and Township Supervisor. A letter from the employee (or his/her representative) requesting an extension of the leave shall be sent to the Department Head at least (1) week in advance, circumstances permitting. The Department Head or Township Supervisor shall respond to the written request for extension in writing stating approval or denial.

**G.** The Employer requires that employees exhaust all accrued sick leave prior to an unpaid leave of absence.

**H.** Certification for Medical Leaves

For leaves taken to care for a sick spouse, child, or parent or due to a serious health condition of the employee, the Employer may require certification issued by the health care provider of the eligible employee or of the child, spouse or parent of the employee, as appropriate. This certification shall be sufficient if it states:

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- 1) The date on which the serious health condition commenced;
- 2) The probable duration of the condition;
- 3) The appropriate medical facts within the knowledge of the health care provider regarding the condition;
- 4) When applicable, a statement that the eligible employee is needed to care for child, spouse or parent and an estimate of the amount of time that the employee is needed to provide such care;
- 5) When applicable, a statement that the employee is unable to perform the functions of the position of the employee;
- 6) In cases of certification of intermittent leave or leave on a reduced leave schedule for planned medical treatment the dates on which the treatment is expected to be given and the duration of the treatment;
- 7) In cases of intermittent leave or leave on a reduced schedule due to an employee's serious health condition, a statement of the medical necessity for the intermittent leave or leave on a reduced schedule and the expected duration of the intermittent leave from the leave schedule; and
- 8) When intermittent leave or leave on a reduced leave schedule is requested for the purpose of caring for a child, spouse, or parent, a statement that the employee's intermittent leave or leave on a reduced leave schedule is necessary for the care of the child, parent or spouse who has a serious health condition, or will assist in their recovery, and the expected duration and schedule of the intermittent leave or reduced leave schedule.

**I. Notice**

- 1) For leave taken due to the birth of a child or the placement of the child with the employee, and where the leave is foreseeable based on the expected birth or placement, the employee shall provide the Employer with not less than thirty (30) days notice before the date the leave is to begin, except that if the date of the birth or placement requires leave to begin in less than thirty (30) days, the employee shall provide such notice as soon as practicable.
- 2) When the employee's leave is due to care of a spouse, child or parent, or to the employee's serious health condition and the leave is foreseeable based on planned medical treatment, the employee:

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a) Shall make a reasonable effort to schedule the treatment so as not to unduly disrupt the operations of the Employer, subject to the approval of the health care provider and;

b) Shall provide the Employer with not less than thirty (30) days notice before the date leave is to begin, except that if the date of treatment requires leave to begin in less than thirty (30) days the employee shall provide such notice as is practicable.

**J.** Leave due to the birth of a child or placement of a child with the employee may not be taken intermittently or on a reduced leave schedule unless the Employer agrees to such an arrangement.

**K.** When a husband and wife are both entitled to leave and are employed by the Employer, the aggregate number of work weeks of leave to which both may be entitled may be limited to twelve (12) work weeks during any twelve (12) month period if the leave is taken due to the birth of a child, the placement of a child or to care for a sick parent.

**L.** The Employer may require employees to exhaust all accrued paid leave prior to an unpaid leave of absence.

**M.** Subject to notification and certification requirements described herein leave to care for a spouse, child or parent or due to a serious health condition of the employee may be taken intermittently or on a reduced leave schedule when medically necessary.

**N. Continuation of Benefits**

The Employer shall continue to pay health, dental, vision, and life insurance premiums for eligible employees employed for at least one (1) year and who have at least 1250 hours of service in the past year (twelve [12] months), for up to twelve (12) weeks while the employee is on approved leave of absence under conditions listed in Section 4.2 above. If the employee is opting out of health insurance at the time he/she is requesting the leave of absence, he/she shall not receive the opt-out payment during his/her leave. This twelve (12) week period shall include any time in which the employee was absent from work on a paid leave of absence, sick time, vacation time, or approved personal leaves of absence under this Section. The Employer shall have no obligation to pay health care premiums for the employee on unpaid personal leave for any time period after twelve (12) weeks from and after the employee's initial absence from work. In all other circumstances, the Employer shall not continue to pay health insurance premiums for the employee. Employees may continue insurance coverages at their own expense during an unpaid personal leave of absence after the periods noted above. An employee will not accumulate sick leave or vacation time, nor be paid for holidays which may fall during the leave period. If the due date for an employee's longevity/education pay falls during the time he/she is on unpaid leave, the longevity /education pay shall be prorated based on actual time worked plus paid service hours.

