

CONTRACT FOR CITY MANAGER

IT IS HEREBY AGREED by and between the **CITY OF EASTPOINTE** (hereinafter referred to as "**CITY**"), and **DARWIN D. PARKS** (hereinafter referred to as "**MANAGER**"), that the **CITY OF EASTPOINTE** shall employ **DARWIN D. PARKS** as its City Manager, subject to the terms and conditions set forth herein.

I. DUTIES

The Manager shall perform all duties assigned that are legal and within the scope of employment as provided in the City Charter, any applicable ordinance, or as determined by the City Council for the efficient management of the **CITY**. The Manager is expected to comply with the Code of Ethics of the International City/County Management Association. The Manager shall serve at the pleasure of the City Council and his employment may be terminated at anytime by a majority vote of the City Council with or without cause.

II. TERM

The Manager's present term of employment shall begin on July 1, 2009 and shall expire on June 30, 2011. No later than one year into the contract the City Council and the Manager will determine if an extension of this agreement shall take place for an additional one or two years.

III. TERMINATION AND SEVERANCE PAY

In the event the Manager is terminated by the City and the Manager is willing and able to perform the duties of Manager, the City agrees to pay the Manager a lump sum cash payment equal to six (6) months salary, plus all accrued and unused vacation time at the Manager's current rate of pay and medical benefits only. Medical benefits are defined as health insurance benefits, but not dental insurance and optical insurance.

In the event that the Manager has a multiple year contract and Council gives at least one year advance notice of the intent not to renew the contract, the severance provision will not apply.

However, in the event the Manager voluntarily resigns, retires or is terminated because of a conviction of any illegal act involving personal gain to him, the City will have no obligation to provide and pay the lump sum benefits set forth above.

In the event a one year contract is negotiated, the City shall pay the six (6) months' severance indicated above to the Manager if the contract is not extended.

IV. COMPENSATION

The Manager's salary shall be \$101,112.00 per annum for the contract term beginning July 1, 2009 and \$104,145 per annum for the contract term beginning July 1, 2010. The Manager's salary shall be annually reviewed by City Council during the time of budget review and adoption in accordance with performance standards and evaluation criteria. The review shall take into consideration City Manager performance, comparable salary information from other Michigan cities, the duties and responsibilities

carried out by the City Manager, and other relevant pay and benefit data. It is agreed that at all times the City Manager shall have the highest base salary of any employee in the City.

V. PERFORMANCE STANDARDS AND EVALUATIONS

The City Council shall annually formally evaluate the performance of the Manager. Annually, the Council and Manager shall define the goals and performance objectives to be achieved. This evaluation shall be completed prior to June 30, 2010.

VI. HOURS OF WORK

The minimum work week shall be forty (40) hours and there shall be no added compensation for hours worked longer than forty (40) hours per week. The Manager's scheduling of time at work at municipal facilities, meetings and events is expected to be without maximum limitation and shall meet the needs of the City, its businesses and inhabitants. The City shall be the Manager's exclusive employer, except as may be approved by the City Council. The Manager shall not be paid any compensatory time.

VII. AUTOMOBILE

The City shall provide the Manager with \$515.00 per month automobile allowance inclusive of all costs associated with the vehicle, such as leasing, insuring, maintaining, repairing and mileage. The Manager shall drive a vehicle that properly represents the community.

VIII. FRINGE BENEFITS

The City shall provide the Manager with the following employee fringe benefits as set forth in Section 7 of the Administrative Rules and Regulations of the City of Eastpointe. Those benefits are:

- A. Life Insurance (§7.01);
- B. Sickness and Accident Benefits (§7.03);
- C. Optical Insurance (§7.04);
- D. Dental Insurance (§7.06);
- E. Liability Insurance (§7.07);
- F. Educational Assistance (§7.09);
- G. Flexible Benefits Program (§7.14);
- H. Employee Assistance Program (§7.15);

The City shall pay full premium for a core health insurance plan as follows:

- Blue Cross/Blue Shield Community Blue PPO Plan 2 with a \$15/\$30 co-pay for prescription drugs (see Exhibit A).

