AUBURN HILLS MEETING SCHEDULE

248-370-9402

MAY 2015
(05-01-15)

04  Tax Incentive Review Committee, 5:30 p.m. Admin Conference Room ❖
11  City Council Workshop, 5:30 p.m., Council Conference Room ◆
11  City Council, 7:00 p.m., Council Chamber ◆
12  Tax Increment Finance Authority, 4:00 p.m., Council Chamber ◆
12  SPECIAL: Brownfield Redevelopment Authority, 7:00 pm, Public Safety Meeting Room ♦
12  Planning Commission, Public Safety Building CANCELED
13  Pension Board, 3:00 p.m., Admin Conference Room ❖
13  Retiree Health Care, 4:00 p.m., Admin Conference Room ❖
13  Beautification Advisory Commission, 6:00 p.m., Admin Conf Room ❖DATE & LOCATION CHANGE
14  Zoning Board of Appeals, 7:00 p.m., Council Chamber ◆ CANCELLED
18  City Council, 7:00 p.m., Council Chamber ◆
19  Library Board, 5:45 p.m., Library Conference Room ☞
20  Beautification Advisory Commission, 6:00 p.m., Council Conf Room ◆ DATE CHANGE
26  Public Safety Advisory Committee, 6:00 p.m., Public Safety Building ☞

◆ City Council Chamber (Conf. Rm.) – 1827 N. Squirrel Road
❖ Administrative Conference Room – 1827 N. Squirrel Road
♂ Public Safety Building – 1899 N. Squirrel Road
♀ Community Center – 1827 N. Squirrel Road
● Department of Public Services (DPS) – 1500 Brown Road
קום Fieldstone Golf Course - 1984 Taylor Road
📚 Library - 3400 Seyburn Drive
🏢 Downtown City Offices – 3395 Auburn Road, Suite A
✉ University Center, 3350 Auburn Road, Main Floor, Classroom AHUC-02
*Workshop – Non-Union Benefits Resolution Discussion*

1. MEETING CALLED TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL OF COUNCIL
4. APPROVAL OF MINUTES
   4a. Regular City Council – April 27, 2015
   4b. City Council Workshop – April 27, 2015
5. APPOINTMENTS AND PRESENTATIONS
   5a. Presentation – Mental Health Awareness Resolution
6. PUBLIC COMMENT
7. CONSENT AGENDA
   All items listed are considered to be routine by the City council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.
   7a. Motion – Approve Bulk Road Salt Purchase for 2015/16 Season
8. OLD BUSINESS
   8a. Public Hearing/Motion – Accept an Ordinance to Amend Chapter 46 Offenses and Miscellaneous Provisions of the Auburn Hills City Code to add Sections 46-251 to 46-253 of Article VIII – Offenses Concerning Minors, to prohibit the use, possession or sale of e-cigarettes to minors, Second Reading and Final Adoption on May 11, 2015.
   8b. Motion – 2015 Bloomfield Orchards Subdivision, Water Main Replacement Bid Award and Construction Engineering Services.
9. NEW BUSINESS
   9a. Motion – Consent to assignment of lease agreement to American Tower Corporation / 3303 Seyburn Drive
   9b. Motion - Consent for NOCWA to enter into a contract for Legal Services.
10. COMMENTS AND MOTIONS FROM COUNCIL
11. CITY ATTORNEY’S REPORT
12. CITY MANAGER’S REPORT
13. ADJOURNMENT

City Council meeting minutes are on file in the City Clerk’s office.

NOTE: Anyone planning to attend the meeting who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the City Clerk’s Office at 370-9402 or the City Manager’s Office at 370-9440 48 hours prior to the meeting. Staff will be pleased to make the necessary arrangements.
CALL TO ORDER: Mayor McDaniel at 7:04 p.m.
LOCATION: City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326
Present: Mayor McDaniel, Mayor Pro Tem Kittle, Council Members Burmeister, Hammond, Knight, Mitchell, Verbeke (8:03 p.m.)
Absent: None
Also Present: City Manager Tanghe, Assistant City Manager Grice, Police Chief Olko, City Clerk Kowal, Finance Director Schulz, Community Development Director Cohen, Senior Director Adcock, City Treasurer Buschmohle, Deputy Treasurer Keiser, Business Development Manager Carroll, City Assessor Lohmeier, Manager of Public Utilities Michling City Attorney Beckerleg, Management Assistant Mariuz, City Engineer Juidici.
47 Guests

4. APPROVAL OF MINUTES
4a. Regular Council Meeting – April 13, 2015
Moved by Mitchell; Seconded by Kittle.
RESOLVED: To approve the April 13, 2015 City Council meeting minutes.
VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell
No: None
Motion Carried (6–0)
Resolution No. 15.04.073

4b. Council Workshop – April 13, 2015
Moved by Hammond; Seconded by Kittle.
RESOLVED: To approve the April 13, 2015 Council Workshop meeting minutes.
VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell
No: None
Motion Carried (6–0)
Resolution No. 15.04.074

5. APPOINTMENTS AND PRESENTATIONS
5a. Motion – Appointment of Cynthia Hutchison to the DDA Board, term to expire October 2018
Cynthia Hutchison introduced herself, noting she is the recently appointed Executive Director of the Auburn Hills Chamber of Commerce. She has held her position for two weeks and is very happy to be part of the community.
Mayor McDaniel congratulated Ms. Hutchison on her Chamber appointment and thanked her for serving on the DDA Board.
Moved by Knight; Seconded by Kittle.
RESOLVED: To confirm the Appointment of Cynthia Hutchison to the Downtown Development Authority for a term ending October 2018.
VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell
No: None
Motion Carried (6–0)
Resolution No. 15.04.075

5b. Motion – Presentation on Short Term Investments
Ms. Buschmohle explained the Oakland County Treasurer is running late and suggested postponing this item until he arrives.

5c. Motion – Appointment of Dawn Wise to the DDA Board, term to expire October 2018
Dawn Wise introduced herself stating she has been an Auburn Hills resident all her life, and she currently lives in the downtown area.

Mayor McDaniel thanked Ms. Wise for her willingness to serve her community in this capacity.

Ms. Mitchell asked if Ms. Wise is an additional appointee; she believed the Board was already full.

Ms. Carroll explained after reviewing the City’s ordinance for the DDA Board, another member was required.

Moved by Mitchell; Seconded by Burmeister

RESOLVED: To confirm the Appointment of Dawn Wise to the Downtown Development Authority for a term ending October 2018.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell
No: None

Motion Carried (6–0)

5b. Motion – Presentation on Short Term Investments

Ms. Buschmohle explained in October 2014, JP Morgan/Chase closed the Governmental Pooled Accounts, which the City has used for many years for the operating funds to meet expenses during the year. The City needed to locate another source to deposit funds that will also earn incremental interest. The Oakland County Local Governmental Investment Pool (LGIP), is a pooled fund that will meet the needs of the City and earn additional interest. This Pool meets all the requirements of Public Act 20 and the City’s Investment Policy.

Katherine Ghannam, Asset Strategies, explained she, Ms. Buschmohle, County Treasurer Andy Meisner and Natalie Neph from the Investment Unit met earlier this year and reviewed the LGIP.

Andy Meisner, County Treasurer, explained Public Act 20 is the State law that governs investment of public funds. This Pool is a cash management pool which has a simple three-part formula; the first step is safety first, to not lose any money with short term, safe investments in certificates of deposit with a local bank or credit union. The second principle is liquidity, navigating the cash flow, paying the bills. The final principle is return; if money can be made on the money, that is great, but not the priority. The Local Government Investment Pool is permitted under Public Act 20, and allows the County Treasurer to work with cities, villages and townships who are looking to place money in a pool for any number of reasons. One reason may be because the pool is investing larger sums of money, which may result in better interest rates. Currently the investment pool is earning 93 basis points, meaning 9/10’s of a percent. There are 35 public entities, cities, villages, townships, authorities and libraries that participate in the LGIP.

Mr. Meisner explained this is a service offered by the County, and is available if the City chooses to participate. Ms. Neph has been working with the County for 23 years. The LGIP process is a very transparent, and due diligence is done when deciding where to place the Pool money, including the yield curve, duration, interest rate, liquidity, yield and other determinations. Public Act 20 requirements are strictly adhered. As of March 31st, the LGIP had $1.13 billion to invest. A monthly statement is available for each entity noting the interest earnings; there is also a 3.7 basis points charge for being part of the LGIP. It is suggested the Pool money be invested minimally for 60 days.

Natalie Neph explained the money is receipted the same day it is received, but one day notice is necessary when money is withdrawn.

Mr. Meisner explained there is very strong fraud prevention and internal controls in place to keep the money safe.

Mr. Knight stated this is a very wise approach for the City, to utilize the County who has done their due diligence. He hopes there are no bank CD’s since they don’t pay anything near what credit unions do. He is in favor of this approach for the City’s money.

Mr. Meisner noted when he became Treasurer, the banks at the time were in precarious situations and that is why they sought federal agency bonds for investments. He also amended the Oakland County Investment Policy to include credit unions. All size deposits are welcomed; it is generally a billion dollar portfolio and in the six years being Treasurer, he hasn’t lost a penny and doesn’t intend to start.

Mr. Kittle noted the rate of return is 93 basis points and the County charges 3.7 basis points.

Mr. Meisner explained the 3.7 basis points is the administrative expenses.

Mr. Kittle asked Ms. Buschmohle about the 18 month CD which results in 1 1/4 % interest.

Ms. Buschmohle explained there isn’t a guarantee of the same return; currently she guesses .95% to 1%.

Mr. Kittle asked what amount is being considered to invest in the LGIP.

Ms. Buschmohle stated she hasn’t yet made that determination. She will meet with the Finance Director, but believes between $5 million and $10 million. This will be the means for the operating funds and we will draw out as necessary. The liquidity is quicker with the Pool; if drawing from a CD before the maturity, interest is lost. There is still approximately $2 million that will remain in CD’s as in the past; this is the money from the JP Morgan/Chase pool that is no longer available.
Mr. Kittle noted by agreeing to this resolution, it allows the City to be part of the Pool, but no exact amount of money will be stipulated at this time.

Ms. Buschmohle confirmed she is seeking Council’s approval to join the LGIP and will meet with the Finance Director to determine the amount to invest.

Mr. Kittle asked Ms. Ghannam if this is a real advantage for the City.

Ms. Ghannam explained this is where the City can park some short term liquidity, three to six months, receive an adequate return, with a reasonable fee.

Mayor McDaniel asked if before any amount of money gets deposited into the Pool, the proposed amount will require Council’s approval.

Ms. Buschmohle explained that isn’t the case. Council’s approval is to join the LGIP and take the money on hand for the 2014 tax collection, which would have been invested in the JP Morgan/Chase pool, will now be invested in the LGIP. It won’t be the entire amount, some money will remain in the bank to meet operating expenses, payrolls twice a month and keep a cushion. That is what the meeting with the Finance Director will determine.

Mr. Knight stated he will watch the returns from LGIP and the returns from Cutwater and if the returns from Cutwater are not as good, there may be other avenues to pursue with the County.

Ms. Mitchell likes the concept of this pool; however, she is concerned with the amount of money that will be invested. She asked if it was necessary to approve the resolution this evening.

Ms. Buschmohle explained it doesn’t have to be adopted immediately, but the tax collection would have automatically gone into the JP Morgan/Chase pools. Those pools no longer exist and that is the reason for the Oakland County pool. The money is sitting in a checking account, not earning any interest. The tax collection was $17 million, which would have already been deposited in the pools. Of the $17 million, $10 million would be put into the pool and the other $7 million would remain in the checking account, which is currently at $24 million. Next day liquidity will allow the City to draw money from the pool and deposit it into the checking account to meet the City’s obligations.

Ms. Mitchell asked if there was a maximum that can be withdrawn from the pool. Perhaps if the City decides it isn’t what is wanted, can all the funds be withdrawn without penalty.

Mr. Meisner explained this is another tool available to the City and if there is a need for the City to withdraw all the money, then it will be done.

Ms. Buschmohle noted the term for the pool is a two year agreement that automatically renews unless the City prefers to not renew the agreement. There is a 30 day notice to terminate the agreement. She would like to get the money deposited into the pool as soon as possible, since it is not earning any interest in the current checking account.

Mr. Knight noted that according to the chart provided, the pool has $80 million liquidity available at any given time.

Mr. Burmeister asked if Council will be advised of the amount deposited into the pool after the discussion with the Finance Director.

Ms. Buschmohle stated she can advise Council of what was determined.

Mr. Tanghe stated Ms. Buschmohle will report to him and he will forward the information to Council.

Ms. Hammond requested Council be made aware of when it is time to renew the agreement. Mr. Tanghe confirmed notification will be made.

Ms. Buschmohle explained the contract is for two years, however, with a 30 day notice, the City can withdraw from the agreement.

Moved by Knight; Seconded by Burmeister.

RESOLVED: Adopt the attached resolution and agreement to join the Oakland County Local Governmental Investment Pool.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell

No: None

Motion Carried (6–0)

Resolution No. 15.04.077

6. PUBLIC COMMENT

Rimi Hirmiz, 2723 University Drive, part owner of Exhale Hookah Lounge explained there was a noise violation this past Saturday, caused by a new DJ. Neither he and nor his partner were not at the business at the time and apologized for the violation, noting it won’t happen again.

William Bacus, a Warren resident, explained he sometimes works for Mr. Hirmiz and he was at the Hookah Lounge Saturday night, with staffing being shorthanded. He takes blame for the noise complaint and citation and apologizes to the neighbors and the City.

Mayor McDaniel explained he wants Mr. Hirmiz as well as the other hookah lounge owners to understand the dilemma Council has had with extending the hours and the responsibility that the owners must take at all times.

7. CONSENT AGENDA
7a. Board and Commission Minutes
   7a.1. Planning Commission – March 17, 2015
   7a.2. Tax Incentive Review Committee – April 6, 2015
   7a.3. Beautification Advisory Commission – April 15, 2015
   7a.4. Tax Increment Finance Authority – April 14, 2015

7b. Motion – Approve Used Car Lot License Renewals
   RESOLVED: To approve renewal of Used Car Lot Licenses for the 2015/2016 licensing period for A & S RV Center, Newcomb’s Service, Inc., Oakland Truck and Equipment Sales, Inc., and Parts Place, Inc.

7c. Motion – Approve H2O Metrix Contract for NOCWA
   RESOLVED: To approve award of a contract to H2Ometrics Ann Arbor, Michigan for meter data services to NOCWA in the not-to-exceed amount of $10,750 for a three year period to expire June 2018. Funding is available in the 2015 Approved Budget, as well as the projected budgets for 2016-2019, Water Fund GL# 592-536-814.000 for computer services.

Moved by Burmeister; Seconded by Mitchell
RESOLVED: To approve the Consent Agenda.
VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell
No: None
Motion Carried (6-0)
Resolution No. 15.04.078

8. OLD BUSINESS

8a. Public Hearing – Ordinance Approving DDA Development Plan and TIF Plan
Ms. Carroll explained progress is continuing forward with the Downtown Development Authority. The next step in the process is to hold the public hearing for the Ordinance approving the Tax Increment Financing and Development Plan.

Mayor McDaniel opened the public hearing at 8:02 p.m. Hearing no comment Mayor McDaniel closed the public hearing at 8:03 p.m.

No Action is necessary.

8b. Motion – Approve Oakland County IT Services Agreement
Ms. Keiser explained this is an updated Service Agreement with Oakland County for residents to pay taxes and utility bills online, by phone or in person with credit/debit cards. The Oakland County Board of Commissioners have updated all service agreements into one agreement with specific exhibits relating to each individual agreement. There is also a share back of 50% from all of the excess fees collected from credit card use for the Pay Local Taxes program. The 50% share back for over the counter and phone payment is already taking place. The City received $1,802.57 in share back for 2014.

Mr. Kittle asked what fee is charged for a transaction using a credit or debit card.

Ms. Keiser explained the charge is based on the dollar amount, but the basic amount starts at $2.50; at a $50.00 charge, the fee is $4.00 and incrementally goes up until $1,000 is reached and then it is 2.75%. An e-check from an account is a flat fee of $2.50.

Moved by Knight; Seconded by Hammond
RESOLVED: To adopt the attached resolution to authorize the City Treasurer or Deputy Treasurer to execute the I.T. Services Interlocal Agreement with attached amendments with Oakland County.
VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell
No: None
Motion Carried (6-0)
Resolution No. 15.04.079

Council Member Verbeke arrived at 8:03 p.m.

9. NEW BUSINESS

9a. Motion – Public Hearing/Motion – Waive Incentive Agreement for Magna E-Car Systems of America, Inc.
Mr. Lohmeier explained on April 6, 2015 a request for forgiveness of property taxes for IFEC 2010-117 was received from Magna E-Car Systems of America, Inc., for the property located at 4121 N. Atlantic. The tax abatement ends December 30, 2015, and the agreement with the City requires the business to remain in the City for an additional two years after the certificate expires or there must be the repayment of all the taxes abated during the abatement period. Magna is currently in negotiations to sell both the personal property and the real property at this location. There are no outstanding or pending real and/or personal property tax appeals for Magna E-Car or any of its subsidiaries within the City.

Dex Battista Representative, State Government Affairs, explained Magna Automotive is the most diversified auto supplier in the world, but the battery, battery material and testing business isn’t one of the main core proficiencies. The market for alternative energies has not materialized as the company had hoped, so Magna is looking to sell this arm of the company to Samsung. He is asking Council for revocation of the agreement and waive the claw-back.

Mr. Kittle asked how much Magna saved during the abatement period.
Mr. Lohmeier stated he didn’t have that information available this evening.

Mr. Knight noted there is a significant loss of taxes if Samsung removes the equipment from the building and moves it someplace else, though the building will continue to generate taxes. He was curious if there is any guarantee that Samsung will remain with the equipment in Auburn Hills.

Mr. Lohmeier stated he isn’t sure if Samsung will request an abatement, but Samsung is planning on moving into the building.

Mr. Knight noted Magna is a great company and is remaining in Auburn Hills with other facilities, but is concerned with Magna remaining in the City and paying taxes on the personal property.

Mayor McCDaniel too is curious how much Magna has saved over the years, with waiving the two year claw-back requirement and how long Samsung may remain at that location.

Mr. Battista stated Magna is the third largest auto supplier in the world, making most components of a car except the tires. The company has 131,000 employees worldwide, approximately 10,000 in Michigan and 500 in Auburn Hills. From just the three facilities in Auburn Hills, in 2014, Magna spent over $25 million with Michigan based vendors and suppliers, employee salaries over $37 million and $1.3 million in State income taxes, just from the three facilities in Auburn Hills.

The other facilities in Auburn Hills are P & F, and the new facility that moved in on Lapeer Road is a stamping and body facility. Magna Electronics World Headquarters is located here in Auburn Hills, and produces back-up cameras. It has almost doubled in size since 2014 by consolidating research & development and engineering. In 2014, Car Tops was moved to Auburn Hills from Bowling Green, bringing 65 jobs.

Ms. Verbeke asked if conditions can be applied to the request or is it strictly a yes/no vote by Council.

Mr. Lohmeier stated that would be an attorney question, it hasn’t been done in the past.

Mr. Beckerleg explained it is a yes or no questions, either the requirement is waived or not waived.

Ms. Mitchell stated she appreciates Magna’s presence in the City and hopes for continued growth, however, the rules of the IFEC agreement are much defined.

Mr. Kittle asked if the waiver could be revisited once Samsung has taken possession of the facility and the equipment. He suggested Magna come back at a later time and ask for the forgiveness once there are more definitive answers regarding Samsung.

Mayor McCDaniel suggested Samsung ask for the remainder of the abatement, which would relieve Magna of the claw-back.

Mayor McCDaniel opened the public hearing at 8:19 p.m. and hearing no comment closed the public hearing at 8:19 p.m.

Mr. Lohmeier explained if Samsung purchases this property, they have until October to ask for a transfer of the abatement.

Mr. Burmeister asked if Samsung could ask for a new abatement for this property.

Mr. Lohmeier stated only for new purchases or investments for the property; a transfer of the current abatement is possible for the existing property and they could apply for additional years, up to seven, on the current abatement for a total of 12 years, the maximum possible.

Mr. Knight suggested deferring action this evening until there is more information regarding the sale and if the purchaser will be requesting a transfer of the certificate.