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**Section 3.11 Medical Leaves Beyond 12 Weeks**

When a leave of absence is granted under Section 4.2 A. Sub-sections (1) (2) (3) or (4) for more than twelve (12) weeks, the Employer does not guarantee that the employee will be reinstated in their former *position* or to the same grade and step level when he/she is ready to return to work. That decision will be at the discretion of the Employer.

**SECTION 4.0 WORK RULES**

All Township employees are expected to adhere to the following rules of conduct. The list of rules is not intended to be an all-inclusive list of rules of conduct expected of employees. Further, the list may be added to, modified or supplemented by the Township Board or the Department Head.

**4.1** The purpose of these rules is to set forth some rules of conduct **which will result in disciplinary action, including possible discharge.** Notwithstanding the above, all employees serve at the will of the Employer, and may be terminated with or without cause.

**1) Tardiness.**

**2) Excessive or Unauthorized absenteeism.**

**3) Dress and Grooming.** Township employees are expected to maintain a neat, well groomed, and when applicable professional appearance in accordance with their position and working conditions. The Township reserves the right to prohibit non-professional clothing or hairstyles, visible tattoos, visible body piercings (excluding ear piercings), etc.

**4) Public Decorum.** All Township employees must maintain a pleasant and helpful attitude in dealing with members of the public and co-workers, whether by telephone or in person.

**5) Acceptance of Gifts.** Employees shall not accept any gifts or gratuity from any individual or agency that may be construed as influencing a decision of a Township employee.

**6) Personal Mail.** Personal mail should not be addressed to the Township address. Employees shall not use Township postage or other property for personal business.

**7) Visitors.** Friends, relatives and children of employees are not allowed in the working areas without the approval of the Department Head.

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- 8) Theft/Neglect.** The theft, attempted theft, or neglect of property of the Township, its visitors or employees is prohibited.
- 9) Unauthorized Use.** Unauthorized use of Township property, equipment or facilities including telephones, duplicating equipment, Internet, computers and computer network, charge accounts, etc. is prohibited.
- 10) Falsification.** Falsification or unauthorized altering of employment application, information records (including payroll or program records), or other Township records is prohibited and may be grounds for immediate dismissal.
- 11) Insubordination.** Refusal to obey or willful failure to carry out the instructions of a Department Head, including the assigned duties of the job is prohibited and may be grounds for dismissal.
- 12)** Violation of departmental rules on confidentiality is prohibited.
- 13)** Inefficiency, incompetence, neglect of duty, carelessness or negligence in performing job duties is grounds for disciplinary action and/or dismissal.
- 14)** Carelessness, neglect of duty or negligence that results in an injury to another employee, client or visitor is considered a serious offence and may be grounds for immediate dismissal.
- 15)** Reporting to work or working in an intoxicated condition; consumption or possession of alcohol or illegal drugs or substance (such as marijuana) on Township premises or property while on or off duty is grounds for dismissal.
- 16)** Unauthorized possession of firearms, dangerous weapons or personal protection devices is grounds for immediate dismissal and will be reported to the police.
- 17)** Verbally abusing or physically attacking customers, clients, visitors or Township personnel, conduct disruptive to the work of other employees, or use of obscene language in public office areas is grounds for immediate dismissal.
- 18)** Illegal activity on Township premises (misdemeanor or felony) during work or non-work hours will be grounds for immediate dismissal and reported to the police.
- 19)** Instigating, aiding, or participating in any illegal strike or work stoppage is prohibited and shall be grounds for dismissal.
- 20)** Instigating, aiding, or participating in any illegal strike or work stoppage shall be grounds for dismissal.