In addition, the Manager may choose annually, at the time of open enrollment, alternative coverage under the terms specified below for one of the following additional options:

- Option A. Health Alliance Plan with a \$15/\$30 co-pay for prescription drugs and a \$10 office co-pay.
- Option B. Blue Cross/Blue Shield Community Blue PPO Plan 1 with a \$15/\$30 co-pay for prescription drugs.

- Option C. If allowed by the carrier, the Manager may select coverage under one of the following additional options:
 1. Health Alliance Plan with \$5 co-pay for prescription drugs and a \$0 office co-pay; or
 2. Health Alliance Plan with a \$15/\$30 co-pay for prescription drugs and \$0 office co-pay.

In the event the premium rate for an option selected by the Manager is higher than the premium rate for the core plan, the Manager shall pay the difference between the premium rate of the core plan and the selected option. The Manager shall sign an appropriate authorization and make such payment through payroll deductions.

The City shall pay the sum of two hundred dollars (\$200) per month, paid annually, to the Manager if he rejects said medical insurance in lieu of medical insurance provided to a spouse. In the event that medical insurance provided to a spouse becomes unavailable after the election of this option, the City guarantees to provide the Manager with his elected option for health insurance coverage as set forth above at the beginning of the next calendar month after the Manager notifies the City, in writing, that the medical insurance provided to a spouse is no longer available.

IX. RETIREMENT

The Manager shall be removed from the City of Eastpointe Employees Retirement System and shall, instead participate in a defined contribution retirement program. The City shall contribute to the program on behalf of the Manager an amount equal to twelve percent (12%) of the Manager's base salary to be paid bi-weekly at the same time as normal payroll. The Manager shall have the option to have contributions distributed to one or more of the following types of accounts: IRS Section 457 deferred compensation account through ICMA; IRS Section 401(a) defined contribution program through ICMA; and/or an Individual Retirement Account (IRA) through ICMA, subject to any maximum annual contribution limits for each account. The Manager shall be 100% vested in all programs on the first day of participation. The City shall pay to the Manager a one-time, lump sum payment as retirement program credit for base salary earned from date of hire to present date at the twelve percent (12%) contribution rate, with said lump sum payment to be distributed to one or more retirement accounts as permitted above. The Manager agrees to forever waive his right to any claims whatsoever to any benefit under the City of Eastpointe Employees Retirement System in exchange for the benefits provided by the City to the Manager under this defined contribution retirement program. The City shall provide no other post-employment benefits to the Manager.

X. VACATION, SICK TIME AND OTHER LEAVE TIME

Effective on the date of this Contract for City Manager, the Manager shall be credited with twenty-five (25) days of vacation. Effective July 1, 2007 and each

subsequent year thereafter, the Manager shall be credited with an additional twenty-five (25) days of annual vacation leave accruing on July 1 of each contract term. All unused vacation days from the previous contract year shall not be carried over to the next contract year.

Upon employment, the manager shall be credited with a prorated twenty-four (24) sick days and one (1) additional sick day per month accruing on the tenth day of each month during the term of this contract. All sick time accumulated after the date of this Agreement shall be carried over from previous contract years and accumulated on an annual basis to a maximum of thirty-five (35) days, but shall not be paid unless used as sick time.

Upon termination, whether voluntary or involuntary, the City shall not compensate the Manager for any unused sick days.

The Manager shall be provided the same holiday, funeral, personal and jury duty leave as department heads in the City.

XI. PROFESSIONAL MEMBERSHIPS, DUES AND CONFERENCES

The City retains the authority to budget and pay the annual dues of the Manager's continued membership in the International City/County Management Association (ICMA); Michigan Local Government Manager Association (MLGMA); and Michigan Association of Planning (MAP), as well as any other professional or civic organizations the City Council shall deem necessary for the conduct of the duties of City Manager. The City shall also retain the budget authority to pay for registration, travel, lodging and meals for the Manager's attendance at the annual ICMA Conference and

the annual MMLGMA Winner Institute, as well as any other seminars, conferences, workshops or training determined by the City to be necessary.

XII. CONSULTATION AND TEACHING

The City agrees to permit the Manager to consult or teach when undertaken on the Manager's personal time and not in conflict with the City's time or business and to participate in other private matters with permission of the City, when such shall be in the bounds of ethics and rules of conflict of interest. The Manager shall not be allowed to use City's employees or City facilities relating to the Manager's consulting or teaching.