Ms. Hammond agrees with Ms. Mitchell, she appreciates Magna’s presence in Auburn Hills but waiving the claw-back is setting a precedence. She suggests a postponement, as suggested by Mr. Knight.

Mr. Tanghe explained the recommendation of waiving the claw-back is because this is a sale; the recommendation wouldn’t have been suggested if the company was just picking up and leaving the City.

Mayor McCDaniel understood Mr. Tanghe’s comments and also appreciates Magna’s presence in the City; however, the agreement has stipulations that should be followed. As part of the sale, there should be discussions with the purchaser of the current IFEC and the expectations that are associated with the IFEC. He also doesn’t want to set a precedent of waiving the claw-back requirement. He agrees with the postponement of a decision.

Mr. Kittle would like to know Samsung’s long term plan and postponing this decision and learning what those plans may be will impact the decision of this request.

Mr. Lohmeier explained if Magna sells the business and doesn’t ask for the waiver, Magna will be billed by the City and owe all those abated taxes to all the taxing authorities involved.

Mr. Knight stated when a deal is struck with Samsung, then Magna should come back and ask for the waiver.

Mr. Beckerleg agreed, noting the public hearing was held this evening so it won’t be necessary to hold another hearing and postponing this item until a later date is possible.

Moved by Burmeister; Seconded by Verbeke

RESOLVED: To postpone action on the approval of the request by Magna E-Car Systems of America, Inc. to waive its two-year residence requirement for the tax incentive agreement pertaining to IFEC 2010-117 until Magna returns to us with another request.
VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke
No: None
Motion Carried (7-0)

Resolution No. 15.04.080

9b. Motion – Allegra Development – Part 1) Approval of rezoning from I-2 General Industrial to I-1 Light Industrial district; Part 2) Approval to Construct an Industrial Building and Revise the existing Special Land Use Permit

Mr. Cohen explained John Secco, from Allegra Development, is proposing to rezone the 3.92 acre parcel located at 2501 Commercial Drive (Sidwell No. 14-14-126-027) from I-2, General Industrial to I-1, Light Industrial district. The rezoning is consistent with the City’s Master Plan. The reason for the rezoning is the I-1 District has lesser setback requirements than the I-2 District, 100 feet front and rear. The larger set backs make it nearly impossible to build on this site.

The second part of the request is to construct a new 32,293 sq. ft. light industrial building on a site shared with another building owned by Mr. Secco, of Dish Network. Dish Network received approval to store 58 vehicles on the site, but that number will now be reduced to 10 vehicles, thus changing the Special Land Use Permit.

Mr. Kittle asked how many vans are currently being stored outside now.

John Secco, owner of Allegra Development explained Dish Network has changed how they do business so there are generally five or six vans stored at any given time. In the past employees drove their personal vehicles to work and used the company vans; now the company vans are kept by the employees at their own residences.

Looking at the site plans, Mr. Knight asked if there was a sufficient number of doors in the event of an emergency.

Mr. Secco stated there are five doors for the building.

Mr. Cohen explained Building Official Jeff Spencer and the Fire Department will make sure there are enough doors for the building.

Mr. Secco explained he has built three building in Auburn Hills since 2004 and more in surrounding areas. He enjoys the City and hopes to be in the area for many more years.

9b.1. Moved by Kittle; Seconded by Mitchell
RESOLVED: To accept the Planning Commission’s recommendation and rezone parcel 14-14-126-027 from I-2, General Industrial to I-1, Light Industrial district. The rezoning shall be referenced as Ordinance No. 15-866

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell
No: None
Motion Carried (7-0)

Resolution No. 15.04.081

9b.2. Moved by Verbeke; Seconded by Burmeister
RESOLVED: To accept the Planning Commission’s recommendation and approve the Site Plan for Allegra Development to construct an industrial building and approve the revision to the existing Special Land Use Permit to reduce the number of vans stored outside overnight at the existing Dish Network building site from 58 to 10.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke
No: None
Motion Carried (7-0)

Resolution No. 15.04.082

9c. Motion – Approve Site Plan, Special Land Use Permit, and Tree Removal Permit /Hydra-Zorb Company

Mr. Cohen explained this is a request to construct a 51,109 sq. ft. manufacturing facility on a 6.17 acre parcel of land located at the northwest corner of Giddings Road and Summit Drive. The building will be the future home for Hydra-Zorb, currently located on Commercial Drive, which has been in Auburn Hills for the past 47 years. Landbanking approval is being sought for 15 parking spaces that are not currently needed. Construction is expected to begin this spring with completion anticipated to take place in the spring 2016, with an overall investment estimated at $5.2 million.

Adam Manix, Kirco Manix Construction, explained his company has been building in Auburn Hills for about 30 years and has constructed over 30 buildings in the City. The proposed building is approximately 50,000 square feet.

Bob Dodge, President of Hydra-Zorb, noted the company has been based in Auburn Hills since 1972 and in the Commercial Drive building since 1981. The business has changed from strictly manufacturing to manufacturing and packaging company.

Mr. Knight asked if the land to the west of the building is flat land and if it would be possible to expand the building in that direction in the future if necessary.

Mr. Dodge confirmed it would be possible.

Responding to Mr. Kittle, Mr. Cohen explained there is sufficient room for the additional 15 parking spaces if needed, but the required amount at this time is not necessary.

Ms. Hammond asked if there were new jobs with the new building.

Mr. Dodge explained they are expecting to add 10 to 20 new jobs over the next five years.
9d. Public Hearing/Motion – New IFEC for Total Filtration Services, Inc.

Mr. Lohmeier explained an application has been filed by Total Filtration Services, Inc. for an Industrial Facilities Exception Certificate for real property located at 2501 Commercial Drive. The parcel consists of 3.90 acres of I-2, General Industrial zoned land. Currently there is an existing 11,738 square foot light industrial building located on the side. The applicant’s building will be located on the same parcel but closer to I-75. Total project investment is $2,600,000 for real property, and a 32,000 square foot building, consisting of corporate offices and a manufacturing facility.

Because this is a new location for the applicant, this project will result in zero jobs being retained at this facility. This new facility will result in an expected 46 new jobs, with employees coming from the existing facility in Auburn Hills.

The applicant executed a lease for 12 years. If this abatement is granted the total potential property tax savings for the applicant will be approximately $228,000. The applicant will receive tax savings of approximately $28,500 in the first tax year. Additional tax revenue for the City will be approximately $55,100 over the course of the abatement. The City will receive an increase in revenue of approximately $6,900 in the first tax year.

The applicant does not have any other abatements within the City, nor are there any appeals for this property. The applicant is requesting an eight year abatement, and has signed the City’s agreement which requires an additional two years of business residence after the certificate expires.

Rick Jensen, Vice President of Operations for Total Filtration Services, John Lenio, Executive Vice President with CBRE, Total Filtration Services Site Selection, and Justin Robinson, Director of Business Attraction with Detroit Regional Chamber of Commerce, all introduced themselves.

Mayor McDaniel opened the public hearing at 8:50 p.m. and hearing no comments closed the public hearing at 8:50 p.m.

Mr. Kittle noted Mr. Lohmeier stated there is no request for personal property and asked with the new tax law regarding personal property what are the implications for the City.

Mr. Lohmeier explained if the personal property was installed prior to 2007 or after 2012, it will be given an exemption in 2016 as long as it’s identified as eligible manufacturing personal property. Any property installed after 2013 will automatically be exempt starting next year. There will still be commercial personal property exemptions, so there still may be applications for exemptions. This company qualifies as an eligible manufacturing personal property, and will be exempt next year.

Mr. Knight explained personal property costs must be tracked so the City can receive reimbursement from the State for the forgiveness of personal property taxes.

Moved by Verbeke; seconded by Burmeister.

RESOLVED: To approve the request for an 8-year IFEC pertaining to new real property for Total Filtration Services, Inc., with a real property investment of $2,600,000 by adopting the attached resolution.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke
No: None

Motion Carried (7-0)

Resolution No. 15.04.084

9e. Public Hearing/Motion – New IFEC for TI Group Automotive Systems, LLC

Mr. Lohmeier explained an application has been filed by TI Group Automotive Systems, LLC., for an eight year Industrial Facilities Exemption Certificate for real property and personal property located 2020 Taylor Road. The application was filed in August 2014.

The real property improvement investment is $14,986,000 and the personal property investment is $1,883,316 for a total investment of $16,869,316. The real property consists of a new 141,000 square foot high-tech building proposed as a world headquarters. It will be used by the applicant’s engineering, finance and business professionals. The personal property consists of a variety of related furniture, fixtures, and related IT systems.

TI has signed a 15 year lease for the facility and agrees to stay the additional two after the eight year abatement expires. There are no pending appeals, other abatements or tax delinquencies on this property. If this abatement is granted for the eight year City maximum, the potential real property tax savings for the applicant will be approximately $965,000 over the term of the certificate. Additional tax revenue for the City will be approximately $185,000 over the term of the certificate.
Mr. Kittle asked if TI Automotive was recently sold, or if there is a pending sale.

Frank Buscemi, Global Communications Director, TI Automotive, stated yes, there is a pending sale that should close sometime this year.

Mr. Kittle asked how this sale affects this current abatement request.

Mr. Lohmeier explained the new owner changes the name of the company, then a transfer will be necessary.

Matthew Johnston, Facilities Management, TI Automotive introduced himself

Mayor McDaniel opened the public hearing at 8:58 p.m. and hearing no comment closed the public hearing at 8:58 p.m.

Mr. Kittle asked about the personal property value; it seems rather low.

Mr. Johnston stated most of the furniture and similar type items are being moved to the new facility.

Moved by Verbeke; seconded by Mitchell

RESOLVED: To approve the request for an 8-year IFEC pertaining to new real property and personal property for TI Group Automotive Systems LLC, with a real property and personal property investment of $16,869,316 by adopting the attached resolution.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke
No: None

Motion Carried (7-0)

Resolution No. 15.04.085

9f. Motion – Accept an Ordinance to Amend Chapter 46 Offenses and Miscellaneous Provisions of the Auburn Hills City Code to add Sections 46-251 to 46-253 of Article VIII – Offenses Concerning Minors, to prohibit the use, possession or sale of e-cigarettes to minors, on First Reading and Set for a Public Hearing, Second Reading and Final Adoption on May 11, 2015

Police Chief Olko explained this is an ordinance amendment to regulate e-cigarettes. Currently the State has no laws prohibiting the sales of these e-cigarettes to minors, because they do not contain tobacco.

Both she and Mr. Beckerleg worked together to create this ordinance amendment.

Mr. Kittle stated if choosing between e-cigarettes and tobacco cigarettes, he would prefer his child smoke the e-cigarette and since there isn’t any state laws regulating e-cigarettes, should the City be creating such a law.

Police Chief Olko stated there is a bill pending in the State Legislature to regulate e-cigarettes, similar to what this ordinance is proposing.

Mr. Knight has been a proponent asking for such an ordinance and Rochester Hills has an ordinance already in effect and these are still habit forming. He believes this ordinance errs on the side of protecting kids.

Moved by Knight; seconded by Burmeister

RESOLVED: To adopt an ordinance to amend Chapter 46, Offenses and Miscellaneous Provisions to add Sections 46-251 to 46-253 of Article VII-Offenses Concerning Minors, to prohibit the use, possession or sale of e-cigarettes to minors on first reading and set a public hearing, second reading and final adoption on May 11, 2015.

Ms. Hammond asked about the consequences if a minor is caught with an e-cigarette.

Mr. Beckerleg stated it would be a civil infraction; a minor would not have a criminal record if caught.

VOTE: Yes: Burmeister, Hammond, Knight, McDaniel, Verbeke
No: Kittle, Mitchell

Motion Carried (5-2)

Resolution No. 15.04.086

9g. Motion – Accept the City of Auburn Hills Age Friendly 2015 draft Action Plan

Ms. Adcock stated this has been a journey started in 2012, and in 2013 the City was designated a Community for a Lifetime by the State of Michigan. The City submitted an application and was accepted into the AARP-WHO Livable Communities network; becoming the first in the State and the 14th in the U.S.

A livable community has attributes that are looked at to determine the friendliness of the community. Those attributes are communication and information, social participation, outdoor spaces & buildings, housing, transportation, community health services and volunteer and civic engagement.

There were several community conversations with the residents at different locations throughout the City. Surveys were mailed to registered voters, 51 and older; there were focus study groups and a business roundtable.

All the information was gathered, and now action plans must be made as part of the Livable Communities network. The action plan development was discussed among 45 or so people, starting with the Planning Commission. Invitations were sent to all those that participated in the community conversations, focus groups and community roundtables. Businesses and organizations who perform services for seniors were invited to participate in drafting the action plan. Three action plan meetings were held. The action plan is a three-year plan, and is a fluid document that can be changed as needs change.

The action plan has 20 items, down from an initial 87 items. Each action item includes the steps required to reach the goal.
What is needed this evening is for Council to accept the draft plan which will then be submitted to AARP for comments and approval. Changes will be made accordingly.

Mr. Kittle stated he finds all of this information intriguing and the impact of the baby boomers on local governments is incredible. He would like to see a timeline for the action plan items and a budget amount.

Ms. Adcock explained putting the plan into action will require good partnerships with other organizations, as the costs could be prohibitive. This can't only be on the back of governments. There are groups that are doing parts and pieces of this plan and those groups need to be partnered with others.

Mr. Knight stated he has seen the Oakland University bus at Meijer in the evening and suggested that may be another connection.

Mayor McDaniel stated on behalf of himself, City Council and the residents, he is applauding Directors Adcock and Cohen for spearheading this project, and thanked them and the staff who spent hours of personal time working on this project.

Moved by Mitchell; seconded by Burmeister

RESOLVED: To accept the City of Auburn Hills Age Friendly 2015 draft Action Plan and submit the plan to AARP for consideration of acceptance.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke
No: None

Resolution No. 15.04.087

10. COMMENTS & MOTIONS FROM COUNCIL

Ms. Hammond:
- Noted the difficulty of seeing the lines on Auburn Road, heading east in the morning when the sun is rising.

Mr. Knight:
- The microphones this evening were not working properly; the speakers need to be much closer to the microphone at the podium so they can be heard clearly.
- Would like to see the grass cut further back from the pathways along Squirrel Road, possibly another 10 or 15 feet.
- Auburn Road in front of the concrete facility is an absolute disaster; there is always dirt and dust on the road in that area. The owner should be maintaining that section of the road.
- Striping downtown is horrible and it should be treated as an emergency to get the company in to do the striping immediately.
- Would like the engineers to take a look at the intersection of South Squirrel at Auburn Road.
  Mr. Juidici explained water main work will be taking place later this year and the road problem will be resolved; not until after Summerfest.
- Asked when the University Drive Bridge will come down.
  Mr. Tanghe believes it will be around June 21st if everything goes as planned.
- Asked if Featherstone Road will be completed in five weeks, as noted.
  Mr. Juidici stated the original schedule was an eight week time frame and they are making very good progress, hoping to pour concrete as early as next week.

Mr. Kittle:
- Thanked the Police Department, Chief Olko and Lt. Gagnon for this evening’s workshop presentation.

Ms. Verbeke:
- Thanked all for their support of the Steak and Burger dinner held for the Boys and Girls Club.
- Next Tuesday is an election and the Pontiac School District has a millage proposal on the ballot.

Mr. Burmeister:
- Thanked Council Members and the City Manager for the condolences and all the acts of kindness he and his family received at the passing of his mother-in-law. He asked Ms. Adcock to thank the Community Center for the card.
- The slurry seal that was put on Mattie Lu last year is starting to crack, and asked if that is normal or should something be done.

Mayor McDaniel:
- Thanks to Chief Olko for educating City Council on the use of body cameras for police officers.
- Stated he has had complaints of trash at the Oakland Heights Development blowing and littering outside of the fence and asked Mr. Cohen if he could look into it.
Mr. Cohen stated he will investigate with Bill Dolson, the manager of the facility and have the ordinance enforcement officers check it out.

Mr. Tanghe noted the trash was particularly noticeable last week because of the high winds blowing the trash quite high up the fence. Calls were made to the landfill asking them to clean it up.

Ms. Verbeke stated when asked, the trash was cleaned up very quickly.

Ms. Hammond stated she has also talked with Mr. Dolson about cleaning up the trash, which is done very quickly.

11. CITY ATTORNEY’S REPORT - none

12. CITY MANAGER’S REPORT

- Labor negotiations have wrapped up and all contracts have been signed and implemented.
- Last Thursday was the Volunteer Appreciation Dinner for community businesses and individuals donating their time, thousands of hours are donated each year.
- He attended the 8 Mile Boulevard Association’s 16th Annual Leadership Luncheon at Cobo Center as a guest of Oakland University. The featured panelists were Oakland County’s Executive L. Brook Patterson, Wayne County’s Executive Warren Evans, Macomb County’s Executive Mark Hackel and Mayor Mike Duggan. The theme was destination 8 Mile, to focus on successes between Detroit and the three surrounding counties.
- He will be attending the inauguration of Oakland University’s sixth president, George Hynd.
- The City will be hosting a road show, Thursday, at Comerica.
- He will be attending the Oakland County Outlook Luncheon on Thursday as a guest of Oakland Community College. This reviews the county over the last year and provides future expectations.
- Friday is a farewell for the Chamber Director Denise Asker. He thanked Ms. Asker for everything she has done in the community and how much she has grown the Chamber over the last four years, in membership, quality and character.
- James Jackson, from Senator Peter’s office will be visiting the City next week to introduce himself and discuss what Senator Peter’s office has to offer the City.
- The first three steps have been completed with the County for their participation in the DDA/TIF. There was an unanimous vote of the ad-hoc commissioners. There will be a meeting with the County’s finance committee on May 6th, before the full board of Oakland County Commissioners for approval. He thanked the County staff for being so helpful and in particular County Commission Mike Gingell who is also the Chairman of the County Board of Commissioners for his constant support.
- The search for the assistant to the City Manager is coming to a close, and the position should be filled within the next few weeks.
- Tonight, Council approved 224,000 square feet of new development with a value of about $23 million.

City Clerk Kowal reminded everyone there is an election Tuesday, May 5th and the polls open at 7:00 a.m. and close at 8:00 p.m. Absentee ballots are available at her office. All absentee ballots are due back to the Clerk’s Office by Election Day and the Clerk’s Office will be open Saturday, May 2nd from 10:00 a.m. until 2:00 p.m.

13. EXECUTIVE SESSION - Discussion of Attorney Opinion Letter

Moved by Verbeke; Seconded by Hammond.

RESOLVED: To recess into Executive Session for discussion of Attorney’s opinion.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke
No: None

Resolution No. 15.04.088

Recess to Executive Session at 9:47 pm. Returned from Executive Session at 10:17 p.m.

Meeting adjourned at 10:18 p.m.

___________________________________  _________________________
Kevin R. McDaniel, Mayor  Terri Kowal, City Clerk
The City of Auburn Hills
City Council Workshop
Minutes
April 27, 2015

CALL TO ORDER: by Mayor McDaniel at 5:30 p.m.
LOCATION: City Council Chambers, 1827 N. Squirrel Road, Auburn Hills, MI 48326
Present: Mayor McDaniel, Council Members Burmeister, Hammond, Kittle, Knight, Mitchell
Absent: Council Member Verbeke
Also Present: City Manager Tanghe, Assistant City Manager Grice, Police Chief Olko, Police Lieutenant Gagnon, Manager of Business Development Carroll, Community Development Director Cohen, City Clerk Kowal, Deputy Treasurer Keiser, City Attorney Beckerleg, City Engineer Juidici, Management Assistant Mariuz, Public Safety Advisory Board Members Boelter, Coolman and Taylor.

Police Chief Olko introduced the topic of body cameras for Police Officers. A short video of a police incident with the use of body cameras was played. The pros and cons were discussed at length, and questions were asked of Chief Olko and Lt. Gagnon regarding the current use of audio and video in the police.

The attached presentation was reviewed in depth.

Before adjourning, Mayor McDaniel and Council thanked the Chief and Lt. for the excellent work on the presentation. It was determined that more study and research must be done before the City can consider the use of the body cameras.

The workshop adjourned at 6:52 p.m.

Terri Kowal, CMMC, MMC
To: Mayor and City Council
From: Kevin R. McDaniel, Mayor
Submitted: May 7, 2015
Subject: Resolution – Designating May as “Mental Health Month in Auburn Hills

INTRODUCTION AND HISTORY
As requested by Oakland County Mental Health Community, I am requesting that Council designate the month of May as Mental Health Month in Auburn Hills.