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21) Text messaging and cell phone use shall be prohibited during operation of vehicles while performing Township duties. Vehicles must be stopped in a safe location before use is authorized.

**SECTION 5.0 COMPLAINTS**

**5.1 Complaint Procedure**

An active employee having a complaint regarding the content or administering of the policies set forth in this personnel manual, or other job related concerns, shall present his/her complaint according to the following procedure:

**Step 1.** The complaint shall be set forth in writing and signed by the employee and presented to his/her Department Head within five (5) working days of the alleged incident. The Department Head will meet with the employee to discuss the complaint within five (5) working days of receipt of the complaint and shall respond to the complaint within five (5) working days after the meeting. The employee shall suffer no loss of pay for the time spent with the Department Head to discuss the complaint

**Step 2.** If the answer provided by the Department Head received in Step 1 is not satisfactory to the employee, the employee shall, within five (5) working days of receiving the response in Step 1, submit the complaint in writing to the Township Supervisor or proceed to Step 3 if the answer was from the Supervisor. The Supervisor may arrange for a meeting with the affected employee, Department Head and other necessary parties to discuss the complaint. The Supervisor shall submit an answer in writing within ten (10) working days after receipt of the complaint or the meeting, whichever is appropriate. The decision of the Supervisor shall not act as precedent.

**Step 3.** If the answer of the Supervisor received in Step 2 is not satisfactory to the employee, the employee within five (5) working days thereafter, shall submit to the Township Board a notice of appeal of the complaint. That notice of appeal must be filed with the Township Clerk within the five (5) work-day limit.

**Step 4.** The Township Board shall hear the complaint at one of its normally scheduled meetings as determined by the Township Supervisor. The employee may elect to have a closed session to discuss his/her complaint with the board. The Township Supervisor may, at his/her discretion, set up a special meeting of the Board to hear the controversy. In addition, the Supervisor may require transcripts of the hearing be taken by a certified court stenographer and placed on file. The employee may appear before the Board to present his/her complaint. The employee

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may present witnesses and evidence and be represented by an attorney or other person of his/her choosing. A majority vote of the members serving on the Township Board is required to render a decision. The decision of the Board shall be final and binding on all parties excepting, however, the Township Board has no authority to reverse the decision of the Treasurer or Clerk in disciplinary matters involving those elected officials' deputies.

**5.2** The time limits stated in the complaint procedure may be extended by mutual written agreement of the parties.

**5.3** The failure of a Department Head or Supervisor to communicate their decision to the employee within the specified time limits shall be considered a denial of the complaint and permit the employee to proceed to the next step in the Complaint Procedure. Any complaint not appealed by an employee from a decision in one of the steps to the next step within the prescribed time limit shall be considered dropped and not subject to further appeal unless the time limit is extended by mutual written agreement.

**5.4** All dispositions of written complaints shall be made in writing and one copy sent to the Township Clerk.

**5.5** For the purpose of the complaint procedure, a "day" shall mean a working day ending at 4:30 p.m. and shall not include Saturday, Sunday or holidays and shall not include the day on which the complaint is presented or appealed by the employee, or is returned by the Township.

## **SECTION 6.0 SEXUAL HARRASSMENT**

### **6.1 Sexual Harassment Policy**

It shall be the policy of the Employer that employees have the right to expect a working environment free of unwelcome sexual advances, requests for sexual favors, communication of a sexual nature, and other unwanted verbal or physical conduct of a sexual nature.

This policy shall be followed at all times including, but not limited to situations where:

- 1)** Submission to such conduct or such communication is made an expressed or implied condition of obtaining employment.
- 2)** Submission to or rejection of such conduct is used as a basis of or factor in decisions affecting the employment of any personnel.
- 3)** Such conduct or communication has the purpose or effect of interfering with an employee's duty, assignment or work performance, or creating an intimidating, hostile or offensive environment.

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**6.2** This Policy is for internal use only, and is not intended to enlarge the Employer's liability in any way. Noncompliance with this policy constitutes a violation of employment duty only, except cases in which noncompliance is also a violation of laws of the State of Michigan and Federal laws. Violation of this policy shall form a basis for disciplinary action.

**6.3** All employees shall conduct themselves in a manner conducive to a work environment free of coercion, intimidation, harassment, retaliation, or discrimination and conduct themselves in a manner which will assure compliance with the State and Federal laws to promote a work environment of respect.

**6.4** All supervisory personnel shall be responsible for immediately reporting any occurrences which they may witness or of which they become knowledgeable.

**6.5** It is this Employer's position to take action to prevent such unwanted conduct from occurring and to deal with all such instances in a fair, impartial, and speedy manner. All complaints or instances will be investigated on a case by case basis.

- 1) An employee who believes he/she has been subjected to sexual harassment or unwanted conduct shall report the incident within ten (10) days after the alleged occurrence, to either his/her immediate supervisor, or to the Township Supervisor or his/her designee.
- 2) A meeting shall be held between the person making the complaint and the Township Supervisor or his/her designee, as soon as possible, but no later than ten (10) days following the report of the alleged occurrence(s). Following this meeting, the employee(s) against whom the complaint had been made shall be given a full opportunity to respond to the allegations. The investigation conducted shall also include interviews, where appropriate, with other witnesses to the alleged occurrence(s) of sexual harassment or unwanted conduct.
- 3) Following completion of the investigation, if it is determined that a sexual harassment or unwanted conduct did in fact take place, immediate action, including discipline if necessary, will be taken to remedy the situation and prevent its reoccurrence. All members who violate this policy will be subjected to disciplinary action up to and including dismissal. For retaliatory action or conduct of any kind taken by any employee against an employee as a result of that employee having sought redress under this policy is strictly prohibited and shall be regarded as a separate and distinct violation of the Employer's Policies and Procedures. One who undertakes this type of action shall be subject to discharge.

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**SECTION 7.0 DRUG-FREE WORK PLACE POLICY**

**7.1** Illegal drugs in the work place impair safety and health, promote crime, lower productivity and work quality, and undermine public confidence. Superior Charter Township will not tolerate the illegal use of drugs. As a Superior Charter Township employee, you are required to abide by the following policies and guidelines regarding use of illegal drugs in the work place. This policy is congruent with the Federal Drug-Free Work Place Act of 1988.

**7.1** All Superior Charter Township premises, including work sites and all Superior Townships vehicles are declared to be drug-free workplaces. As such:

**A.** All employees are absolutely prohibited from unlawfully manufacturing, distributing, dispensing, possessing, using, or being under the influence of controlled substances in the work place.

**B.** Employees found to be in violation of this policy will be subject to appropriate personnel/disciplinary action, up to and including dismissal for the first offense, and/or other remedial measures as the individual circumstances warrant as indicated in Sections 4.15 and 4.18 of the Work Rules.

**C.** Employees have the right to know the dangers of drug abuse in the work place, Superior Charter Township's policy regarding drug use, and what help is available to combat drug problems. Superior Charter Township will provide a drug awareness program for all employees on the dangers of drug abuse in the work place. To assist employees in overcoming drug abuse problems, Superior Charter Township may offer an Employee Assistance Program. See the Human Resources Administrator for information regarding this.

**D.** Any employee charged with violating any criminal drug statute in the work place must inform Superior Charter Township of the arrest, arraignment and outcome of the charges, including dismissed charges, convictions, or pleas of guilty and nolo contendere within five days of any such action. Failure to so inform Superior Township subjects the employee to disciplinary action, up to and including dismissal for the first offense.

**E.** Superior Charter Township reserves the right to offer employees convicted of violating a criminal drug statute in the workplace participation in an approved rehabilitation or drug abuse assistance program as an alternative to discipline. If such program is offered and accepted by the employee, then the employee must satisfactorily participate in and complete the program as a condition of continued employment.