MOTION
Move to adopt the attached resolution declaring May Mental Health Month in Auburn Hills.

I CONCUR:

THOMAS A. TANGHE, CITY MANAGER
March 26, 2015

Mayor Kevin McDaniel  
City of Auburn Hills  
1827 North Squirrel Road  
Auburn Hills, MI 48326

Dear Mayor McDaniel:

Please accept this invitation to join an exciting, community-driven collaboration declaring May, 2015 as Mental Health Month.

Each year Oakland County Community Mental Health Authority, along with its exceptional service provider network, hosts an array of events that promote community awareness about mental illness issues. As part of this endeavor, we are once again asking cities, townships and villages throughout Oakland County to partner with us by approving a proclamation for May as Mental Health Month at their council meetings.

Several cities made this declaration in 2014, and we are hoping for even greater participation this year. We also welcome the opportunity to participate in an official proclamation presentation at your May council meeting. You can contact Debbie Wisser at (248) 858-0929 to make this arrangement and/or for any questions regarding this effort.

Thank you for considering this meaningful initiative. Together we can serve as advocates of independence and equality for people who have a mental illness.

Sincerely,

Christine Burk

Christine Burk  
Communications and Community Outreach Manager
Mental Health Month – May 2015

WHEREAS, mental health is important for our individual well-being and vitality, as well as that of our families, communities and businesses; and

WHEREAS, one in five Americans experience a mental health illness that requires treatment at some point in their lives; and

WHEREAS, one in 10 children has a serious emotional disturbance that, if untreated, can lead to school failure, physical illness, substance use, jail and even suicide; and

WHEREAS, May 7th has been designated the National Children’s Mental Health Awareness Day; and

WHEREAS, the State of Michigan will designate a Mental Health First Aid Training Week in May, recognizing an in-person training that teaches people how to help people developing a mental illness or in a crisis; and

WHEREAS, stigma and stereotypes associated with mental illnesses often keep people from seeking treatment that could improve their quality of life; and

WHEREAS, mental illness is a biologically based brain disorder that cannot be overcome through “will power” and is not related to a defect in a person’s “character” or intelligence; and

WHEREAS, mental health recovery is a journey of healing and transformation, enabling people with a mental illness to live in a community of his or her choice while striving to achieve his or her full potential; and

WHEREAS, mental health recovery not only benefits individuals with mental health disorders by focusing on their abilities to live, work, learn and fully participate and contribute to our society, but also enriches the culture of our community life; and

WHEREAS, the Oakland County Community Mental Health Authority, and its service provider agencies, are committed to inspiring hope, empowering people, and strengthening communities.

NOW, THEREFORE, BE IT RESOLVED that, Oakland County Community Mental Health Authority, hereby recognizes May 2015 as Mental Health Month. OCCMHA calls upon our citizens, government agencies, public and private institutions, businesses and schools to recommit our state to increasing awareness and understanding of mental illness, and the need for appropriate and accessible services for all people with mental illnesses to promote recovery.
To: Mayor and City Council
From: Thomas A Tanghe, City Manager and Dan Brisson, Manager of Fleet and Roads.
Submitted: April 29, 2015
Subject: ITB-FH-14-15-1881, Bulk Road Salt Purchase for 2015/16 Season.

INTRODUCTION AND HISTORY
The City of Auburn Hills has participated for several years in a purchasing consortium for bulk road salt that is sponsored by the Road Commission for Oakland County and administered by the City of Farmington Hills. The purchasing group presently consists of 20 Oakland County Agencies, 6 Macomb County Agencies and 6 Wayne County Agencies who collectively seek bid pricing for 85,650 tons of road salt for the upcoming 2015/16 season. Farmington Hills solicited bids through MITN and their City Clerk’s office opened sealed bids on April 15, 2015. Bid tabulation and pricing for the Oakland County Agencies is listed:

Cost per ton for 2015/16 Season after 10/15/15
- Detroit Salt, Detroit, Michigan $ 57.11/ton
- Compass Minerals America, Overland Park, Kansas $ 79.95/ton
- Morton Salt, Chicago, Illinois $ 107.91/ton

STAFF RECOMMENDATION
Detroit Salt is once again low bid and has been low bidder since 2005. Reviewing past bid pricing, Detroit Salt has been consistently 20-40% lower in price than next low bid. A significant component of salt pricing is distribution costs where Oakland, Wayne and Macomb County communities enjoy lower costs due to our close proximity to Detroit Salt’s mining source located in Detroit. Competitive salt vendors purchase salt from Canada and have higher distribution costs that are reflected in their bid pricing. Detroit Salt pricing for the 2014/15 season was $ 47.91 per ton.

The DPW has committed to 2,000 tons annually for the past four years where the requested amount was adequate to keep the City’s salt storage dome full. A full salt dome is desirable to ensure adequate supply to serve our needs should there ever be a repeat of the 2007/08 season where severe winter conditions resulted in a regional salt shortage.

The DPW recommends Council approves purchasing bulk road salt from Detroit Salt from January 1, 2016 through May 1, 2016 with a maximum purchase of 2,600 tons. The seasonal minimum purchasing requirement will be 1,400 tons with a maximum purchase allowance of 2,600 tons at this season's contract price.

MOTION
Move to approve the purchase of bulk road salt from Detroit Salt, Inc., 12841 Sanders, Detroit, Michigan 48217 for the 2015/16 season at $ 57.11 per ton for a not to exceed cost of $ 148,486.00. Funding is provided from Local Streets (203-453-784.000) and Major Streets (202-452-784.000).

I CONCUR: Thomas A. Tanghe, City Manager
### 2015/16 Season

<table>
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<tr>
<th>Company</th>
<th>City</th>
<th>Bid</th>
<th>Min Bid</th>
<th>Max Bid</th>
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### 2016/17 Season (Option)

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<td>Detroit, MI</td>
<td>$56.61</td>
<td>$61.61</td>
<td>$66.61</td>
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</table>

**Low Bid = Detroit Salt $57.11 / ton**

**Annual Hlsw: 2,000 Ton (+/- 30% within contract)**

**Provision Z.Z.F.
INVITATION TO BID

BID: #ITB-PH-14-15-1881

ITEM: ROCK SALT FOR ICE CONTROL

DEADLINE: 10:00 a.m. E.S.T, Wednesday, April 15, 2015

PREBID MEETING: N/A

1. SUBMISSION AND RECEIPT OF BIDS
Bids to receive consideration shall be received prior to the specified time of opening as designated on the bid form.
NO LATE BIDS WILL BE ACCEPTED. The City reserves the right to postpone the bid opening for its own convenience. Bidders shall use the bid documents furnished as none other may be accepted. Bids are considered received when in the possession of the City Clerk. All Bids shall be labeled with the Bid # and Name as well as the aforementioned bid opening date/time on the outside of the envelope. Bids shall be sealed when submitted. Separate bids shall be submitted on each bid number and bids shall be typewritten or written in ink and legibly prepared. Bids having any erasures or corrections thereon may be rejected unless explained or initialed by the bidder. If you are submitting a "No bid", do not follow the above directions but send a letter to the Purchasing Division indicating your desire to keep on the bid list. Bids shall be mailed or delivered to City of Farmington Hills, City Clerk's Office, 31555 Eleven Mile Road, Farmington Hills, MI 48336-1165 before the stated deadline. No faxed or electronic bids will be accepted.

2. RESPONSIVE BIDS
All pages and the information requested herein shall be furnished completely in compliance with instructions. The manner and format of submission is essential to permit prompt evaluation of all bids on a fair and uniform basis. Unless otherwise specified, the City reserves the right to accept any item in the bids. Bidders may submit bids on any item or group of items, provided however, that the unit prices are shown as required. Accordingly, the City reserves the right to declare as non-responsive, and reject any incomplete bid if material information requested is not furnished, or where indirect or incomplete answers or information is provided. Alterations to the written requirements will negate any response. Unless otherwise stated herein, do not include sales literature about your company. The City of Farmington Hills promotes "green" technologies and the reduction of waste. When possible, your response should be double sided to reduce paper usage. Other factors including source of supply may be used in award recommendations.

3. OFFICIAL DOCUMENTS
The City of Farmington Hills shall accept NO CHANGES to the bid document made by the Vendor unless those changes are set out in the “Exceptions” provision of the Authorized Version of the bid document. It is Vendor’s responsibility to acquire knowledge of any changes, modifications or additions to the Authorized Version of the bid document. Any Vendor who submits a bid and later claims it had no knowledge of any change, modifications or additions made by the City of Farmington Hills to the Authorized Version of the bid document, shall be bound by the bid, including any changes, modifications or additions to the Authorized Version. If a bid is awarded to a Vendor who claims that it had no knowledge of changes, modifications or additions made by the City of Farmington Hills to the Authorized Version of the bid, and that Vendor fails to accept the bid award, the City of Farmington Hills may pursue costs and expenses to re-bid the item from that Vendor. The Authorized Version of the bid document shall be that bid document appearing on the MITN with amendments and updates.
The City of Farmington Hills officially distributes bid documents from the Purchasing Division or through the Michigan Intergovernmental Trade Network (MITN). Copies of bid documents obtained from any other source are not considered official copies. Only those vendors who obtain bid documents from either the Purchasing Division or the MITN system are guaranteed access to receive addendum information, if such information is issued. If you obtained this document from a source other than the sources indicated, it is recommended that you register on the MITN site, www.mitn.info, and obtain an official copy.

4. INTERPRETATION OF BID AND/OR CONTRACT DOCUMENTS
Any interpretation to a bidder regarding the Bid and/or Contract Documents or any part thereof is valid only if given by the City’s Purchasing Division staff. Any information given by departmental contacts is unofficial. Interpretations may or may not be given orally (may be written) dependent upon the nature of the inquiry. Interpretations that could affect other bidders will be in writing and issued by the Purchasing Division. All inquiries shall be made within reasonable time prior to the stated deadline in order that a written response in the form of an addendum, if required, can be processed before bids are opened. Inquires received that are not made in a timely fashion may or may not be considered.

5. CHANGES AND ADDENDA TO BID DOCUMENTS
Each change or addendum issued in relation to this bid will be on file in the Purchasing Division. It shall be the bidder’s responsibility to make inquiry as to the changes or addenda issued. All such changes or addenda shall become part of the contract and all bidders shall be bound by such changes or addenda.

6. SPECIFICATIONS
Unless otherwise stated by bidder, the bids will be considered as being in strict accordance with the City’s applicable standard specifications, and any special specifications outlined in the bid document. Reference to a particular trade name, manufacturer’s catalogue, or model number are made for descriptive purposes to guide the bidder in interpreting the requirements of the City, and should not be construed as excluding bids on other types or materials, equipment and supplies unless otherwise stated. However, the bidder, if awarded the contract, will be required to furnish the particular item referred to in the specifications or description unless departure or substitution is clearly noted and described in the bid. The City reserves the right to determine if equipment/product or service being bid is equal to the specified equipment/product or service requested.

7. ALTERNATE BIDS
Bidders are cautioned that any alternate bid, unless requested by Purchasing, or any changes, insertions, or omissions to the terms and conditions, specifications, or any other requirements of this bid, may be considered non-responsive, and at the opinion of the City, may result in rejection of the bid.

8. PRICING
Prices shall be stated in units of quantity specified in the Bid Document. In case of a discrepancy in computing the amount of the bid, the unit price bid will govern.

9. QUANTITIES
All quantities stated, unless indicated otherwise are estimates and the City reserves the right to increase or decrease the quantity at the unit price bid as best fits its needs.

10. DELIVERY
Bids shall include all charges for delivery, packing, crating, etc., unless otherwise stated in the bid document. All deliveries will be FOB: Delivered. General delivery hours are 8:30 a.m. to 3 p.m. Monday-Friday.
11. TAXES, TERMS AND CONDITIONS
The City of Farmington Hills is exempt from Federal Excise and State Sales Tax. Please review The State of Michigan's REVENUE ADMINISTRATIVE BULLETIN 1999 – 2 for clarification
http://www.treas.state.mi.us/lawrules/cab/1999/1999ab9902.htm The City's tax number is 38-6006902. Payment terms are Net 30 days upon receipt and acceptance. Cooperative members will provide their tax-exempt status if required by the awarded vendor

12. AWARD
The bid will be awarded to that responsible, responsive bidder whose bid, conforming to this solicitation, will be most advantageous to the City, price and other factors considered. The City reserves the right to accept or reject any or all bids, in part or whole and to waive formalities and minor irregularities in bids received. Unless otherwise specified in the bid document the City reserves the right to accept any item in the bid on an individual basis. Bidders may submit bids on any item or groups of items provided unit prices are clearly shown and a notation is made on the bid document clearly indicating Bidder's intent.

13. WITHDRAWL OF BIDS
Bids may be withdrawn in person or by a bidder, or authorized representative, provided their identity is made known and a receipt is signed for the bid, but only if the withdrawal is made prior to the stated bid deadline. No bid may be withdrawn for at least 90 days after bidder opening except the successful company whose prices shall remain firm for the entire contract period. In case of error by the bidder in making up a bid, the Purchasing Division staff may, by discretion, reject such a bid upon presentation of a letter by the Bidder which sets forth the error, the cause thereof, and sufficient evidence to substantiate the claim.

14. DEFAULT CONDITIONS
In case of default by the contractor, the City of Farmington Hills may procure the articles or services from other sources and hold the bidder responsible for any excess cost occasioned thereby. In case of error by the bidder relating to a Contract, the Purchasing Division may, by discretion, upon presentation of a written explanation by the bidder substantiating the error, reject the Contract and award to the next qualified bidder; such error may be subject to default conditions.

15. INFRINGEMENTS AND INDEMNIFICATIONS
The bidder, if awarded a contract, agrees to protect, defend, and save the City and the cooperative members listed herein, its officials, employees, departments and agents harmless against; any demand for payment for the use of any patented material, process, or device that may enter into the manufacture, construction, or from a part of the work covered by either order or contract; and from suits or a charge of every nature and description brought against if for, or on account of, any injuries or damages received or sustained by the parties by or from any of the facts of the contractor, the contractor's employees, or agents; from all liability claims, demands, judgments and expenses to persons or property occasioned, wholly, or in part, by the acts or omissions of the bidder, contractor, agents or employee.

16. CITY POLICY ON SMOKING
The bidder, if awarded a contract, agrees to follow the City of Farmington Hills Smoking Policy which states:
"The City of Farmington Hills is dedicated to providing a healthy, smoke free work place for employees, residents and visitors. To that end, smoking is prohibited in all municipal buildings, in all municipal owned, leased or rented vehicles and within twenty five (25) feet from any municipal building entrance, outdoor air intakes and operable windows. Smoking is permitted in outside designated smoking areas or in personal vehicles. Smokers are
17. NON-IRAN LINKED BUSINESS.
By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an "Iran linked business," as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard.”

18. INSURANCE (REQUIRED FOR WORK ON OR WITHIN CITY PROPERTY/FACILITIES)
The contractor, or any of their subcontractors, shall not commence work under this contract until they have obtained the insurance required under this paragraph, and shall keep such insurance in force during the entire life of this contract. All coverage shall be with insurance companies licensed and admitted to do business in the State of Michigan and acceptable to The City of Farmington Hills. The requirements below should not be interpreted to limit the liability of the Contractor. All deductibles and SIR’s are the responsibility of the Contractor.

The Contractor shall procure and maintain the following insurance coverage:

A. Worker’s Compensation Insurance including Employers’ Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

B. Commercial General Liability Insurance on an “Occurrence Basis” with limits of liability not less than $1,000,000.00 per occurrence and aggregate. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included.

C. Automobile Liability including Michigan No-Fault Coverages, with limits of liability not less than $1,000,000.00 per occurrence, combined single limit for Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

D. Additional Insured: Commercial General Liability and Automobile Liability, as described above, shall include an endorsement stating the following shall be Additional Insureds: The City of Farmington Hills, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming The City of Farmington Hills as additional insured, coverage afforded is considered to be primary and any other insurance The City of Farmington Hills may have in effect shall be considered secondary and/or excess.

E. Cancellation Notice: All policies, as described above, shall include an endorsement stating that is it understood and agreed Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be sent to: The City of Farmington Hills, Central Services Department, 31555 West Eleven Mile Road, Farmington Hills, MI, 48336.

F. Proof of Insurance Coverage: The Contractor shall provide The City of Farmington Hills, at the time that the contracts are returned by him/her for execution, a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above shall be furnished, if so requested.
G. If any of the above coverages expire during the term of this contract, the Contractor shall deliver renewal certificates and endorsements to The City of Farmington Hills at least ten (10) days prior to the expiration date.

19. DESCRIPTION
The City of Farmington Hills, on behalf of the entities listed herein, requests your bid for sodium chloride to be used for ice and snow removal and control. The sodium chloride shall be either mined rock salt or evaporated salt and shall conform to the requirements specified herein. The evaporated salt shall be compressed and crushed to produce the particle sizes as specified herein under "Gradation". Each entity reserves the right to award the bid and will issue individual purchase orders.

20. CHEMICAL COMPOSITION-SODIUM CHLORIDE TYPE A CRUSHED ROCK SALT
The sodium chloride shall conform to ASTM designation for Sodium Chloride Type I, Grade 1, #D632 except that a tolerance in gradation will not be allowed and the following requirements as to chemical composition:

Sodium Chloride (NaCl), minimum, percent 95.0 purity before treatment

<table>
<thead>
<tr>
<th>Sieve Size</th>
<th>Percent passing (by weight)</th>
</tr>
</thead>
<tbody>
<tr>
<td>.5 inch (12.5 mm)</td>
<td>100</td>
</tr>
<tr>
<td>3.8 inch (9.5 mm)</td>
<td>95 - 100</td>
</tr>
<tr>
<td>No. 4 (4.75 mm)</td>
<td>20 - 90</td>
</tr>
<tr>
<td>No. 8 (2.36 mm)</td>
<td>10 - 60</td>
</tr>
<tr>
<td>No. 30 (0.60 mm)</td>
<td>0 - 15</td>
</tr>
</tbody>
</table>

21. MOISTURE CONTENT
The moisture content of the sodium chloride at the point of delivery shall not exceed 1.5 percent, by weight. A weight adjustment will be made for moisture content in excess of 1.5%.

22. GENERAL REQUIREMENTS
A. Packing and marking, inspection, rejection and methods of sampling and testing shall conform to the respective requirements as specified under the Specifications for Sodium Chloride, ASTM Designation, #D632 chloride will be sampled at the producer's plant.

B. Salt shall be treated with yellow Prussiate of Soda to prevent caking.

C. Upon placing an order for sodium chloride, delivery will be received within seventy-two hours. Deliveries will be made between 8:00 a.m. and 3:00 p.m. local time, Monday through Friday.

D. A material safety data sheet will be provided before a delivery is made.

E. Salt that is delivered that fails to meet these specifications will be rejected replaced or credited. Debris such as gravel, dirt, and trash intermixed in the delivery will be rejected.

F. Each agency will guarantee to order a minimum of 70 percent of their estimated quantity from the lowest qualified and approved bidder for year one of the contract term. Any salt (of the guaranteed 70%) may be carried over and applied to the second year's estimated usage. Each entity will then be allowed to adjust their second year estimated quantity prior to the beginning of the season.
G. Each entity will be allowed to order up to 130 percent of their estimated quantity each year.

H. Each agency will provide a purchase order or award notice to the awarded vendor. Some agencies may provide intent to award prior to the start of their budget year.