**F.** Superior Charter Township supports the purpose and goals of the Drug-Free Work Place Act and by this policy announces its intention to comply with the Act and make continuing "good

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faith” efforts to provide a drug-free work place. All employees are expected to cooperate and give this policy their full support.

## **APPENDIX A:**

The township currently offers full-time employees Blue Cross/Blue Shield Preferred Provider Organization Health Savings Account (PPO HSA ) \$3,000/\$6,000 High Deductible Health Insurance Plan. See the Human Resources Administrator for a Summary of Benefits booklet.

### **COSTS**

Employees have the following amount deducted from their paycheck each pay period for their share of the premium cost of this BCBS plan. This helps the Township offset costs of administering this plan and for the hardship/catastrophic advances the Township is offering.

Single:	\$ 6.92 / Pay Period	[\$15.00/MONTH]
Couple:	\$ 9.23 / Pay Period	[\$20.00/MONTH]
Family:	\$11.53 / Pay Period	[\$25.00/MONTH]

This is an after-tax deduction.

### **Township Policies which govern the Blue Cross/Blue Shield Preferred Provider Organization Health Savings Account (PPO HSA ) \$3,000/\$6,000 High Deductible Health Insurance Plan for Period April 1, 2013 -- March 31, 2014:**

On April 1, 2013 the Township changed the health insurance coverage for eligible employees from Priority Health, a Health Maintenance Organization (HMO), to a Blue Cross/ Blue Shield Preferred Provider Organization Health Savings Account High Deductible Health Insurance Plan (PPO HSA). The new PPO HSA has a higher deductible than the previous plan, but the Township has agreed to pay each employee an amount that would cover their potential deductible expenses. The savings on premiums for the Township are low enough that even with funding employees’ deductible, the plan is less costly than a renewal of the previous Priority Health HMO, which is why the change was made. By staying healthy, and efficiently spending their HSA money, employees have the ability to retain unused money in their HSA accounts, thus this kind of plan has the potential to save both the Township and employees money. Even with high utilization, an employee will spend less per year than with an HMO since the deductible is funded by the Township. HSA accounts are highly regulated by the IRS and

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therefore employees are encouraged to consult with their tax preparer to be certain they are correctly utilizing their HSA accounts and to review the guidelines of HSA accounts in IRS Publication #669.

## 2) DEPOSIT SCHEDULE

The Township shall deposit the following amounts on the following dates into employees' HSA Accounts:

April 1, 2013:	\$750 for Single Coverage	\$1,500 for Couple/Family Coverage
July 1, 2013:	\$750 for Single Coverage	\$1,500 for Couple/Family Coverage
October 1, 2013:	\$750 for Single Coverage	\$1,500 for Couple/Family Coverage
January 1, 2014:	\$750 for Single Coverage	\$1,500 for Couple/Family Coverage

Once this money is deposited in employee's accounts, it belongs to the employee. The Township will not ask for any repayment if an employee leaves employment for any reason regardless of whether the funds have already been used for medical expenses or are still in the employee's HSA account.

## 3) TAX FILING REQUIREMENTS

Employees will be required to file a tax form with the IRS for 2013 and 2014 because they are receiving HSA deposits from the Township. The tax form is called 8889 and the guidelines are outlined in Publication #669. Employees need to save all their medical receipts for filing tax form 8889. Any employees having questions about the tax implications of participating in the HSA plan should consult their tax preparer/accountant.

## 4) DEBIT CARD USE AND GUIDELINES

a) Employees will be issued a debit card to dispense the money deposited in their HSA accounts for qualified medical expenses. The money in the HSA account can be used for both medical expenses that apply to the Blue Cross/Blue Shield deductible, OR qualify for IRS approved HSA expenditures without paying taxes on the money. The employee will know if the expenses are IRS approved because the HSA debit card will be programmed such that ineligible expenses will not go through. But to determine whether an expense meets the Blue Cross Deductible guidelines, employees must consult the BCBS Summary of Benefits. An expense may go through on the HSA debit card (because it is IRS compliant) but not be eligible for the BCBS deductible. Please consult the HR Administrator if you have questions.

b) If employees use their HSA money for medical expenses that meet IRS guidelines, but not Blue Cross/Blue Shield deductible guidelines, such as dental or vision related expenses or medical expenses exempted by Blue Cross/Blue Shield such as acupuncture, the employees may end up having to pay some of their Blue Cross Blue/ Shield deductible out of pocket. The Township has pledged to deposit a

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maximum of \$3,000/Year for single employees, and \$6,000/ Year for employees with spouses and or children. This will cover the Blue Cross/Blue Shield Deductible in total. If employees use part of this money for IRS qualified expenses that do not meet BCBS requirements, they will have to make up the difference out-of-pocket.

c) Employees can also withdraw money from their HSA accounts at any time and use it for purposes that do NOT qualify towards the Blue Cross Blue Shield deductible OR meet IRS guidelines for approved medical expenses. If an employee chooses to do this, he/she will be responsible for paying taxes and a 10% IRS penalty on the money used for non-qualified expenditures. The Township therefore highly recommends that employees DO NOT withdraw money out of their HSA accounts for purposes other than paying expenses towards the deductible for their BCBS Health insurance plan during the plan year. The Township will not loan employees money or give cash advances on paychecks to cover medical expenses in situations where an employee has withdrawn money from his/her HSA account designated for the current plan year, and used it for expenditures other than to meet the deductible on his/her BCBS Health Insurance plan.

## 5) ADVANCES

If during the plan year, an employee incurs medical expenses that are eligible for his/her BCBS deductible, that are more than the amount in his/her HSA account at that point in time, the Township will advance up to the full \$3,000/\$6,000 that the employee is eligible for the plan year and deposit this advance into the employee's HSA account. The employee will not be required to repay this advance even if he/she leaves employment with the township before the plan year ends.

## 6) PROCEDURES FOR ADVANCES

Any employee needing an advance to pay medical bills will fill out a Request for Additional HSA Deposit Form requesting an advance (See Attached). This form is turned in to the Township Supervisor. Advances are automatically approved contingent upon authentic medical bills eligible under the Blue Cross Blue Shield deductible being presented to the third party administrator. The employee then submits the signed request letter, along with the medical bills, to the third party administrator of this plan [Marwil Associates], along with a HIPPA medical release form. Employees can strike out personal information such as medication names, tests, etc. The third party administrator will examine the medical bills and ascertain their validity. To protect the privacy of the employee regarding his/her medical conditions/treatments, the employee will not be required to discuss or show these medical bills to his /her supervisor or any other Superior Township official. Upon receiving approval from the third party administrator, the Superior Township HR Administrator will deposit the approved funds. The money usually can be made available within five working days. If an employee needs to provide proof to a

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medical provider that additional funds will be deposited to cover the upcoming expense, the Township will provide a letter affirming this.

**7) TAX IMPLICATIONS FOR ADVANCES**

If an employee leaves employment for any reason during the plan year and does not stay enrolled in a qualified High Deductible Health Insurance Plan (i.e. through Cobra, through a high deductible plan of their spouse, or through a privately purchased plan), the employee may owe the IRS taxes on any money that the Township deposited **as an advance on future quarters**. This tax liability may apply even if the advance money was spent on bonafide medical expenses; it has to do with eligible months in the plan and deposits given, not what was spent. Please consult a tax accountant if you would like more information on this or read IRS Bulletin #969 entitled Health Savings Accounts and Other Tax-Favored Health Plans.

**8) COBRA**

If an employee leaves employment with the Township for any reason during this plan year, he/she may elect to continue this plan under Cobra. The premiums the employee will be charged are:

Single:	\$355.71 / Month
Couple:	\$853.71 / Month
Family:	\$1,067.15 / Month

After separation from service, the employee will no longer receive quarterly deposits into his/her HSA account and will become responsible for paying any deductibles under this plan.