23. PRICING

<table>
<thead>
<tr>
<th>2015/16 Season Item - Location</th>
<th>Early fill Price per ton delivered before 10/1/2015</th>
<th>Price per ton - delivered on/after 10/1/2015</th>
<th>Estimated quantity</th>
<th>(season) Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rock Salt - Oakland County Agencies</td>
<td>$56.61</td>
<td>$57.11</td>
<td>43,100</td>
<td>$2,461,441</td>
</tr>
<tr>
<td>Rock Salt - Macomb County Agencies</td>
<td>$56.40</td>
<td>$58.90</td>
<td>30,550</td>
<td>$1,799,395</td>
</tr>
<tr>
<td>Rock Salt - Wayne County Agencies</td>
<td>$54.57</td>
<td>$55.07</td>
<td>12,000</td>
<td>$660,840</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2015/16 Season Item - Location</th>
<th>Early fill Price per ton delivered before 10/1/2016</th>
<th>Price per ton - delivered on/after 10/1/2016</th>
<th>Estimated quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rock Salt - Oakland County Agencies</td>
<td>$59.61</td>
<td>$59.11</td>
<td>43,100*</td>
<td>$2,547,641</td>
</tr>
<tr>
<td>Rock Salt - Macomb County Agencies</td>
<td>$60.40</td>
<td>$60.90</td>
<td>30,550*</td>
<td>$1,860,495</td>
</tr>
<tr>
<td>Rock Salt - Wayne County Agencies</td>
<td>$56.57</td>
<td>$57.07</td>
<td>12,000*</td>
<td>$684,840</td>
</tr>
</tbody>
</table>

*Each agency reserves the right to adjust its volume +/-10% for year two.
Upon mutual consent, the MITN cooperative and lowest response bidder can elect to award year two pricing.

Origin of mined product and storage location in MI Detroit Michigan

Upon mutual consent, is this offer extendable to other governmental agencies? Yes X No

Delivery agent (name, address, contact person, phone) Multiple

24. COOPERATIVE PARTICIPANTS
The following cities reserve the right to utilize another supplier should the awarded vendors be unable to fulfill the salt supply.

<table>
<thead>
<tr>
<th>Agency</th>
<th>Delivery Address</th>
<th>City/State</th>
<th>Estimated Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auburn Hills, City of</td>
<td>1500 Brown Road</td>
<td>Auburn Hills, MI</td>
<td>2,000</td>
</tr>
<tr>
<td>Berkley, City of</td>
<td>3238 Bacon</td>
<td>Berkley, MI 48072</td>
<td>1,400</td>
</tr>
<tr>
<td>Bloomfield Township</td>
<td>4200 Telegraph</td>
<td>Bloomfield, MI 48303</td>
<td>4,300</td>
</tr>
<tr>
<td>Agency/Address</td>
<td>Location 1</td>
<td>Location 2</td>
<td>Count</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>---------------------</td>
<td>---------------------</td>
<td>-------</td>
</tr>
<tr>
<td>Clawson, City of</td>
<td>635 W. Elmwood</td>
<td>Clawson, MI 48017</td>
<td>1,400</td>
</tr>
<tr>
<td>Farmington Hills, City of</td>
<td>27245 Falstads</td>
<td>Farmington Hills, MI 48336</td>
<td>5,000</td>
</tr>
<tr>
<td>Livonia, City of</td>
<td>19101 Twelve Mile</td>
<td>Livonia, MI 48154</td>
<td>5,000</td>
</tr>
<tr>
<td>Huron Meadows Metroparks at</td>
<td>2240 W. Buno Rd.</td>
<td>Milford, MI</td>
<td>300</td>
</tr>
<tr>
<td>Story Creek Metropark</td>
<td>4250 26 Mile</td>
<td>Shelby Twp, MI</td>
<td>500</td>
</tr>
<tr>
<td>Hudson Mills Metropark</td>
<td>8801 N. Territorial Rd.</td>
<td>Dexter, MI</td>
<td>100</td>
</tr>
<tr>
<td>Indian Springs Metropark</td>
<td>5199 Indian Trail</td>
<td>White Lake, MI</td>
<td>50</td>
</tr>
<tr>
<td>Huron Meadows Metropark</td>
<td>8765 Hammel Rd.</td>
<td>Brighton, MI</td>
<td>50</td>
</tr>
<tr>
<td>Lake St. Clair Metropark</td>
<td>31300 Metro Parkway</td>
<td>Harrison Twp, MI</td>
<td>100</td>
</tr>
<tr>
<td>Oak Park, City of</td>
<td>10600 Capital</td>
<td>Oak Park, MI 48237</td>
<td>500</td>
</tr>
<tr>
<td>Orchard Lake, Village of</td>
<td>3955 Orchard Lake Rd.</td>
<td>Orchard Lake, MI 48223</td>
<td>500</td>
</tr>
<tr>
<td>Rochester, City of</td>
<td>1141 Wilcox</td>
<td>Rochester, MI 48307</td>
<td>1,500</td>
</tr>
<tr>
<td>Rochester Hills, City of</td>
<td>511 E. Auburn Rd.</td>
<td>Rochester Hills, MI 48309</td>
<td>3,000</td>
</tr>
<tr>
<td>Royal Oak, City of</td>
<td>1600 N. Campbell</td>
<td>Royal Oak, MI 48057</td>
<td>6,200</td>
</tr>
<tr>
<td>Southfield DPW, City of</td>
<td>25501 Clara Lane</td>
<td>Southfield, MI</td>
<td>12,000</td>
</tr>
<tr>
<td>Southfield Parks, City of</td>
<td>26000 Evergreen Rd</td>
<td>Southfield, MI</td>
<td>300</td>
</tr>
<tr>
<td>Southfield Public Schools</td>
<td>24661 Lahser</td>
<td>Southfield, MI 48033</td>
<td>650</td>
</tr>
<tr>
<td>South Lyon, City of</td>
<td>520 Ada</td>
<td>South Lyon, MI 48178</td>
<td>900</td>
</tr>
<tr>
<td>Walled Lake, City of</td>
<td>1499 E. West Maple</td>
<td>Walled Lake, MI</td>
<td>950</td>
</tr>
<tr>
<td>Wixom, City of</td>
<td>2041 Charms Rd.</td>
<td>Wixom, MI 48392</td>
<td>1,200</td>
</tr>
<tr>
<td><strong>Oakland County Total</strong></td>
<td></td>
<td></td>
<td><strong>43,100</strong></td>
</tr>
<tr>
<td>Centerline, City of</td>
<td>6685 E. Ten Mile</td>
<td>Centerline, MI 48015</td>
<td>500</td>
</tr>
<tr>
<td>Eastpointe, City of</td>
<td>17800 Ten Mile</td>
<td>Eastpointe, MI 48021</td>
<td>2,000</td>
</tr>
<tr>
<td>Roseville, City of</td>
<td>29411 Calahan Street</td>
<td>Roseville, MI 48066</td>
<td>1,800</td>
</tr>
<tr>
<td>St. Clair Shores, City of</td>
<td>19700 Pleasant</td>
<td>St. Clair Shores, MI 48080</td>
<td>2,750</td>
</tr>
<tr>
<td>Sterling Heights, City of</td>
<td>7200 18 Mile Road</td>
<td>Sterling Heights, MI 48311</td>
<td>11,500</td>
</tr>
<tr>
<td>Warren, City of</td>
<td>12801 Stephens</td>
<td>Warren, MI 48093</td>
<td>12,000</td>
</tr>
<tr>
<td><strong>Macomb County Total</strong></td>
<td></td>
<td></td>
<td><strong>30,550</strong></td>
</tr>
<tr>
<td>Grosse Pointe Woods, City of</td>
<td>1200 Parkway Drive</td>
<td>Grosse Pointe Woods, MI 48236</td>
<td>1,200</td>
</tr>
<tr>
<td>Livonia, City of</td>
<td>12973 Farmington</td>
<td>Livonia, MI 48154</td>
<td>2,500</td>
</tr>
<tr>
<td>Riverview, City of</td>
<td>18550 Krause</td>
<td>Riverview, MI 48193</td>
<td>1,000</td>
</tr>
<tr>
<td>Romulus, City of</td>
<td>12600 Wayne Road</td>
<td>Romulus, MI 48174</td>
<td>2,000</td>
</tr>
<tr>
<td>Grosse Pointe Shores, Village of</td>
<td>795 Lake Shore Rd.</td>
<td>Grosse Pointe Shores, MI 48236</td>
<td>300</td>
</tr>
<tr>
<td>Westland, City of</td>
<td>37137 Marquette</td>
<td>Westland, MI 48185</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Wayne County Total</strong></td>
<td></td>
<td></td>
<td><strong>12,000</strong></td>
</tr>
</tbody>
</table>

25. EXCEPTIONS
Note any exceptions to the specifications herein

*Deliveries will be made within 3-5 days ARO.*
Submit one (1) original and two (2) copies of your completed bid document.

27. **NON-IRAN LINKED BUSINESS.** By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an “iran linked business,” as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard.”

28. **AUTHORIZATION/ACCEPTANCE OF SPECIFICATIONS** - must be signed by authorized company official.

Signed [Signature] Company The Detroit Salt Company

Title President Address 12841 Sanders Street

Printed E. Manos City/State/Zip Detroit MI 48217

Date 04/14/15 Phone Number 313.841.5144

Contact M. Geyer Fax 313.841.0466

E-mail address sales@detroitsalt.com Website www.detroitsalt.com

Order placement contact G. Hopkins Phone 313.841.5144 orders@detroitsalt.com

Questions can be answered by calling Michael Lasley, Director of Central Services @ 248-871-2425 or mlasley@fhgov.com
AMENDMENT #1
Bid #ITB-FH-14-15-1881
ROCK SALT FOR ICE CONTROL
April 8, 2015

This Amendment shall be considered part of the bid documents for the above-mentioned product as though it had been issued at the same time and shall be incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original bid documents, this Amendment shall govern and take precedence. BIDDERS MUST SIGN THE AMENDMENT AND SUBMIT IT WITH THEIR BIDS.

Bidders are hereby notified that they shall make any necessary adjustments in their estimates as a result of this Amendment. It will be construed that each bidder’s proposal is submitted with full knowledge of all modifications and supplemental data specified herein.

COOPERATIVE PARTICIPANTS
Bloomfield Township has been added to the list of participants. See amended bid document.

BIDDER MUST ACKNOWLEDGE THIS AMENDMENT BY SIGNING BELOW AND ATTACHING THE SIGNED AMENDMENT TO THE BID FORM:

Company Name The Detroit Salt Company
Contact Person E. Manos
Signature
Date 04/14/15

If you have any questions, please contact Michael Lasley at (248) 871-2425 or mlasley@fhgov.com
INVITATION TO BID

BID: #118-FH14-15-4581

ITEM: ROCK SALT FOR ICE CONTROL

DEADLINE: 10:00 a.m. EST, Wednesday, April 15, 2020

PREBID MEETING: N/A

1. SUBMISSION AND RECEIPT OF BIDS
Bids to receive consideration shall be received prior to the specified time of opening as designated on the bid form. NO LATE BIDS WILL BE ACCEPTED. The City reserves the right to postpone the bid opening for its own convenience. Bidders shall use the bid documents furnished as none other may be accepted. Bids are considered received when in the possession of the City Clerk. All bids shall be sealed with the bid # and name as well as the aforementioned bid opening date/time on the outside of the envelope. Bids shall be sealed when submitted. Separate bids shall be submitted on each bid number and bids shall be typewritten or written in ink and legibly prepared. Bids having any erasures or corrections therein may be rejected unless explained or initiated by the bidder. If you are submitting a “No bid”, do not follow the above directions but send a letter to the Purchasing Division indicating your desire to be kept on the bid list. Bids shall be mailed or delivered to City of Farmington Hills, City Clerk’s Office, 31555 Eleven Mile Road, Farmington Hills, MI 48336-1165 before the stated deadline. No faxed or electronic bids will be accepted.

2. RESPONSIVE BIDS
All pages and the information requested herein shall be furnished completely in compliance with instructions. The manner and format of submission is essential to permit prompt evaluation of all bids on a fair and uniform basis. Unless otherwise specified, the City reserves the right to accept any item in the bids. Bidders may submit bids on any item or group of items, provided however, that the unit prices are shown as required. Accordingly, the City reserves the right to declare as none-responsive, and reject any incomplete bid if material information requested is not furnished, or where indirect or incomplete answers or information is provided. Alterations to the written requirements will negate any response. Unless otherwise stated herein, do not include sales literature about your company. The City of Farmington Hills promotes “green” technologies and the reduction of waste. When possible, your response should be double sided to reduce paper usage. Other factors including source of supply may be used in award recommendations.

3. OFFICIAL DOCUMENTS
The City of Farmington Hills shall accept NO CHANGES to the bid document made by the Vendor unless those changes are set out in the “Exceptions” provision of the Authorized Version of the bid document. It is Vendor’s responsibility to acquire knowledge of any change, modifications or additions to the Authorized Version of the bid document. Any Vendor who submits a bid and later claims it had no knowledge of any change, modifications or additions made by the City of Farmington Hills to the Authorized Version of the bid document, shall be bound by the bid, including any changes, modifications or additions to the Authorized Version. If a bid is awarded to a Vendor who claims that it had no knowledge of changes, modifications or additions made by the City of Farmington Hills to the Authorized Version of the bid, and that Vendor fails to accept the bid award, the City of Farmington Hills may pursue costs and expenses to re-bid the item from that Vendor. The Authorized Version of the bid document shall be that bid document appearing on the MITN with amendments and updates.
The City of Farmington Hills officially distributes bid documents from the Purchasing Division or through the Michigan Intergovernmental Trade Network (MITN). Copies of bid documents obtained from any other source are not considered official copies. Only those vendors who obtain bid documents from either the Purchasing Division or the MITN system are guaranteed access to receive addendum information, if such information is issued. If you obtained this document from a source other than the sources indicated, it is recommended that you register on the MITN site, www.mitn.info, and obtain an official copy.

4. INTERPRETATION OF BID AND/OR CONTRACT DOCUMENTS
Any interpretation to a bidder regarding the Bid and/or Contract Documents or any part thereof is valid only if given by the City’s Purchasing Division staff. Any information given by departmental contacts is unofficial. Interpretations may or may not be given orally (may be written) dependent upon the nature of the inquiry. Interpretations that could affect other bidders will be in writing and issued by the Purchasing Division. All inquiries shall be made within reasonable time prior to the stated deadline in order that a written response in the form of an addendum, if required, can be processed before bids are opened. Inquiries received that are not made in a timely fashion may or may not be considered.

5. CHANGES AND ADDENDA TO BID DOCUMENTS
Each change or addendum issued in relation to this bid will be on file in the Purchasing Division. It shall be the bidder’s responsibility to make inquiry as to the changes or addenda issued. All such changes or addenda shall become part of the contract and all bidders shall be bound by such changes or addenda.

6. SPECIFICATIONS
Unless otherwise stated by bidder, the bids will be considered as being in strict accordance with the City’s applicable standard specifications, and any special specifications outlined in the bid document. Reference to a particular trade name, manufacturer’s catalogue, or model number are made for descriptive purposes to guide the bidder in interpreting the requirements of the City, and should not be construed as excluding bids on other types or materials, equipment and supplies unless otherwise stated. However, the bidder, if awarded the contract, will be required to furnish the particular item referred to in the specifications or description unless departure or substitution is clearly noted and described in the bid. The City reserves the right to determine if equipment/product or service being bid is equal to the specified equipment/product or service requested.

7. ALTERNATE BIDS
Bidders are cautioned that any alternate bid, unless requested by Purchasing, or any changes, insertions, or omissions to the terms and conditions, specifications, or any other requirements or this bid, may be considered non-responsive, and at the opinion of the City, may result in rejection of the bid.

8. PRICING
Prices shall be stated in units of quantity specified in the Bid Document. In case of a discrepancy in computing the amount of the bid, the unit price bid will govern.

9. QUANTITIES
All quantities stated, unless indicated otherwise are estimates and the City reserves the right to increase or decrease the quantity at the unit price bid as best fits its needs.

10. DELIVERY
Bids shall include all charges for delivery, packing, crating, etc., unless otherwise stated in the bid document. All deliveries will be FOB: Delivered. General delivery hours are 8:30 a.m. to 3 p.m. Monday-Friday.
11. TAXES, TERMS AND CONDITIONS
The City of Farmington Hills is exempt from Federal Excise and State Sales Tax. Please review The State of Michigan's REVENUE ADMINISTRATIVE BULLETIN 1999 -- 2 for clarification. http://www.treas.state.mi.us/lawrules/rabs/1999/rab6902.htm The City's tax number is 38-6006902. Payment terms are Net 30 days upon receipt and acceptance. Cooperative members will provide their tax-exempt status if required by the awarded vendor.

12. AWARD
The bid will be awarded to that responsible, responsive bidder whose bid, conforming to this solicitation, will be most advantageous to the City, price and other factors considered. The City reserves the right to accept or reject any or all bids, in part or whole and to waive informalities and minor irregularities in bids received. Unless otherwise specified in the bid document, the City reserves the right to accept any item in the bid on an individual basis. Bidders may submit bids on any item or groups of items provided unit prices are clearly shown and a notation is made on the bid document clearly indicating Bidder's intent.

13. WITHDRAWAL OF BIDS
Bids may be withdrawn in person by a bidder, or authorized representative, provided their identity is made known and a receipt is signed for the bid, but only if the withdrawal is made prior to the stated bid deadline. No bid may be withdrawn at least 30 days after opening except the successful company whose prices shall remain firm for the entire contract period. In case of error by the bidder in making up a bid, the Purchasing Division staff may, by discretion, reject such a bid upon presentation of a letter by the Bidder which sets forth the error, the cause thereof, and sufficient evidence to substantiate the claim.

14. DEFAULT CONDITIONS
In case of default by the contractor, the City of Farmington Hills may procure the articles or services from other sources and hold the bidder responsible for any excess cost occasioned thereby. In case of error by the bidder relating to a Contract, the Purchasing Division may, by discretion, upon presentation of a written explanation by the bidder substantiating the error, reject the Contract and award to the next qualified bidder; such error may be subject to default conditions.

15. INFRINGEMENTS AND INDEMNIFICATIONS
The bidder, if awarded a contract, agrees to protect, defend, and save the City and the cooperative members listed herein, its officials, employees, departments and agents harmless against; any demand for payment for the use of any patented material, process, or device that may enter into the manufacture, construction, or from a part of the work covered by either order or contract; and from suits or a charge of every nature and description brought against it for, or on account of, any injuries or damages received or sustained by the parties by from any of the facts of the contractor, the contractor's employees, or agents; from all liability claims, demands, judgments and expenses to persons or property occasioned, wholly, or in part, by the acts or omissions of the bidder, contractor, agents or employee.

16. CITY POLICY ON SMOKING
The bidder, if awarded a contract, agrees to follow the City of Farmington Hills Smoking Policy which states: "The City of Farmington Hills is dedicated to providing a healthy, smoke free work place for employees, residents and visitors." To that end; smoking is prohibited in all municipal buildings, in all municipal owned, leased or rented vehicles and within twenty five (25) feet from any municipal building entrance, outdoor air intakes and operable windows. Smoking is permitted in outside designated smoking areas or in personal vehicles. Smokers are
responsible for properly disposing of all smoking related litter, which includes cigarette and cigar butts, tobacco, etc. Disposal of any smoking litter is not permitted on City property except in the provided receptacles.

17. NON-IRAN LINKED BUSINESS.
By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an "Iran linked business," as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard.”

18. INSURANCE (REQUIRED FOR WORK ON OR WITHIN CITY PROPERTY/FACILITIES)
The contractor, or any of their subcontractors, shall not commence work under this contract until they have obtained the insurance required under this paragraph, and shall keep such insurance in force during the entire life of this contract. All coverage shall be with insurance companies licensed and admitted to do business in the State of Michigan and acceptable to The City of Farmington Hills. The requirements below shall not be interpreted to limit the liability of the Contractor. All deductibles and SIR’s are the responsibility of the Contractor.

The Contractor shall procure and maintain the following insurance coverage:

A. Worker’s Compensation Insurance including Employers’ Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

B. Commercial General Liability Insurance on an “Occurrence Basis” with limits of liability not less than $1,000,000.00 per occurrence and aggregate. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included.

C. Automobile Liability including Michigan No-Fault Coverages, with limits of liability not less than $1,000,000.00 per occurrence, combined single limit for Bodily Injury, and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

D. Additional Insured: Commercial General Liability and Automobile Liability, as described above, shall include an endorsement stating the following shall be Additional Insureds: The City of Farmington Hills, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming The City of Farmington Hills as additional insured, coverage afforded is considered to be primary and any other insurance The City of Farmington Hills may have in effect shall be considered secondary and/or excess.

E. Cancellation Notice: All policies, as described above, shall include an endorsement stating that is it understood and agreed Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be sent to: The City of Farmington Hills, Central Services Department, 31555 West Eleven Mile Road, Farmington Hills, MI, 48336.