IRS guidelines say that HSA money cannot be used to pay premiums. So a departing employee may not use any money remaining in his/her HSA account to pay Cobra premiums to the township or to pay for health insurance premiums from any private insurance company. The employee can begin using his/her MERS Health Care Savings Plan money to pay Cobra premiums. Or the employee can cash out his/her HSA account and pay income taxes on the money (approximately 25% and a 10% IRS penalty) and then use the remaining money to pay Cobra premiums.

**9) UNUSED FUNDS**

As this plan year comes to a close, (i.e. March 2014), the Township will decide what health insurance plan it will be providing for employees for the subsequent year. It could continue with this plan, it could be a similar but not identical HSA plan, or the Township could decide to return to an HMO plan. Any money left in employees' HSA accounts at the end of the plan year will belong to the employees. The employees may leave the money in their HSA account to be used for future co-pays or deductibles (in whatever plan the Township uses in the future including an HMO), or vision and dental expenses without paying any taxes on the money. He/she may not

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use it to pay premiums to the Township or any other health insurance premiums. Employees can also cash out the account, or part of it, and pay taxes plus a 10% penalty on it and use the money for what for whatever he/she chooses.

**DENTAL, VISION, AND LIFE INSURANCE**

The dental insurance provided to employees is Delta Dental. See the Human Resources Administrator for a summary of benefits. There is currently no cost to employees for this dental insurance.

The vision insurance currently provided to employees is Vision Service Plan. See the Human Resources Administrator for a summary of benefits. There is currently no charge to employees for this vision insurance.

The life insurance provided to employees is through Consumers Life Insurance Company. It covers AD&D and Basic Life. The coverage for the basic life is \$50,000. There is currently no charge to employees for the life insurance.

**L. ANN ARBOR AND YPSILANTI CHAMBER DUES FOR 2013-2014**

The Township received an invoice from the Ann Arbor/Ypsilanti Regional Chamber in the amount of \$328.50 for the 2013-2014 membership. Several Board members had questions about what services the Township received from the Chamber. Board members indicated they would like someone from the Chamber to make a presentation to the Board about what services they provided.

It was moved by McKinney, seconded by Lewis, to postpone approving the payment to the Ann Arbor/Ypsilanti Regional Chamber for the 2013-2014 membership dues until the Chamber made a presentation to the Board at the next regularly scheduled Board meeting of June 17, 2013.

The motion carried by a voice vote.

**M. BUDGET AMENDMENTS**

BUILDING FUND BUDGET AMENDMENTS		
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BUDGET LINE #	DESCRIPTION	DEBIT	CREDIT
249-000-393-050	ACCRUED ABSENCE RESERVE	INCREASE	\$ 25,000.00
249-000-393-000	GENERAL RESERVE	\$ 25,000.00	DECREASE
	<b>TOTAL OF DEBITS/CREDITS</b>	<b>\$ 25,000.00</b>	<b>\$ 25,000.00</b>

**N. CHANGES OF VISION SERVICE PLAN AND AGENT**

In a memo dated May 18, 2013, Susan Mumm, Township, Human Resources Coordinator, indicated that when the Township changed health insurance plans, the new carrier offered a new vision service plan that has the same coverage but is less expensive. She recommends that the Township change vision plans to the Vision Service Plan.

It was moved by McKinney, seconded by Lewis, to approve changing the Township’s vision service plan for employees to the Vision Service Plan and to authorize the Supervisor to sign the agreement.

The motion carried by unanimous voice vote.

**11. PAYMENT OF BILLS**

There were no bills submitted for payment.

**12. PLEAS AND PETITION**

There were none.

**13. ADJOURNMENT**

It was moved by Caviston, seconded by Williams, that the meeting be adjourned. The motion carried by a voice vote and the meeting adjourned at 9:04 p.m.

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Respectfully submitted,

David Phillips, Clerk

William McFarlane, Supervisor