F. Proof of Insurance Coverage: The Contractor shall provide The City of Farmington Hills, at the time that the contracts are returned by him/her for execution, a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above shall be furnished, if so requested.
G. If any of the above coverages expire during the term of this contract, the Contractor shall deliver renewal certificates and endorsements to The City of Farmington Hills at least ten (10) days prior to the expiration date.

19. DESCRIPTION
The City of Farmington Hills, on behalf of the entities listed herein, requests your bid for sodium chloride to be used for ice and snow removal and control. The sodium chloride shall be either mined rock salt or evaporated salt and shall conform to the requirements specified herein. The evaporated salt shall be compressed and crushed to produce the particle sizes as specified herein under "Gradation". Each entity reserves the right to award the bid and will issue individual purchase orders.

20. CHEMICAL COMPOSITION-SODIUM CHLORIDE TYPE A CRUSHED ROCK SALT
The sodium chloride shall conform to ASTM designation for Sodium Chloride Type 1, Grade 1, #D632 except that a tolerance in gradation will not be allowed and the following requirements as to chemical composition:

Sodium Chloride (NaCl), minimum, percent 95.0 purity before treatment

<table>
<thead>
<tr>
<th>Gradation</th>
<th>Percent Passing (by weight)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.5 inch (12.5 mm)</td>
<td>100</td>
</tr>
<tr>
<td>2.8 inch (7.3 mm)</td>
<td>95 - 100</td>
</tr>
<tr>
<td>No. 4 (4.75 mm)</td>
<td>20 - 90</td>
</tr>
<tr>
<td>No. 8 (2.36 mm)</td>
<td>10 - 60</td>
</tr>
<tr>
<td>No. 30 (0.60 mm)</td>
<td>0 - 15</td>
</tr>
</tbody>
</table>

21. MOISTURE CONTENT
The moisture content of the sodium chloride at the point of delivery shall not exceed 1.5 percent, by weight. A weight adjustment will be made for moisture content in excess of 1.5 percent.

22. GENERAL REQUIREMENTS

A. Packing and marking, inspection, rejection and methods of sampling and testing shall conform to the respective requirements as specified under the Specifications for Sodium Chloride, ASTM Designation; #D632 chloride will be sampled at the producer's plant.

B. Salt shall be treated with yellow Prussiate of Soda to prevent caking.

C. Upon placing an order for sodium chloride, delivery will be received within seventy-two hours. Deliveries will be made between 8:00 a.m. and 3:00 p.m. local time, Monday through Friday.

D. A material safety data sheet will be provided before a delivery is made.

E. Salt that is delivered that fails to meet these specifications will be rejected replaced or credited. Debris such as gravel, dirt and trash intermixed in the delivery will be rejected.

F. Each agency will guarantee to order a minimum of 70 percent of their estimated quantity from the lowest qualified and approved bidder for year one of the contract term. Any salt of the guaranteed 70% may be carried over and applied to the second year's estimated usage. Each entity will then be allowed to adjust their second year estimated quantity prior to the beginning of the season.
G. Each entity will be allowed to order up to 130 percent of their estimated quantity each year.

H. Each agency will provide a purchase order or award notice to the awarded vendor. Some agencies may provide intent to award prior to the start of their budget year.

23. PRICING

<table>
<thead>
<tr>
<th>2015/16 Season</th>
<th>Early fill Price per ton delivered before 10/1/2015</th>
<th>Price per ton delivered on/after 10/1/2015</th>
<th>Estimated quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rock Salt – Oakland County Agencies</td>
<td>$79.95</td>
<td>$79.95</td>
<td>43,100</td>
<td>$3,440,845.30</td>
</tr>
<tr>
<td>Rock Salt – Macomb County Agencies</td>
<td>$79.95</td>
<td>$79.95</td>
<td>30,550</td>
<td>$2,442,075.50</td>
</tr>
<tr>
<td>Rock Salt – Wayne County Agencies</td>
<td>$79.95</td>
<td>$79.95</td>
<td>12,000</td>
<td>$959,400.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2015/16 Season</th>
<th>Early fill Price per ton delivered before 10/1/2016</th>
<th>Price per ton delivered on/after 10/1/2016</th>
<th>Estimated quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rock Salt – Oakland County Agencies</td>
<td>NO BID</td>
<td>NO BID</td>
<td>43,100*</td>
<td>NO BID</td>
</tr>
<tr>
<td>Rock Salt – Macomb County Agencies</td>
<td>NO BID</td>
<td>NO BID</td>
<td>30,550*</td>
<td>NO BID</td>
</tr>
<tr>
<td>Rock Salt – Wayne County Agencies</td>
<td>NO BID</td>
<td>NO BID</td>
<td>12,000*</td>
<td>NO BID</td>
</tr>
</tbody>
</table>

*Each agency reserves the right to adjust its volume +/- 10% for year two.

Upon mutual consent, the MITN cooperative and lowest response bidder can elect to award year two pricing.

Origin of mined product and storage location in MI: Goderich, Ontario, Canada; Detroit, MI

Upon mutual consent, is this offer extendable to other governmental agencies? Yes [ ] No [X]

Delivery agent (name, address, contact person, phone): Motor City Materials

1700 W. Pleasant, River Rouge, MI 48218 Jeff 313-292-4140

24. COOPERATIVE PARTICIPANTS

The following cities reserve the right to utilize another supplier should the awarded vendors be unable to fulfill the salt supply.

<table>
<thead>
<tr>
<th>Agency</th>
<th>Delivery Address</th>
<th>City/State</th>
<th>Estimated quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auburn Hills, City of</td>
<td>1500 Brown Road</td>
<td>Auburn Hills, MI</td>
<td>2,000</td>
</tr>
<tr>
<td>Berkley, City of</td>
<td>3233 Bacon</td>
<td>Berkley, MI 48072</td>
<td>1,400</td>
</tr>
<tr>
<td>Bloomfield Township</td>
<td>4200 Telegraph</td>
<td>Bloomfield, MI 48303</td>
<td>4,300</td>
</tr>
<tr>
<td>Area Name</td>
<td>Address Description</td>
<td>City of</td>
<td>Zip Code</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>--------------------------------</td>
<td>--------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Clawson, City of</td>
<td>635 W. Elmwood</td>
<td>Clawson, MI 48017</td>
<td>1,400</td>
</tr>
<tr>
<td>Lathrup Village, City of</td>
<td>19110 Twelve Mile</td>
<td>Lathrup Village, MI 48076</td>
<td>300</td>
</tr>
<tr>
<td>Kensington Metropark</td>
<td>2240 W. Buno Rd.</td>
<td>Milford, MI</td>
<td>300</td>
</tr>
<tr>
<td>Hudson Mills Metropark</td>
<td>8801 N. Territorial Rd.</td>
<td>Dexter, MI</td>
<td>100</td>
</tr>
<tr>
<td>Huron Meadows Metropark</td>
<td>8765 Hammel Rd.</td>
<td>Brighton, MI</td>
<td>50</td>
</tr>
<tr>
<td>Oak Park, City of</td>
<td>10600 Capital</td>
<td>Oak Park, MI 48237</td>
<td>500</td>
</tr>
<tr>
<td>Rochester, City of</td>
<td>1141 Wilcox</td>
<td>Rochester, MI 48307</td>
<td>1,500</td>
</tr>
<tr>
<td>Royal Oak, City of</td>
<td>1600 N. Campbell</td>
<td>Royal Oak, MI 48067</td>
<td>6,200</td>
</tr>
<tr>
<td>Southfield Parcs, City of</td>
<td>26000 Evergreen Road</td>
<td>Southfield, MI</td>
<td>300</td>
</tr>
<tr>
<td>South Lyon, City of</td>
<td>520 Ada</td>
<td>South Lyon, MI 48178</td>
<td>900</td>
</tr>
<tr>
<td>Wixom, City of</td>
<td>2041 Charmy Rd.</td>
<td>Wixom, MI 48393</td>
<td>1,300</td>
</tr>
<tr>
<td><strong>Oakland County Total</strong></td>
<td></td>
<td></td>
<td><strong>43,100</strong></td>
</tr>
<tr>
<td><strong>Wayne County Total</strong></td>
<td></td>
<td></td>
<td><strong>12,000</strong></td>
</tr>
</tbody>
</table>

25. EXCEPTIONS
Note any exceptions to the specifications herein

*SER ATTACHED AMENDMENT LETTER*
26. SUBMITTALS
Submit one (1) original and two (2) copies of your completed bid document.

27. "NON-IRAN LINKED BUSINESS. By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an "Iran linked business," as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard."

28. AUTHORIZATION/ACCEPTANCE OF SPECIFICATIONS - must be signed by authorized company official.

Signed

Title
Sr. Sales Manager

Printed
Doug Dyer

Date
4-9-15

Phone Number
800-323-1641

Contact Person
Doug Dyer

Fax
913-338-7945

E-mail address
DyerD@compassminerals.com

Order placement contact
at Depot

Questions can be answered by calling Michael Lasley, Director of Central Services @ 248-871-2425 or

mlasley@fhgov.com
AMENDMENT #1
Bid #ITB-FH-14-15-1881
ROCK SALT FOR ICE CONTROL
April 8, 2015

This Amendment shall be considered part of the bid documents for the above-mentioned product as though it had been issued at the same time and shall be incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original bid documents, this Amendment shall govern and take precedence. BIDDERS MUST SIGN THE AMENDMENT AND SUBMIT IT WITH THEIR BIDS.

Bidders are hereby notified that they shall make any necessary adjustments in their estimates as a result of this Amendment. It will be construed that each bidder's proposal is submitted with full knowledge of all modifications and supplemental data specified herein.

COOPERATIVE PARTICIPANTS

The following company has been added to the list of participants. See amended bid document.

BIDDER MUST ACKNOWLEDGE THIS AMENDMENT BY SIGNING BELOW AND ATTACHING THE SIGNED AMENDMENT TO THE BID FORM.

Company Name  COMPASS MINERALS AMERICA INC.
Contact Person  Doug Dyer
Signature
Date 4/8/15

If you have any questions, please contact Michael Lasley at (248) 871-2425 or mlasley@fhgov.com
Dear Sir / Madam:

Compass Minerals America (CMP) appreciates the opportunity to submit a rock salt bid to the City of Farmington Hills for the 2015/2016 season. Due to the increased demand over the last two season's winter's and in an effort to assist us in better servicing your needs moving forward, we are asking that the City of Farmington Hills accept the following. Acceptance of these requests will allow CMP to better service your requirements for the coming year by optimizing inventory levels at your service depot.

1) Quote is binding for thirty (30) days after the above date.
2) CMP will not be able to accept a secondary or back-up award.
3) The City agrees to purchase 80% of the base bid amount of 81,350 tons, and CMP agrees to provide up to 100% of the base bid amount.
4) The City also agrees not to take any tons prior to July 1, 2015
5) The City agrees to take delivery of the 80% minimum on or before March 31, 2016 (Please understand that CMP is unable to carry over any inventory at our depot).

Should you have questions please do not hesitate to call me on my direct line at (913) 344-9346.

Sincerely,

[Signature]
Doug Dyer
Senior Sales Manager-Highway Sales
INVITATION TO BID

BID: #ITB-FH-14-15-1881

ITEM: ROCK SALT FOR ICE CONTROL

DEADLINE: 10:00 a.m. E.S.T., Wednesday, April 15, 2015

PREBID MEETING: N/A

1. SUBMISSION AND RECEIPT OF BIDS
Bids to receive consideration shall be received prior to the specified time of opening as designated on the bid form. NO LATE BIDS WILL BE ACCEPTED. The City reserves the right to postpone the bid opening for its own convenience. Bidders shall use the bid documents furnished as none other may be accepted. Bids are considered received when in the possession of the City Clerk. All Bids shall be labeled with the Bid # and Name as well as the aforementioned bid opening date/time on the outside of the envelope. Bids shall be sealed when submitted. Separate bids shall be submitted on each bid number and bids shall be typewritten or written in ink legibly prepared. Bids having any erasures or corrections therein may be rejected unless explained or initialed by the bidder. If you are submitting a "No bid", do not follow the above directions but send a letter to the Purchasing Division indicating your desire to be kept on the bid list. Bids shall be mailed or delivered to City of Farmington Hills, City Clerk’s Office, 31555 Eleven Mile Road, Farmington Hills, MI 48336-1165 before the stated deadline. No faxed or electronic bids will be accepted.

2. RESPONSIVE BIDS
All pages and the information requested herein shall be furnished completely in compliance with instructions. The manner and format of submission is essential to permit prompt evaluation of all bids on a fair and uniform basis. Unless otherwise specified, the City reserves the right to accept any item in the bids. Bidders may submit bids on any item or group of items, provided however, that the unit prices are shown as required. Accordingly, the City reserves the right to declare as non-responsive, and reject any incomplete bid if material information requested is not furnished, or where indirect or incomplete answers or information is provided. Alterations to the written requirements will negate any response. Unless otherwise stated herein, do not include sales literature about your company. The City of Farmington Hills promotes "green" technologies and the reduction of waste. When possible, your response should be double sided to reduce paper usage. Other factors including source of supply may be used in award recommendations.

3. OFFICIAL DOCUMENTS
The City of Farmington Hills shall accept NO CHANGES to the bid document made by the Vendor unless those changes are set out in the "Exceptions" provision of the Authorized Version of the bid document. It is Vendor's responsibility to acquire knowledge of any change, modifications or additions to the Authorized Version of the bid document. Any Vendor who submits a bid and later claims it had no knowledge of any change, modifications or additions made by the City of Farmington Hills to the Authorized Version of the bid document shall be bound by the bid, including any changes, modifications or additions to the Authorized Version. If a bid is awarded to a Vendor who claims that it had no knowledge of changes, modifications or additions made by the City of Farmington Hills to the Authorized Version of the bid, and that Vendor fails to accept the bid award, the City of Farmington Hills may pursue costs and expenses to re-bid the item from that Vendor. The Authorized Version of the bid document shall be that bid document appearing on the MITN with amendments and updates.
The City of Farmington Hills officially distributes bid documents from the Purchasing Division or through the Michigan Intergovernmental Trade Network (MITN). Copies of bid documents obtained from any other source are not considered official copies. Only those vendors who obtain bid documents from either the Purchasing Division or the MITN system are guaranteed access to receive addendum information, if such information is issued. If you obtained this document from a source other than the sources indicated, it is recommended that you register on the MITN site, www.mitn.info, and obtain an official copy.

4. INTERPRETATION OF BID AND/OR CONTRACT DOCUMENTS
Any interpretation to a bidder regarding the Bid and/or Contract Documents or any part thereof is valid only if given by the City’s Purchasing Division staff. Any information given by departmental contacts is unofficial. Interpretations may or may not be given orally (may be written) dependent upon the nature of the inquiry. Interpretations that could affect other bidders will be in writing and issued by the Purchasing Division. All inquiries shall be made within a reasonable time prior to the stated deadline in order that a written response in the form of an addendum, if required, can be processed before bids are opened. Inquiries received that are not made in a timely fashion may or may not be considered.

5. CHANGES AND ADDENDA TO BID DOCUMENTS
Each change or addendum issued in relation to this bid will be on file in the Purchasing Division. It shall be the bidder’s responsibility to make inquiry as to the changes or addenda issued. All such changes or addenda shall become part of the contract and all bidders shall be bound by such changes or addenda.

6. SPECIFICATIONS
Unless otherwise stated by bidder, the bids will be considered as being in strict accordance with the City’s applicable standard specifications, and any special specifications outlined in the bid document. Reference to a particular trade name, manufacturer’s catalogue, or model number are made for descriptive purposes to guide the bidder in interpreting the requirements of the City, and should not be construed as excluding bids on other types or materials, equipment and supplies unless otherwise stated. However, the bidder, if awarded the contract, will be required to furnish the particular item referred to in the specifications or description unless departure or substitution is clearly noted and described in the bid. The City reserves the right to determine if equipment/product or service being bid is equal to the specified equipment/product or service requested.

7. ALTERNATE BIDS
Bidders are cautioned that any alternate bid, unless requested by Purchasing, or any changes, insertions, or omissions to the terms and conditions, specifications, or any other requirements or this bid, may be considered non-responsive, and at the opinion of the City, may result in rejection of the bid.

8. PRICING
Prices shall be stated in units of quantity specified in the Bid Document. In case of a discrepancy in computing the amount of the bid, the unit price bid will govern.

9. QUANTITIES
All quantities stated, unless indicated otherwise are estimates and the City reserves the right to increase or decrease the quantity at the unit price bid as best fits its needs.

10. DELIVERY
Bids shall include all charges for delivery, packing, crating, etc., unless otherwise stated in the bid document. All deliveries will be FOB: Delivered. General delivery hours are 8:30 a.m. to 3 p.m. Monday-Friday.
11. TAXES, TERMS AND CONDITIONS
The City of Farmington Hills is exempt from Federal Excise and State Sales Tax. Please review The State of Michigan's REVENUE ADMINISTRATIVE BULLETIN 1999-2 for clarification http://www.tress.state.mi.us/lawrules/rabs/1999/rab9902.htm The City's tax number is 38-6006902. Payment terms are Net 30 days upon receipt and acceptance. Cooperative members will provide their tax-exempt status if required by the awarded vendor.

12. AWARD
The bid will be awarded to that responsible, responsive bidder whose bid, conforming to this solicitation, will be most advantageous to the City, price and other factors considered. The City reserves the right to accept or reject any or all bids, in part or whole, and to waive informality and minor irregularities in bids received. Unless otherwise specified in the bid document the City reserves the right to accept any item in the bid on an individual basis. Bidders may submit bids on any item or groups of items provided unit prices are clearly shown and a notation is made on the bid document clearly indicating Bidder's intent.

13. WITHDRAWL OF BIDS
Bids may be withdrawn in person by a bidder, or authorized representative, provided their identity is made known and a receipt is signed for the bid, but only if the withdrawal is made prior to the stated bid deadline. No bid may be withdrawn for at least 90 days after bid opening except the successful company whose prices shall remain firm for the entire contract period. In case of error by the bidder in making up a bid, the Purchasing Division staff may, by discretion, reject such a bid upon presentation of a letter by the Bidder which sets forth the error, the cause thereof, and sufficient evidence to substantiate the claim.

14. DEFAULT CONDITIONS
In case of default by the contractor, the City of Farmington Hills may procure the articles or services from other sources and hold the bidder responsible for any excess cost occasioned thereby. In case of error by the bidder relating to a Contract, the Purchasing Division may, by discretion, upon presentation of a written explanation by the bidder substantiating the error, reject the Contract and award to the next qualified bidder; such error may be subject to default conditions.

15. INFRINGEMENTS AND INDEMNIFICATIONS
The bidder, if awarded a contract, agrees to protect, defend, and save the City and the cooperative members listed herein, its officials, employees, departments and agents harmless against; any demand for payment for the use of any patented material, process, or device that may enter into the manufacture, construction, or from a part of the work covered by either order or contract; and from suits or a charge of every nature and description brought against if for, or on account of, any injuries or damages received or sustained by the parties by or from any of the facts of the contractor, the contractor’s employees, or agents; from all liability claims, demands, judgments and expenses to persons or property occasioned, wholly, or in part, by the acts or omissions of the bidder, contractor, agents or employee.

16. CITY POLICY ON SMOKING
The bidder, if awarded a contract, agrees to follow the City of Farmington Hills Smoking Policy which states: "The City of Farmington Hills is dedicated to providing a healthy, smoke free workplace for employees, residents and visitors." To that end; smoking is prohibited in all municipal buildings, in all municipal owned, leased or rented vehicles and within twenty five (25) feet from any municipal building entrance, outdoor air intakes and operable windows. Smoking is permitted outside designated smoking areas or in personal vehicles. Smokers are
responsible for properly disposing of all smoking related litter, which includes cigarette and cigar butts, tobacco, etc. Disposal of any smoking litter is not permitted on City property except in the provided receptacles.

17. NON-IRAN LINKED BUSINESS.
By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an “Iran linked business,” as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard.”

18. INSURANCE (REQUIRED FOR WORK ON OR WITHIN CITY PROPERTY/FACILITIES)
The contractor, or any of their subcontractors, shall not commence work under this contract until they have obtained the insurance required under this paragraph, and shall keep such insurance in force during the entire life of this contract. All coverage shall be with insurance companies licensed and admitted to do business in the State of Michigan and acceptable to The City of Farmington Hills. The requirements below should not be interpreted to limit the liability of the Contractor. All deductibles and STR’s are the responsibility of the Contractor.

The Contractor shall procure and maintain the following insurance coverage:

A. Worker’s Compensation Insurance including Employers’ Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

B. Commercial General Liability Insurance on an “Occurrence Basis” with limits of liability not less than $1,000,000.00 per occurrence and aggregate. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included.

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<tr>
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C. Upon placing an order for sodium chloride, delivery will be received within seventy-two hours. Deliveries will be made between 8:00 a.m. and 3:00 p.m. local time, Monday through Friday.

D. A material safety data sheet will be provided before a delivery is made.

E. Salt that is delivered that fails to meet these specifications will be rejected, replaced or credited. Debris such as gravel, dirt and trash intermixed in the delivery will be rejected.

F. Each agency will guarantee to order a minimum of 70 percent of their estimated quantity from the lowest qualified and approved bidder for year one of the contract term. Any salt (of the guaranteed 70%) may be carried over and applied to the second year's estimated usage. Each entity will then be allowed to adjust their second year estimated quantity prior to the beginning of the season.
G. Each entity will be allowed to order up to 130 percent of their estimated quantity each year.

H. Each agency will provide a purchase order or award notice to the awarded vendor. Some agencies may provide intent to award prior to the start of their budget year.

23. PRICING

<table>
<thead>
<tr>
<th>2015/16 Season Item - Location</th>
<th>Early Mill Prices per ton delivered before 10/1/2015 $</th>
<th>Price per ton delivered on/after 10/1/2015 $</th>
<th>Estimated quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rock Salt - Oakland County Agencies</td>
<td>102.91</td>
<td>107.91</td>
<td>43,100</td>
<td>4,850,921.00</td>
</tr>
<tr>
<td>Rock Salt - Macomb County Agencies</td>
<td>103.37</td>
<td>108.37</td>
<td>30,550</td>
<td>3,310,703.50</td>
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<tr>
<td>Rock Salt - Wayne County Agencies</td>
<td>102.01</td>
<td>107.01</td>
<td>12,000</td>
<td>1,284,120.00</td>
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</table>

<table>
<thead>
<tr>
<th>2015/16 Season Item - Location</th>
<th>Early Mill Prices per ton delivered before 10/1/2016 $</th>
<th>Price per ton delivered on/after 10/1/2016 $</th>
<th>Estimated quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rock Salt - Oakland County Agencies</td>
<td>107.91</td>
<td>112.91</td>
<td>43,100*</td>
<td>4,866,421.00</td>
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<tr>
<td>Rock Salt - Macomb County Agencies</td>
<td>108.37</td>
<td>113.37</td>
<td>30,550*</td>
<td>3,463,453.50</td>
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<tr>
<td>Rock Salt - Wayne County Agencies</td>
<td>107.01</td>
<td>112.01</td>
<td>12,000*</td>
<td>1,344,120.00</td>
</tr>
</tbody>
</table>

*Each agency reserves the right to adjust its volume +/-10% for year two.
Upon mutual consent, the MITN cooperative and lowest response bidder can elect to award year two pricing.

Origin of mined product and storage location in MI Detroit

Upon mutual consent, is this offer extendable to other governmental agencies? Yes X No

*By Mutual Agreement

Delivery agent (name, address, contact person, phone) For ordering: 855/665-4540

24. COOPERATIVE PARTICIPANTS
The following cities reserve the right to utilize another supplier should the awarded vendors be unable to fulfill the salt supply.

<table>
<thead>
<tr>
<th>Agency</th>
<th>Return Address</th>
<th>City Limit</th>
<th>Estimated Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

*20 ton minimum dump truck delivery
<table>
<thead>
<tr>
<th>Location</th>
<th>Address</th>
<th>City, MI Code</th>
<th>City, MI Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clawson, City of</td>
<td>625 W. Elmwood</td>
<td>Clawson, MI 48017</td>
<td></td>
</tr>
<tr>
<td>Farmington Hills, City of</td>
<td>27245 Halsted</td>
<td>Farmington Hills, MI 48336</td>
<td>5,000</td>
</tr>
<tr>
<td>Lathrup Village, City of</td>
<td>19101 Twelve Mile</td>
<td>Lathrup Village, MI 48076</td>
<td>300</td>
</tr>
<tr>
<td>Huron-Clinton Metroparks at:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kensington Metropark</td>
<td>2240 W. Buno Rd.</td>
<td>Milford, MI 48075</td>
<td>300</td>
</tr>
<tr>
<td>Stony Creek Metropark</td>
<td>4230 26 Mile</td>
<td>Shelby Twp, MI 48331</td>
<td>300</td>
</tr>
<tr>
<td>Hudson Mills Metropark</td>
<td>8801 N. Territorial Rd.</td>
<td>Dexter, MI 48237</td>
<td>100</td>
</tr>
<tr>
<td>Indian Springs Metropark</td>
<td>5199 Indian Trail</td>
<td>White Lake, MI 48099</td>
<td>50</td>
</tr>
<tr>
<td>Huron Meadows Metropark</td>
<td>8765 Hammel Rd.</td>
<td>Brighton, MI 48116</td>
<td>50</td>
</tr>
<tr>
<td>Lake St. Clair Metropark</td>
<td>31300 Metro Parkway</td>
<td>Harrison Twp, MI 48340</td>
<td>100</td>
</tr>
<tr>
<td>Oak Park, City of</td>
<td>10500 Capital</td>
<td>Oak Park, MI 48317</td>
<td>500</td>
</tr>
<tr>
<td>Orchard Lake, Village of</td>
<td>39555 Orchard Lake Rd.</td>
<td>Orchard Lake, MI 48023</td>
<td>500</td>
</tr>
<tr>
<td>Rochester, City of</td>
<td>1141 Wilcox</td>
<td>Rochester, MI 48307</td>
<td>1,500</td>
</tr>
<tr>
<td>Rochester Hills, City of</td>
<td>511 E. Auburn Rd.</td>
<td>Rochester Hills, MI 48309</td>
<td>3,000</td>
</tr>
<tr>
<td>Royal Oak, City of</td>
<td>1600 N. Campbell</td>
<td>Royal Oak, MI 48067</td>
<td>6,200</td>
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<tr>
<td>Southfield DPW, City of</td>
<td>25501 Clara Lane</td>
<td>Southfield, MI 48074</td>
<td>12,000</td>
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<tr>
<td>Southfield Parks, City of</td>
<td>26000 Evergreen Road</td>
<td>Southfield, MI 48074</td>
<td>300</td>
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<tr>
<td>Southfield Public Schools</td>
<td>24661 Lahser</td>
<td>Southfield, MI 48033</td>
<td>650</td>
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<tr>
<td>South Lyon, City of</td>
<td>520 Ada</td>
<td>South Lyon, MI 48178</td>
<td>900</td>
</tr>
<tr>
<td>Walled Lake, City of</td>
<td>1499 E. West Maple</td>
<td>Walled Lake, MI 48099</td>
<td>950</td>
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<tr>
<td>Wixom, City of</td>
<td>2041 Charms Rd.</td>
<td>Wixom, MI 48399</td>
<td>1,300</td>
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Oakland County Total: 43,100

<table>
<thead>
<tr>
<th>Location</th>
<th>Address</th>
<th>City, MI Code</th>
<th>City, MI Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centerline, City of</td>
<td>6685 E. Ten Mile</td>
<td>Centerline, MI 48015</td>
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<tr>
<td>Eastpointe, City of</td>
<td>17800 Ten Mile</td>
<td>Eastpointe, MI 48021</td>
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<tr>
<td>Roseville, City of</td>
<td>25411 Calahan Street</td>
<td>Roseville, MI 48066</td>
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<tr>
<td>St. Clair Shores, City of</td>
<td>19700 Pleasant</td>
<td>St. Clair Shores, MI 48080</td>
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<tr>
<td>Sterling Heights, City of</td>
<td>72200 18 Mile Road</td>
<td>Sterling Heights, MI 48311</td>
<td>11,500</td>
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<tr>
<td>Warren, City of</td>
<td>12801 Stephens</td>
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Macomb County Total: 30,550

<table>
<thead>
<tr>
<th>Location</th>
<th>Address</th>
<th>City, MI Code</th>
<th>City, MI Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grosse Pointe Woods, City of</td>
<td>1200 Parkway Drive</td>
<td>Grosse Pointe Woods, MI 48236</td>
<td>1,200</td>
</tr>
<tr>
<td>Livonia, City of</td>
<td>12973 Farmington</td>
<td>Livonia, MI 48154</td>
<td>2,500</td>
</tr>
<tr>
<td>Riverview, City of</td>
<td>18550 Krause</td>
<td>Riverview, MI 48193</td>
<td>1,000</td>
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<tr>
<td>Romulus, City of</td>
<td>12600 Wayne Road</td>
<td>Romulus, MI 48174</td>
<td>2,000</td>
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<tr>
<td>Grosse Pointe Shores, Village of</td>
<td>795 Lake Shore Road</td>
<td>Grosse Pointe Shores, MI 48236</td>
<td>300</td>
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<tr>
<td>Westland, City of</td>
<td>37137 Marquette</td>
<td>Westland, MI 48185</td>
<td>5,000</td>
</tr>
</tbody>
</table>

Wayne County Total: 12,000

25. EXCEPTIONS

Note any exceptions to the specifications herein
26. SUBMITTALS
Submit one (1) original and two (2) copies of your completed bid document.

27. "NON-IRAN LINKED BUSINESS. By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an "Iran linked business," as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard."

28. AUTHORIZATION/Acceptance OF SPECIFICATIONS - must be signed by authorized company official.

Signed ___________________________ Company Morton Salt, Inc.

Title Director, Bulk Deicing Sales & Mktg Address 123 N. Wacker Drive

Printed Anthony T. Patton City/State/Zip Chicago, IL 60606-1743

Date 4/13/2015 Phone Number For ordering: 855/665-4540

Contact Person Michelle Staunton Fax 312/807-2669

E-mail address buyroadsalt@mortonsalt.com Website www.mortonsalt.com

Order placement contact Michelle Staunton Phone For ordering: 855/665-4540

Questions can be answered by calling Michael Lasley, Director of Central Services @ 248-871-2425 or mlasley@fhgov.com

Daniel P. Thompson
V.P., Bulk Deicing Sales & Marketing

Highway Sales Rep. Debbi Jones
Phone: 708/991-9847

KayKichiShara\14-15 bid\fh-14-15-1881.docx
CERTIFICATION

I, Winnie J. Kuo, Assistant Secretary of Morton Salt, Inc., a Delaware corporation (the 'Company') hereby certify that:

1. Attached hereto is a true and correct copy of a resolution duly adopted effective October 1, 2012 by the Board of Directors of the Company; said resolutions not having been amended or revised in any manner and being in full force and effect as of the date hereof.

2. Christian H. Herrmann is a duly elected and acting Chief Executive Officer and President of Morton Salt, Inc. and Timothy McKean is a duly elected and acting Chief Financial Officer, Vice President and Treasurer of Morton Salt, Inc. as of the date hereof and as such are duly authorized signatories in accordance with the resolution described in 1. above.

3. Attached hereto is a true and correct copy of a delegation of signature authorization signed by Christian H. Herrmann and Timothy McKean.

[Signature]

Winnie J. Kuo                        
Assistant Secretary                  
Morton Salt, Inc.

Dated: APR 13 2015
Morton Salt, Inc.
Excerpt from Board of Directors’ Meeting
October 1, 2012

RESOLVED, that effective October 1, 2012, any two of the officers of the Corporation holding the positions listed below:

Chief Executive Officer and President;
Chief Financial Officer, Vice President and Treasurer; and,
Vice President, General Counsel and Secretary,

and to the extent delegated in writing, their designees, are hereby authorized, for and in the name and on behalf of the Corporation, and any subsidiary, affiliate or business unit thereof, to execute and deliver any and all applications, agreements, bids, bonds, certifications, notices, proxies, real estate conveyances, reports, stock certificates and other documents which they may deem necessary or advisable in furtherance of the business of the Corporation, subsidiary, affiliate or business unit, as the case may be, provided that two signatures be required on any document executed on behalf of the Corporation: such authorizations to be (i) subject to the limitations set forth in any applicable Board of Directors’ resolution or published policy of the Corporation, and (ii) subject to the limitations set forth in any K+S AG policy or procedure; and

FURTHER RESOLVED, that the signatures of any two persons designated pursuant to the above resolution affixed to any document described therein shall constitute certification of his or her authority to execute said document on behalf of the Corporation.
DELEGATION OF AUTHORITY AND POWER OF ATTORNEY
UNDER THE RESOLUTIONS
ADOPTED BY THE BOARD OF DIRECTORS ON OCTOBER 1, 2012
For
Morton Salt, Inc.

Pursuant to the authority granted by the Resolutions adopted by the Board of Directors of Morton Salt, Inc. on October 1, 2012, any two of the following persons, signing together, are designated as persons authorized to execute and deliver certain documents on behalf of Morton Salt, Inc. (the "Company") and each one of its subsidiaries (together the "Companies"), provided that (i) the second authorized signatory be either a higher ranking employee or a supervisor, or an employee at the same level, (ii) the second authorized signatory is involved in the same or similar transactional work matters and responsibilities as the first signatory, (iii) the Directive of Business Transactions and Measures of the Executive Board of K+S Aktiengesellschaft, attached herein as Exhibit A and made a part hereof, is followed, and (iv) the Substantial Transactions outline, attached herein as Exhibit B and made a part hereof, is followed. This delegation of authority and power of attorney supersedes any earlier delegations for the Companies and remains in effect until the person no longer holds the position listed, or this delegation of authority is superseded, amended or terminated.

Effective Date: October 1, 2014

Morton Salt, Inc.

By: Christian H. Herrmann
Name: Chief Executive Officer and President

Morton Salt, Inc.

By: Timothy McKeen
Name: Chief Financial Officer, Vice President and Treasurer
Title:
AMENDMENT #1

Bid #TB-FH-14-15-1881

ROCK SALT FOR ICE CONTROL

April 8, 2015

This Amendment shall be considered part of the bid documents for the above-mentioned product as though it had been issued at the same time and shall be incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original bid documents, this Amendment shall govern and take precedence. BIDDERS MUST SIGN THE AMENDMENT AND SUBMIT IT WITH THEIR BIDS.

Bidders are hereby notified that they shall make any necessary adjustments in their estimates as a result of this Amendment. It will be construed that each bidder's proposal is submitted with full knowledge of all modifications and supplemental data specified herein.

COORDINATE PARTICIPANTS
Bloomfield Township has been added to the list of participants. See amended bid document.

BIDDER MUST ACKNOWLEDGE THIS AMENDMENT BY SIGNING BELOW AND ATTACHING THE SIGNED AMENDMENT TO THE BID FORM:

Company Name  Morton Salt, Inc.

Contact Person  Anthony T. Patton, Director, U.S. Gov't Bulk Deicing Sales & Marketing

Signature  

Date  4/13/2015

If you have any questions, please contact Michael Lasley at (248) 871-2425 or mlasley@fhgov.com.
To: Mayor and City Council
From: Thomas A. Tanghe, City Manager; Doreen E. Olko, Chief of Police
Submitted: May 7, 2015
Subject: Approving Ordinance 15-860 to Amend Chap. No. 46 Offenses and Miscellaneous Provisions of the Auburn Hills City Code to add Sections 46-251 to 46-253 of Article VIII – Offenses Concerning Minors, to prohibit the use, possession or sale of e-cigarettes to minors, on Second Reading, Public Hearing and Final Adoption

INTRODUCTION AND HISTORY

E-cigarettes are an electronic device that heats a nicotine solution and produces a vapor or steam. Current laws do not cover E-cigarettes because they do not contain tobacco. Persons under 18 are prohibited by law from purchasing or possessing cigarettes and other tobacco products and retailers are prohibited from selling them to minors. However, new tobacco-less products commonly referred to as e-cigarettes are available and being marketed to minors without restriction or health warning. Some come in different flavors that appeal to young people. These products allow the user to simulate cigarette smoking and ingest nicotine. The production and distribution of e-cigarettes is not currently regulated by federal or state authorities, and the U.S. Food and Drug Administration has not completed testing of these products. But, initial studies by the FDA have determined that e-cigarettes can increase nicotine addiction among young people and contain chemical ingredients known to be harmful, which may expose users and the public to potential health risks. Therefore, prohibiting the sale, giving or furnishing of e-cigarettes to minors and prohibiting the purchase, possession or use of e-cigarettes by minors is in the best interests of the public health, safety and welfare

Some cities locally, Birmingham and Rochester Hills passed ordinances restricting use by minors and sale to minors. The State of Michigan has not enacted any law or restriction on the sale, use or possession of e-cigarettes by minors.

Council approved the amendment on first reading at their meeting on April 27th. At the meeting on May 11th, Council will need to hold a public hearing and may adopt the amendment after a second reading.

STAFF RECOMMENDATION

Staff recommends passage of the ordinance.

MOTION

Move to adopt ordinance 15.860, an ordinance to amend Chapter 46, Offenses and Miscellaneous Provisions to add Sections 46-251 to 46-253 of Article VII-Offenses Concerning Minors to prohibit the use, possession or sale of e-cigarettes to minors on second reading and final adoption.

I CONCUR: Thomas A. Tanghe, CITY MANAGER
CITY OF AUBURN HILLS

COUNTY OF OAKLAND

STATE OF MICHIGAN

ORDINANCE NO. 15-860

AN ORDINANCE TO ADD SECTIONS 46-251 TO 46-253 OF ARTICLE VIII – OFFENSES CONCERNING MINORS, OF CHAPTER 46 – OFFENSES AND MISCELLANEOUS PROVISIONS, OF THE CITY OF AUBURN HILLS CODE OF ORDINANCES, AS AMENDED, TO PROHIBIT THE USE, POSSESSION OR SALE OF E-CIGARETTES TO MINORS.

THE CITY OF AUBURN HILLS ORDAINS:

Section 1 - Ordinance

Section 46-251.

Definitions.

a) E-cigarette shall mean an electronic oral device that provides a vapor of nicotine, simulates smoking through its use or through inhalation of the vapor generated by the device, is not approved by the U.S. Food and Drug Administration as an aid in quitting the use of tobacco or a nicotine product, and is composed of a heating element, battery or electronic circuit.

b) E-cigarette cartridge shall mean a container which has openings on each end, serves as a liquid reservoir and mouthpiece, allows the passage of a liquid to an atomizer and vapor from the atomizer to the user's mouth, and contains liquid for producing vapor in an e-cigarette.

c) Minor shall mean an individual younger than 18 years of age.

d) Person shall mean an individual, corporation, partnership, Limited Liability Company, wholesaler, retailer or any business.

Section 46-252.

Prohibitions; Possession of e-cigarette penalty

a) Purchase, use or possession by minor. It shall be unlawful for any minor to purchase, possess or use an e-cigarette in the City of Auburn Hills. A person who violates this
subsection is responsible for a municipal civil infraction punishable by a fine of not more than $50.00 for each violation.

b) This section does not apply to a minor participating in the following:

1. An undercover operation in which the minor purchases or receives an e-cigarette product under the direction of the minor's employer and with the prior approval of the local prosecutor's office as part of an employer-sponsored internal enforcement action.

2. An undercover operation in which the minor purchases or receives an e-cigarette product under the direction of the local police agency as part of an enforcement action, unless the initial or contemporaneous purchase or receipt of the tobacco product by the minor was not under the direction of the state police or the local police agency and was not part of the undercover operation.

3. This section does not apply to the handling or transportation of a tobacco product by a minor under the terms of that minor's employment.

**Section 46-253**

Prohibitions: Selling, giving, or furnishing e-cigarettes

a) **Sell, give or furnish to minor.** It shall be unlawful for any person to sell, give, furnish, or offer for sale an e-cigarette or e-cigarette cartridge to a minor in the City of Auburn Hills. A person who violates this subsection is responsible for a misdemeanor punishable by a fine of not more than $50.00 for each violation.

**Section 2. Repealer**

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

**Section 3. Severability.**

If any section, clause or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause or provision declared to be unconstitutional, void, or illegal shall thereby cease to be a part of this Ordinance, but the remainder of this Ordinance shall stand and be in full force and effect.
Section 4. Savings.

The proceedings pending and all rights and liabilities existing, acquired, or incurred at the time this Ordinance takes effect are saved and may be consummated according to the law when they were commenced.

Section 5. Effective Date.

The provisions of this Ordinance are hereby ordered to take effect upon publication in the manner prescribed by the Charter of the City of Auburn Hills.

Section 6. Adoption.

This Ordinance is hereby declared to have been adopted by the City Council of the City of Auburn Hills at a meeting thereof duly called and held on the _____ day of ___________ 2015, and ordered to be given publication in a manner prescribed by the Charter of the City of Auburn Hills.

AYES:
NAYES:
ABSTENTIONS:
ABSENT

STATE OF MICHIGAN )
 ) ss.
COUNIYOFOAKLAND )

I, the undersigned, the duly qualified Clerk for the City of Auburn Hills, Oakland County, Michigan, do hereby certify that the foregoing is a true and complete copy of Ordinance No.15-860, adopted by the Auburn Hills City Council on the _____ day of ___________ 2015, the original of which is in my office.

______________________________
Terri Kowal, City Clerk
722.641 Selling, giving, or furnishing tobacco products to minor prohibited; misdemeanor; penalty; sign required; copies of sign; affirmative defense; notice; rebuttal testimony; notice of rebuttal; exception.

Sec. 1. (1) A person shall not sell, give, or furnish a tobacco product to a minor. A person who violates this subsection is guilty of a misdemeanor punishable by a fine of not more than $50.00 for each violation.

(2) A person who sells tobacco products at retail shall post, in a place close to the point of sale and conspicuous to both employees and customers, a sign produced by the department of community health that includes the following statement:

"The purchase of tobacco products by a minor under 18 years of age and the provision of tobacco products to a minor are prohibited by law. A minor unlawfully purchasing or using tobacco products is subject to criminal penalties."

(3) If the sign required under subsection (2) is more than 6 feet from the point of sale, it shall be 5-112 inches by 8-1/2 inches and the statement required under subsection (2) shall be printed in 36-point boldfaced type. If the sign required under subsection (2) is 6 feet or less from the point of sale, it shall be 2 inches by 4 inches and the statement required under subsection (2) shall be printed in 20-point boldfaced type.

(4) The department of community health shall produce the sign required under subsection (2) and have adequate copies of the sign ready for distribution to licensed wholesalers, secondary wholesalers, and unclassified acquirers of tobacco products free of charge. Licensed wholesalers, secondary wholesalers, and unclassified acquirers of tobacco products shall obtain copies of the sign from the department of community health and distribute them free of charge, upon request, to persons who are subject to subsection (2). The department of community health shall provide copies of the sign free of charge, upon request, to persons subject to subsection (2) who do not purchase their supply of tobacco products from wholesalers, secondary wholesalers, and unclassified acquirers of tobacco products licensed under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436.

(5) It is an affirmative defense to a charge under subsection (1) that the defendant had in force at the time of arrest and continues to have in force a written policy to prevent the sale of tobacco products to persons under 18 years of age and that the defendant enforced and continues to enforce the policy. A defendant who proposes to offer evidence of the affirmative defense described in this subsection shall file and serve notice of the defense, in writing, upon the court and the prosecuting attorney. The notice shall be served not less than 14 days before the date set for trial.

(6) A prosecuting attorney who proposes to offer testimony to rebut the affirmative defense described in subsection (5) shall file and serve a notice of rebuttal, in writing, upon the court and the defendant. The notice shall be served not less than 7 days before the date set for trial and shall contain the name and address of each rebuttal witness.

(7) Subsection (1) does not apply to the handling or transportation of a tobacco product by a minor under the terms of that minor's employment.

YOUTH TOBACCO ACT (EXCERPT)
Act 31 of 1915

722.642 Prohibited conduct by minor; violation as misdemeanor; penalty; participation in health promotion and risk reduction assessment program; costs; community service; exceptions; other violations.

Sec. 2. (1) Subject to subsection (3), a minor shall not do any of the following:
(a) Purchase or attempt to purchase a tobacco product.
(b) Possess or attempt to possess a tobacco product.
(c) Use a tobacco product in a public place.
(d) Present or offer to an individual a purported proof of age that is false, fraudulent, or not actually his or her own proof of age for the purpose of purchasing, attempting to purchase, possessing, or attempting to possess a tobacco product.

(2) An individual who violates subsection (1) is guilty of a misdemeanor punishable by a fine of not more than $50.00 for each violation. Pursuant to a probation order, the court may also require an individual who violates subsection (1) to participate in a health promotion and risk reduction assessment program, if available. An individual who is ordered to participate in a health promotion and risk reduction assessment program under this subsection is responsible for the costs of participating in the program. In addition, an individual who violates subsection (1) is subject to the following:
(a) For the first violation, the court may order the individual to do 1 of the following:
(i) Perform not more than 16 hours of community service in a hospice, nursing home, or long-term care facility.
(ii) Participate in a health promotion and risk reduction program, as described in this subsection.
(b) For a second violation, in addition to participation in a health promotion and risk reduction program, the court may order the individual to perform not more than 32 hours of community service in a hospice, nursing home, or long-term care facility.
(c) For a third or subsequent violation, in addition to participation in a health promotion and risk reduction program, the court may order the individual to perform not more than 48 hours of community service in a hospice, nursing home, or long-term care facility.

(3) Subsection (1) does not apply to a minor participating in any of the following:
(a) An undercover operation in which the minor purchases or receives a tobacco product under the direction of the minor's employer and with the prior approval of the local prosecutor's office as part of an employer-sponsored internal enforcement action.
(b) An undercover operation in which the minor purchases or receives a tobacco product under the direction of the state police or a local police agency as part of an enforcement action, unless the initial or contemporaneous purchase or receipt of the tobacco product by the minor was not under the direction of the state police or the local police agency.
(c) Compliance checks in which the minor attempts to purchase tobacco products for the purpose of satisfying federal substance abuse block grant youth tobacco access requirements, if the compliance checks are conducted under the direction of a substance abuse coordinating agency as defined in section 6103 of the public health code, 1978 PA 368, MCL 333.6103, and with the prior approval of the state police or a local police agency.

(4) Subsection (1) does not apply to the handling or transportation of a tobacco product by a minor under the terms of that minor's employment.

(5) This section does not prohibit the individual from being charged with, convicted of, or sentenced for any other violation of law arising out of the violation of subsection (1).

To: Mayor and City Council  
From: Thomas A. Tanghe, City Manager, Mark Michling, and Manager of Public Utilities  
Submitted: May 5, 2015  
Subject: 2015 Bloomfield Orchards Subdivision, Water Main Replacement Bid Award and Construction Engineering Services

INTRODUCTION AND HISTORY
Budgeted in 2015 is $1.5 million for water main replacement. The water main replacement identified for this project is the sixth phase of the 2003 Bloomfield Orchards Water Main Replacement Master Plan. The cast iron main will be pipe burst and replaced with new 8” high-density polyethylene (HDPE) piping. In addition to the replacement water main, all fire hydrants and gate valves will be replaced as part of the project. Once existing service lines are connected to the new main, restoration will be completed. The proposed project limits for phase 6 (see included map) are:

- Binghampton from Provincetown to Sheffield
- Jamestown from Old Salem to Provincetown
- Old Salem from Provincetown to Jamestown
- Provincetown from Jamestown to Sheffield

On May 1, 2015 at 10:00 am the City Clerk’s office received four bids for the project and the tabulations were as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Total Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pamar Enterprises, Inc.</td>
<td>$1,130,665.42</td>
</tr>
<tr>
<td>Verdeterre Contracting, Inc.</td>
<td>$1,175,047.00</td>
</tr>
<tr>
<td>D.V.M. Utilities, Inc.</td>
<td>$1,649,251.15</td>
</tr>
<tr>
<td>Bidigare Contractors</td>
<td>$1,774,786.00</td>
</tr>
</tbody>
</table>

Attached for review and reference is the bid tab, a letter of recommendation, and the scope of construction services provided by OHM Advisors and Testing Engineering and Consultants (TEC). Engineering services for this project include construction staking, observation, engineering, administration, and geotechnical services. The services outlined above will be performed on a time-and-materials basis for the not-to-exceed amount of $85,500.00 for OHM and an estimated $4,000 for TEC.

STAFF RECOMMENDATION
Pamar Enterprises out of New Haven, Michigan is the low bidder for this project. They have over 32 years of experience in underground construction and have worked with the City of Auburn Hills on past projects. Based on our findings, we recommend award of this contract to Pamar Enterprises. Additionally, after reviewing the scope of engineering services, the staff recommends awarding the time and materials contract to OHM Advisors and TEC. There is adequate dollars in the 2015 Water Fund to complete this project.
MOTION
Move to approve the award of the Bloomfield Orchards Water Main Replacement Project to Pamar Enterprises 58021 Gratiot, New Haven, Michigan 48048 in the amount of $1,130,665.42. Engineering services for the not to exceed amount of $85,500.00 to OHM Advisors and material testing fees in the estimated amount of $4,000.00 to Testing Engineering and Consultants. Funding provided from account number (592-536-977.001-BMLORCHWTRMN).

I CONCUR: ________________________________

            THOMAS A. TANGHE, CITY MANAGER
## 2015 Bloomfield Orchards Water Main Replacement

City of Auburn Hills, Oakland County, Michigan

OHM Job No.: 0120-14-0450

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Estimated Quantity</th>
<th>Unit Price</th>
<th>Unit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1)</td>
<td>Mobilization, Max $60,000</td>
<td>1 LS</td>
<td>$60,000.00</td>
<td>$60,000.00</td>
</tr>
<tr>
<td>2)</td>
<td>Erosion Control</td>
<td>1 LS</td>
<td>$3,500.00</td>
<td>$3,500.00</td>
</tr>
<tr>
<td>3)</td>
<td>Traffic Maintenance and Control, Max $15,000</td>
<td>1 LS</td>
<td>$15,000.00</td>
<td>$15,000.00</td>
</tr>
<tr>
<td>4)</td>
<td>Audio Video Route Survey</td>
<td>1 LS</td>
<td>$3,000.00</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>5)</td>
<td>Exploratory Trench</td>
<td>6 Ea</td>
<td>$500.00</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>6)</td>
<td>Tree, Rem, 6 inch to 18 inch</td>
<td>4 Ea</td>
<td>$500.00</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>7)</td>
<td>Stump, Rem</td>
<td>4 Ea</td>
<td>$150.00</td>
<td>$600.00</td>
</tr>
<tr>
<td>8)</td>
<td>Dr Structure, Rem</td>
<td>2 Ea</td>
<td>$450.00</td>
<td>$900.00</td>
</tr>
<tr>
<td>9)</td>
<td>Temporary Bank of Mailboxes</td>
<td>4 Ea</td>
<td>$200.00</td>
<td>$800.00</td>
</tr>
<tr>
<td>10)</td>
<td>Post Mailbox, Remove and Reset</td>
<td>18 Ea</td>
<td>$50.00</td>
<td>$900.00</td>
</tr>
<tr>
<td>11)</td>
<td>Sign, Remove and Reset</td>
<td>5 Ea</td>
<td>$50.00</td>
<td>$250.00</td>
</tr>
<tr>
<td>12)</td>
<td>Pavt, Rem</td>
<td>834 Syd</td>
<td>$19.78</td>
<td>$16,496.52</td>
</tr>
<tr>
<td>13)</td>
<td>Sidewalk, Rem</td>
<td>676 Syd</td>
<td>$15.93</td>
<td>$10,768.68</td>
</tr>
<tr>
<td>14)</td>
<td>Videotape Sanitary Leads</td>
<td>67 Ea</td>
<td>$250.00</td>
<td>$16,750.00</td>
</tr>
<tr>
<td>15)</td>
<td>Repair 6&quot; HDPE Sump Line, Trench A</td>
<td>5 Ea</td>
<td>$550.00</td>
<td>$2,750.00</td>
</tr>
<tr>
<td>16)</td>
<td>Repair 2&quot; HDPE Sump Lead</td>
<td>5 Ea</td>
<td>$20.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>17)</td>
<td>Repair 6&quot; Sanitary Service Lead, Trench A</td>
<td>5 Ea</td>
<td>$550.00</td>
<td>$2,750.00</td>
</tr>
<tr>
<td>18)</td>
<td>Underdrain, Subgrade, 6 inch</td>
<td>50 Ft</td>
<td>$25.00</td>
<td>$1,250.00</td>
</tr>
<tr>
<td>19)</td>
<td>Frame and Cover, Reset</td>
<td>2 Ea</td>
<td>$550.00</td>
<td>$1,100.00</td>
</tr>
<tr>
<td>20)</td>
<td>Dr Structure, 48 inch dia</td>
<td>2 Ea</td>
<td>$3,000.00</td>
<td>$6,000.00</td>
</tr>
<tr>
<td>21)</td>
<td>Sewer, CI E, 12 inch, Tr Det A</td>
<td>177 Ft</td>
<td>$77.00</td>
<td>$13,629.00</td>
</tr>
<tr>
<td>22)</td>
<td>Sewer, CI E, 15 inch, Tr Det A</td>
<td>50 Ft</td>
<td>$78.00</td>
<td>$3,900.00</td>
</tr>
<tr>
<td>23)</td>
<td>Maintenance Aggregate, 21 AA</td>
<td>65 Ton</td>
<td>$30.00</td>
<td>$1,950.00</td>
</tr>
<tr>
<td>24)</td>
<td>Aggregate Base, 21 AA Limestone</td>
<td>358 Ton</td>
<td>$30.00</td>
<td>$10,740.00</td>
</tr>
<tr>
<td>25)</td>
<td>Conc Pavt Misc, Nonreinf</td>
<td>630 Syd</td>
<td>$108.00</td>
<td>$68,040.00</td>
</tr>
<tr>
<td>26)</td>
<td>Driveway, Nonreinf Conc, 6 inch</td>
<td>204 Syd</td>
<td>$80.00</td>
<td>$16,320.00</td>
</tr>
<tr>
<td>27)</td>
<td>Sidewalk, Conc, 4 inch</td>
<td>4185 Sft</td>
<td>$8.00</td>
<td>$33,480.00</td>
</tr>
<tr>
<td>28)</td>
<td>Sidewalk, Conc, 6 inch</td>
<td>1885 Sft</td>
<td>$8.10</td>
<td>$15,268.50</td>
</tr>
<tr>
<td>29)</td>
<td>Detectable Warning, ADA</td>
<td>100 Ft</td>
<td>$55.00</td>
<td>$5,500.00</td>
</tr>
<tr>
<td>30)</td>
<td>Gate Well,Rem</td>
<td>13 Ea</td>
<td>$350.00</td>
<td>$4,550.00</td>
</tr>
<tr>
<td>31)</td>
<td>Hydrant, Rem</td>
<td>9 Ea</td>
<td>$350.00</td>
<td>$3,150.00</td>
</tr>
<tr>
<td>32)</td>
<td>Temporary Water Supply System</td>
<td>5769 Ft</td>
<td>$0.12</td>
<td>$692.28</td>
</tr>
<tr>
<td>33)</td>
<td>Water Main, HDPE DR-11, 8 inch, Pipe Bursting Method</td>
<td>5002 Ft</td>
<td>$90.00</td>
<td>$450,180.00</td>
</tr>
<tr>
<td>34)</td>
<td>Water Main, HDPE DR-11, 8 inch Open Cut</td>
<td>268 Ft</td>
<td>$95.00</td>
<td>$25,460.00</td>
</tr>
<tr>
<td>35)</td>
<td>Fire Hydrant</td>
<td>11 Ea</td>
<td>$6,700.00</td>
<td>$73,700.00</td>
</tr>
<tr>
<td>36)</td>
<td>Gate Valve and Well, 8 inch</td>
<td>11 Ea</td>
<td>$6,900.00</td>
<td>$79,900.00</td>
</tr>
<tr>
<td>37)</td>
<td>Launching Pit/Retrieval Pit, Complete</td>
<td>40 Ea</td>
<td>$0.12</td>
<td>$4.80</td>
</tr>
<tr>
<td>38)</td>
<td>Connection to Existing Water Main</td>
<td>7 Ea</td>
<td>$2,500.00</td>
<td>$17,500.00</td>
</tr>
<tr>
<td>39)</td>
<td>Water Service, Type K Copper 3/4 inch, Jumper</td>
<td>126 Ea</td>
<td>$700.00</td>
<td>$88,200.00</td>
</tr>
<tr>
<td>40)</td>
<td>Water Service, Type K Copper 3/4 inch, Short</td>
<td>8 Ea</td>
<td>$950.00</td>
<td>$7,600.00</td>
</tr>
<tr>
<td>41)</td>
<td>Water Service, Type K Copper 3/4 inch, Long</td>
<td>8 Ea</td>
<td>$1,450.00</td>
<td>$11,600.00</td>
</tr>
<tr>
<td>42)</td>
<td>Curb Stop and Box, 3/4 inch</td>
<td>10 Ea</td>
<td>$250.00</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>43)</td>
<td>Top Soil and Sod, 2 inch</td>
<td>1448 Syd</td>
<td>$18.79</td>
<td>$27,207.92</td>
</tr>
</tbody>
</table>

**TOTAL BID AMOUNT**

$1,130,665.42

$1,175,047.00

$1,649,251.15

$1,774,786.00

**CORRECTIONS**

1. Bidder's multiplication error was corrected.
2. Bidder's total was adjusted to reflect correction.

Prepared by OHM Advisors

Page 1 of 1

5/1/15
May 1, 2015

Thomas Tanghe
City Manager
CITY OF AUBURN HILLS
1827 N. Squirrel Road
Auburn Hills, MI 48326

RE: 2015 Bloomfield Orchards Subdivision
Water Main Improvements, Phase VI
Letter of Recommendation

Dear Mr. Tanghe:

On May 1, 2015 at 10:00 am, a total of four bids were received for the above referenced project. The four bidders are as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Total Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pamar Enterprises, Inc.</td>
<td>$1,130,665.42</td>
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</tr>
<tr>
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<td>$1,649,251.15</td>
</tr>
<tr>
<td>Bidigare Contractors</td>
<td>$1,774,786.00</td>
</tr>
</tbody>
</table>

The project scope consists of replacing existing cast iron water main with new 8” High-Density Polyethylene (HDPE) water main installed via pipe bursting method, along a section of Provincetown and the length of Binghamton, Jamestown and Old Salem.

Pamar Enterprises, Inc. out of New Haven, Michigan is the low bidder for this project. They have many years of experience in similar construction and have completed 4 of the 5 previous phases of water main replacement within the Bloomfield Orchards Subdivision, including last year’s project. Based on our findings, we recommend award of this contract to them in the amount of $1,130,665.42 per the unit prices listed on the bid.

Digital files of this letter and a bid tabulation have been emailed to your office. If you have any questions or require additional information, please feel free to contact this office.

Sincerely,

OHM Advisors

Timothy J. Juidici, P.E.

cc: Jeff Herczeg, Deputy Director of Public Works
    Terri Kowal, City Clerk
    Rinaldo Acciavatti, President, Pamar Enterprises Inc., 58021 Gratiot Ave. New Haven, MI 48048
    File
SEVEN PHASE PLAN
May 1, 2015

City of Auburn Hills
1500 Brown Road
Auburn Hills, MI 48326

Attention: Mr. Ronald Melchert
Director of Public Works

Regarding: 2015 Bloomfield Orchards Water Main Improvements (Phase VI)
Scope of Construction Services

Dear Mr. Melchert:

Outlined below is a Scope of Work for construction services to be provided by OHM Advisors for the above referenced project.

PROJECT UNDERSTANDING

It is our understanding that the City of Auburn Hills plans to move forward with the construction phase of the 2015 Bloomfield Orchards Water Main Improvements project for which bids were received on Friday, May 1, 2015. The proposed project consists of replacing existing cast iron water mains with new 8” High-Density Polyethylene (HDPE) water main, along Binghampton, Jamestown, Old Salem, and a section of Provincetown. The proposed water main will be constructed via pipe bursting installation.

SCOPE OF SERVICE

Construction Engineering / Observation

Under this task the project team will observe the construction efforts on the project and assist with any necessary field changes to successfully complete the work. Specific work efforts include:

• Provide daily observation of work. Full-time inspection will be provided for all temporary water main construction, water service switch over, water main installation, gate valve and well installation, pavement removal and replacement, sidewalk replacement and restoration.
• Produce daily field reports documenting construction activities and pay item quantities.
• Prepare and provide the Contractor with a list of required submittals and review shop drawings, construction schedules, materials certifications, and other submittals.
• Address Contractor’s construction concerns and resolve conflicts with the executed contract specifications.
• Attend to Resident concerns throughout the project.
• Review Contractor’s progress on the project to ensure that the work is in compliance with the proposed schedule.
**Contract Administration**

Under this task, the project team will complete services necessary to administer the contract. Specific work efforts include:

- Coordination with the Contractor and City to execute the contract documents.
- Arrange and host one (1) public meeting with area residents within the influence of the project.
- Arrange and attend one (1) pre-construction meeting prior to the start of the project.
- Provide three (3) signed copies of the contract documents to the City, one (1) to the Clerk’s office and one (1) to the DPW, one (1) for OHM records.
- Prepare monthly construction pay estimates and process contract change orders (if required).
- Request and collect contractor’s declaration, contractor’s affidavit, waivers from major suppliers and subcontractors, release of surety, and release from other public agencies for which permits have been obtained under this contract.

**Construction Survey Layout**

This task will involve performing construction staking for the proposed work. Specific work efforts include:

- Establish on-site survey control to be utilized during the construction of the project.
- Provide required construction staking for gate valve and hydrant locations. We have included effort required to provide one complete set of off-set stakes for the contract items indicated.
- Collect as-built location of gate valve and hydrants and transfer coordinates to GIS data base.

**SCHEDULE**

Based on the Council meeting schedule, we anticipate that the project award would be approved at the May 11th Council meeting and construction on the project would begin in June. The project is expected to be completed in September.

**COMPENSATION**

The services outlined above will be performed on a time-and-materials basis for the not-to-exceed amount of eighty-five thousand five hundred dollars ($85,500.00). This amount is based on the assumptions listed below. The City will be invoiced for services on a monthly basis. The estimated budget breakdown is as follows:

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Engineering/Observation</td>
<td>$ 65,500</td>
</tr>
<tr>
<td>Contract Administration</td>
<td>$ 16,000</td>
</tr>
<tr>
<td>Construction Survey Layout</td>
<td>$  4,000</td>
</tr>
<tr>
<td><strong>Construction Services Total</strong></td>
<td><strong>$ 85,500</strong></td>
</tr>
<tr>
<td>Materials Testing Services (TEC)</td>
<td>$  4,000</td>
</tr>
</tbody>
</table>

**FURTHER CLARIFICATIONS AND ASSUMPTIONS**

The above-listed scope of services was prepared with the following assumptions.

- The City will be responsible for all permit fees.
- Materials testing will be provided by Testing Engineers and Consultants (TEC) under a separate contract and is not included in this scope of construction services. An estimated amount for this service has been provided above for your information.
Should you find this agreement acceptable, please execute both copies and return one copy to us for our files. We look forward to providing professional services on this project. If you have any questions, please contact us.

Sincerely,

**OHM Advisors**

Timothy J. Judici, P.E.
Client Representative

cc: Jeff Herczeg, Deputy Director of Public Works
    Mark Michling, Manager of Public Utilities
    Nicholas Bayley, OHM Advisors

City of Auburn Hills
2015 Bloomfield Orchards Water Main Improvements, Phase VI

Accepted By:_________________________________________________________

Printed Name:_______________________________________________________

Title:_______________________________________________________________

Date:_______________________________________________________________
INTRODUCTION
On August 18, 1995, the City entered into a ground lease with Verizon Communications Inc. (f.k.a., Detroit Cellular Company), which allowed Verizon to locate, construct, and utilize a communications monopole antenna tower and equipment building on the Civic Center site. This site is located at 3303 Seyburn Drive and is known as “Tower #1.”

In accordance with that agreement, the City must sign-off on the assignment of the lease to a new owner; although cannot unreasonably withhold consent.

The City Council is being requested to consent to the assignment of the lease (“sublease”) from Verizon to American Tower Corporation with American Tower agreeing to assume and perform all of the obligations required under the original lease, as amended, and allow Verizon to operate on the site (“leaseback”).

In other words, Verizon is allowing American Tower to manage and operate its tower and as part of the transaction Verizon is leasing space on the tower and paying American Tower for its space on the tower. That is what is was meant by the term leaseback. Verizon will stay as a tenant on the tower and pay rent to American Tower as the manager and operator of the tower. Beginning in August 2015, lease payments to the City of Auburn Hills will be paid by American Tower.

STAFF RECOMMENDATION
City Attorney Beckerleg has reviewed the request and staff does not object to the assignment of the lease.

MOTION
“Move to direct the City Manager to sign the consent request from American Tower Corporation. This action authorizes the assignment of the lease agreement between the City of Auburn Hills and Verizon Communications Inc. to American Tower Corporation at 3303 Seyburn Drive.”

I CONCUR: _______________________
THOMAS A. TANGHE, CITY MANAGER
March 02, 2015

City of Auburn Hills  
Finance Department  
1827 N. Squirrel Road  
Auburn Hills, MI 48326

Re: Notice of and consent to sublease of Ground Lease 22415 ("Ground Lease") and subsequent leaseback of a portion of Site 138961, located at 3303 Seyburn Blvd., Auburn Hills, MI 48326 (the "Site")

Dear City of Auburn Hills:

On February 5, 2015, Verizon Communications Inc. ("Verizon") entered into an agreement ("Agreement") with American Tower Corporation ("American Tower") regarding a portion of Verizon’s tower portfolio (the "Portfolio"), including the right for American Tower to manage and operate the Portfolio. Your Ground Lease and the Site associated with the Ground Lease are part of the Portfolio.

American Tower and Verizon expect the initial transactions contemplated under the Agreement ("Transaction") to close on or before May 1, 2015. As part of the Transaction, Verizon’s affiliate party to the Ground Lease will: (i) sublease the Ground Lease to American Tower or one of its affiliates and (ii) leaseback a portion of the Site from American Tower or one of its affiliates and retain certain rights to continue using such portion of the Site (such sublease and leaseback hereinafter referred to as the "Ground Lease Sublease and Leaseback").

The purpose of this letter is to provide notice of and request your consent to the Ground Lease Sublease and Leaseback. Please sign below and return this letter to us in the enclosed self-addressed pre-paid envelope. Thank you for your cooperation and prompt attention to this matter. If you have any questions, please call 877-362-1658 or send an email to land@AmericanTower.com.

Sincerely,

[Signature]

Justine D. Paul

ATC Site Number: 412731
ATC Lease Number: VZL22415
VZ Site Number: 138961
VZ Lease Number: 22415
March 18, 2015

Re: Consent to Sublease of Ground Lease ("Ground Lease") and Subsequent Leaseback of a Portion of Communications Site ("Site")

Dear Landlord:

As you know, on February 5, 2015, Verizon Communications Inc. ("Verizon") entered into an agreement ("Agreement") with American Tower Corporation ("American Tower") regarding a portion of Verizon’s tower portfolio (the "Portfolio"). Your Ground Lease and the Site associated with the Ground Lease are part of the Portfolio.

As part of the transaction, the Verizon entity that is party to the Ground Lease may: (i) sublease the Ground Lease to American Tower or one of its affiliates and (ii) lease back a portion of the Site from American Tower or one of its affiliates and retain certain rights to continue using such portion of the Site (such sublease and lease back hereinafter referred to as the "Ground Lease Sublease and Leaseback").

Recently, you received notice of or a request to consent to the Ground Lease Sublease and Leaseback. Please work with American Tower on any questions you may have about the Agreement or your Ground Lease. We would also like to confirm that the Ground Lease will remain unchanged after the Ground Lease Sublease and Leaseback becomes effective. Please accept this letter as confirmation that the Ground Lease Sublease and Leaseback and your consent thereto will not change the current status of your Ground Lease nor any of the terms, conditions, rights or responsibilities set forth therein.

If you have additional questions, please call (877)362-1658 or send an email to land@AmericanTower.com. If, however, the above information has satisfactorily answered your remaining questions, we ask that you please sign the letter acknowledging your consent to the Ground Lease Sublease and Leaseback.

Sincerely,

Cellco Partnership d/b/a Verizon Wireless

By: [Signature]
Margaret Salemi
Executive Director

The undersigned consents to the Ground Lease Sublease and Leaseback as set forth above.

[Landlord Name]

By: __________________________
Print Name: __________________________
Title: __________________________
Date: __________________________

COI-221517140v2
Meeting Date: May 11, 2015

To: Mayor and City Council
From: Thomas A. Tanghe, City Manager and Jeffrey Herczeg, Deputy Director of Public Works
Submitted: May 7, 2015
Subject: Motion – Approve North Oakland County Water Authority (NOCWA) Legal Services

Introduction and History
The North Oakland County Water Authority (NOCWA) issued a Request for Proposals to provide legal services on an as-needed basis for services that will include, but are not limited to: public works services, contract negotiations, Open Meetings Act compliance, municipal matters, and public projects. The contract will begin at the time of execution and continue for one (1) year with the option to renew for additional years per the NOCWA Board. On February 4th, 2015 NOCWA received proposals from eight legal firms which were the evaluated by the appointed NOCWA Finance Committee based on experience, relevant qualifications, depth of stability, accessibility, and cost. The top four scoring firms were then interviewed by the same committee and based on those interviews the final tally was established as follows:

<table>
<thead>
<tr>
<th>Firm</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secrest Wardle</td>
<td>243</td>
</tr>
<tr>
<td>Johnson, Rosati, Schultz &amp; Joppich, P.C.</td>
<td>242</td>
</tr>
<tr>
<td>Cummings, McClorey, Davis &amp; Acho, PLC</td>
<td>231</td>
</tr>
<tr>
<td>Hafeli Staran Christ P.C.</td>
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Based on the Finance Committee recommendation, on May 7th, 2015 the NOCWA Board voted unanimously to award the Legal Services contract to Secrest Wardle. The lead attorney assigned to NOCWA is Derk W. Berkerleg Esq., Executive Partner and Managing Partner of the Municipal Law Practice Group for Secrest Wardle. Mr. Beckerleg has over 30 years of municipal experience, participated in drafting (on behalf of Auburn Hills) the NOCWA agreement and bylaws, and was integral in community negotiations with Detroit Water and Sewer Department on the existing model service contracts.

The City of Rochester Hills as the acting fiduciary for NOCWA, will be issuing the payments to Secrest Wardle on behalf of NOCWA. In turn, Rochester Hills will then invoice each of the other three (3) communities an equal share of all NOCWA engineering service costs incurred. It is expected that legal services for NOCWA will not exceed $10,000 per year, or $2,500 annual share from each NOCWA member. There is adequate funding in the 2015 Approved Budget, as well as the projected budgets for 2016-2019, Water Fund GL# 592-536-817.000 for consultant services.

Staff Recommendation
Per NOCWA bylaws, "All contracts entered into by the Authority must be approved by the governing bodies of all Authority members." Therefore, it is recommended that City Council approve award of a contract to Secrest Wardle for Legal Services to NOCWA.

Motion
Move to approve award of a contract to Secrest Wardle of Troy, Michigan for legal services to NOCWA for the as-needed amount of $150.00 per hour for the term of one year beginning May 7, 2015, with an option to renew for additional years per the NOCWA Board.
I CONCUR: ________________________________

THOMAS A. TANGHE, CITY MANAGER
Oakland University's sixth president

George Hynd addresses the audience after his investiture as president of Oakland University. Sitting behind him, at left, is the previous Oakland president, Cary Russi. Hynd had been provost and executive vice president of the College of Charleston from 2010 to 2014.

Auburn Hills hosting meeting on methane investigation

A May 12 informational meeting being organized by the City of Auburn Hills will allow discussion over a proposed methane gas investigation, according to the Auburn Hills Development blog. The meeting will be hosted by the city's planning commission in tandem with the Brownfield Redevelopment Authority at 7 p.m. in the Robert W. Grusnick Public Safety Building.

The purpose of the investigation stems from a report by Michigan Department of Environmental Quality experts over increased methane readings in subsurface wells on properties surrounding the southeast corner of Dutton and Bald Mountain Roads. Evaluation is needed to determine the potential source of the methane as well as its distribution.

Environmental testing is planned in the coming months. As of now, the methane levels pose no significantly dangerous threat, but the study will seek to determine what conditions may exist.

Methane is a colorless, odorless and potentially flammable gas widely abundant in nature, created by decomposing bacteria in absence of oxygen. Methane can become explosive and/or suffocating and can migrate underground as well as into enclosed spaces.

The Robert W. Grusnick Public Safety Building is located in the City of Auburn Hills campus at 1827 N. Squirrel Road.

— Staff writer David Grocki
AUBURN HILLS

U.S. Senator Peters asks Oakland graduates to ‘give back’ to community

By Aftab Boruka
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@aftabboruka on Twitter

Addressing a crowd full of fresh graduates, family members and students, U.S. Senator from Michigan Gary Peters asked the Oakland University's graduating students to “give back” to their communities as they walk out with their degrees.

Peters gave his commencement speech to the classes of the university’s School of Business Administration, School of Education and Human Services and the School of Engineering and Computer Science on Saturday at the campus.

“Twee the next generation of creative leaders and independent thinkers. And now more than ever - we need you to go back to your community,” he said to a cheering crowd.

Peters acknowledged Oakland University’s role in producing great talent for the future.

“It is fitting that this university—which was made possible by the innovation and success of the American auto industry—is now responsible for training the engineers and innovators who will design and build not just the engines and transmissions of tomorrow’s cars, but the computers and technology that will make them cleaner, more efficient, safer - and soon - even driving themselves,” he said.

The senator said in the fast changing world people really have to be ready to embrace change and new technology.

“I am very hopeful,” Peters said when asked about the future of the graduating students in the workforce. “It’s exciting with what’s happening and as technology advances. But I think you have to embrace that and change can sometimes be difficult for people. So it’s important to embrace change.”

At the end of his speech, his message to the students was to “work hard” and “play by the rules” to achieve their American dream.

“Now more than ever, we need you to keep this dream alive. We need you to stand up and fight to make this dream a reality - not just for some Americans - but for every American,” he said. “We need you to make your voices heard so that the Oakland graduates of the future will be able to head out into a world full of promise.”
AUBURN HILLS

New Oakland University president seeks transparency

By Paul Kampe
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@paulkampe on Twitter

Oakland University will inaugurate its sixth president Wednesday, April 29 — making him the school’s first new leader in almost 20 years.

The Rochester area school’s new president, George Hynd, was provost and executive vice president of academic affairs at the College of Charleston (S.C.), a school with more than 11,000 students, and is also the former

CU » PAGE 5
Preparations are underway for Oakland University president George Hynd’s inauguration April 29 at the O’rena.

Even if on-campus living does not appeal to all students, Hynd also plans to increase the availability of online courses.

“It concerns me the average student is spending three to four hours commuting that could be spent studying or spent participating in student life,” he said.

He is also tasked with continuing to grow the school’s student body size while retaining small school appeal in what he refers to as “the Goldilocks zone.” The term actually came from a student, Hynd said, who was describing why she chose to transfer to Oakland from the University of Michigan.

“She felt she was just going to be a number there,” Hynd said. “She toured (Oakland) and immediately loved it (because) it wasn’t too big or too small. I’ve been quoting her since.”

Specifically, Hynd hopes to see growth between 1 and 1.5 percent each year.

Athletic success could also figure into Hynd’s legacy, he said, noting he has spoken with new director of athletics Jeff Konya about the role the school’s Division I athletics — in particular men’s basketball — will play in student life and the school’s academic recruiting efforts.

“We want students to feel they can have the full university experience and that includes athletics,” he said.

In a recent Twitter question-and-answer session with students and alumni, Hynd recalls being surprised by the number of questions regarding football — the school’s club-level football team recently won a national championship in just its second season, but the school does not sponsor it as a varsity sport.

Hynd is also well-versed on the academic history of the school, which began as an extension of Michigan State University in 1957, noting founder Matilda Dodge Wilson’s insistence on incorporating the liberal arts into the foundation of the school’s academic programs.

“This institution started at a different place than others,” he said. “(She) wanted to build curriculum based on liberal arts that would be considered innovative.”

Last summer, Hynd signed a three-year contract worth $400,000 in annual base compensation and other perks to become Oakland University’s next president.

The school of more than 20,000 students has been without a permanent leader since former president Gary Russi resigned in 2013, which he announced just hours after his wife, longtime women’s basketball coach Beckie Francis, was fired.

Longtime Oakland University executive Betty Youngblood was appointed to lead the university on an interim basis for about a year before Hynd was hired in July 2014. He took office a month later.
Avondale splits doubleheader with Bloomfield Hills

By Keith Dunlap
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AUBURN HILLS — Some splits of doubleheaders are better than others, a fact the Auburn Hills Avondale baseball team knows full well given what happened on Monday in an Oakland Activities Association Blue Division twinbill against Bloomfield Hills.

Avondale got mercied in the first game, 11-0, all while seeing the opposing pitcher throw a five-inning perfect game, committed 10 errors combined for the two games and trailed by two runs with two outs in the bottom of the seventh in the second game.

But thanks to a stunning two-out rally that produced three runs, Avondale was able to walk off its on field on even terms with Bloomfield Hills following a 10-9 win in the nightcap, a literal terms since Avondale has lights on its field and the game ended with them on.

The big blow came from No. 9 hitter Chris Andrus, a junior who laced a 2-run double with two outs to the gap in right-center for the game-winning runs.

The game-winner came after an RBI single with two outs from the No. 8 hitter, sophomore Matt Moy, but it came as no surprise to Avondale head coach Tom Kurczewski that...
Oakland University officials considering Dodge Museum, alumni center for presidential residence

Dodge Museum, alumni center among options

By Paul Kampe, The Oakland Press

Wednesday, May 6, 2015

Officials from Oakland University met Wednesday afternoon to explore potential future uses for a campus residence the Rochester-area school maintains for its presidents.

Since 1974, the school’s Sunset Terrace residence, which was built as a retirement and guest home for the school’s benefactors, Alfred and Matilda Wilson in 1953, has been designated as the school’s presidential residence.

Some of the school’s previous five presidents have lived in the home, while others, like new president George Hynd, have lived off campus.

Potential new concepts for the home include a development and alumni center as well as a Dodge Museum.

View photos inside Sunset Terrace

The home’s curved design is well-suited for a seasonal museum dedicated to the history of the Dodge brothers, according to officials. The museum would be the first of its kind and would also help show the school’s historical roots.

John Dodge, co-founder of Dodge Brothers Motor Cars, was the first husband of Oakland University co-founder Matilda Dodge Wilson. He and brother Horace Dodge are the namesakes of the school’s Dodge Hall of Engineering.

“Most would agree it’s important to share Oakland’s founding story,” Meadow Brook Hall director Geoffrey Upward said while presenting the proposal.

The Dodge Museum complex would also feature a Dodge Institute which would house company archives and an above-ground time capsule containing historical company artifacts.

A Dodge Garage would provide a mentoring workshop where at-risk youth can learn to repair and maintain vintage Dodge vehicles.
Renovations needed to transform the home into a museum complex could cost as much as nearly $910,000, to be funded by Meadow Brook Hall and a $250,000 grant from the Chrysler Foundation.

The facility could also be rented out for events, officials said.

A potential Alumni House would serve as a welcome center for the school’s more than 100,000 graduates unlike what the school currently offers.

“We see this as an extension of (Matilda Dodge Wilson’s) legacy,” vice president for community engagement Eric Barritt said.

The center could provide a “front door” for alums to return to the ever-changing campus, documents detailing the proposal read. They also note current alumni events are scattered throughout the campus.

“There’s some great spaces (in Sunset Terrace) for hosting meetings and events,” Barritt added. “The possibility for events here is endless.”

The estimated renovation is not expected to impact the structure of the building and the cost for the project could be just over $600,000.

The committee is also expected to consider continuing to use the home as the presidential residence. Doing so could require as much as $1.2 million in renovations and upgrades.

Demolishing the building and returning the land to a natural state at an estimated cost of $250,000 was also briefly mentioned.

There is no timetable for the committee to make a recommendation to the school’s board of trustees on which direction to pursue, treasurer John Beaghan said.

Sunset Terrace has been vacant for nearly two years since former school president Gary Russi resigned in 2013.

The home was used as a conference center from 1986 to 1992 and had been used as a guest home and for entertaining by previous presidents.

Since 1992, though, it has been home to the school’s two previous presidents.

The more than 12,000-square-foot Sunset Terrace was modeled after prairie homes designed by Frank Lloyd Wright and is located on the eastern side of the sprawling suburban campus and far removed from academic facilities.