XIII. INDEMNIFICATION

The City shall defend, save harmless and indemnify the Manager against any tort or professional liability claim or demand or other legal action, whether groundless or otherwise arising out of an alleged act or omission occurring in the performance of the Manager's duties. The City may compromise and settle any such claim or suit and shall pay the amount of any settlement or judgment rendered.

XIV. MANAGERS NOTICE

If the Manager wishes to voluntarily end his employment with the City, he must give the City thirty (30) days advance notice of his intent to end his employment.

The Manager shall not take vacation days or compensatory time off during this transition period.

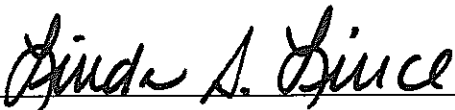
XV. MOVING AND RELOCATION EXPENSES

The City shall provide the Manager with a one-time housing relocation assistance package of \$5,000.00, payable ninety (90) days after the Manager and his family have permanently relocated in the City of Eastpointe.


XVI. ENTIRE AGREEMENT

This Contract for City Manager sets forth the entire agreement between the City and the Manager and shall not be amended except upon the mutual agreement in writing of the parties. To the extent a conflict arises between this Contract and any other rule, regulation or ordinance, the terms of this Agreement shall apply and take precedence.

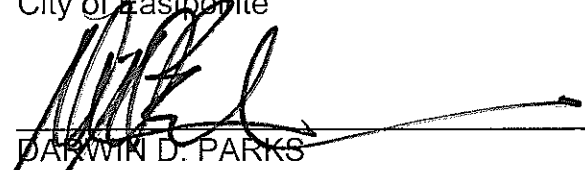
Dated this 16th day of June, 2009.







SUZANNE PIXLEY, Mayor
City of Eastpointe



DARWIN D. PARKS
City Manager

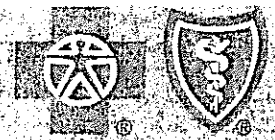


EXHIBIT A

**Community BlueSM PPO – Plan 2
Benefits-at-a-Glance for City of Eastpointe**

68350-005

This is intended as an easy-to-read summary. It is not a contract. Additional limitations and exclusions may apply to covered services. For a complete description of benefits, please see the applicable Blue Cross Blue Shield of Michigan certificates and riders. Payment amounts are based on the Blue Cross Blue Shield of Michigan approved amount, less any applicable deductible and/or copay amounts required by your plan. This coverage is provided pursuant to a contract entered into in the state of Michigan and will be construed under the jurisdiction of and according to the laws of the state of Michigan.

In-network

Out-of-network

Deductibles, copays and dollar maximums

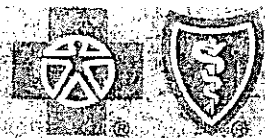
Note: Services from a provider for which there is no PPO network and services from a non-network provider in a geographic area of Michigan deemed a "low access area" by BCBSM for that particular provider specialty are covered at the in-network benefit level. If you receive care from a nonparticipating provider, even when referred, you may be billed for the difference between our approved amount and the provider's charge.

Deductibles	\$100 for one member, \$200 for the family (when two or more members are covered under your contract) each calendar year Note: Deductible waived if service is performed in a PPO physician's office.	\$250 for one member, \$500 for the family (when two or more members are covered under your contract) each calendar year Note: Out-of-network deductible amounts also apply toward the in-network deductible.
Copays • Fixed dollar copays • Percent copays	\$10 for office visits and \$50 for emergency room visits 10% for general services, copay waived if service is performed in a PPO physician's office , and 50% for mental health care, substance abuse treatment and private duty nursing	\$50 for emergency room visits 30% for general services and 50% for mental health care, substance abuse treatment and private duty nursing
Copay dollar maximums • Fixed dollar copays • Percent copays – excludes mental health care, substance abuse treatment and private duty nursing copays	None \$500 for one member, \$1,000 for two or more members each calendar year	None \$1,500 for one member, \$3,000 for two or more members each calendar year Note: Out-of-network copays also apply toward the in-network maximum.
Dollar maximums	\$1 million lifetime per covered specified human organ transplant type and a separate \$5 million lifetime per member for all other covered services and as noted for individual services	

Preventive care services – *Payment for preventive services is limited to a combined maximum of \$500 per member per calendar year

Health maintenance exam – includes chest x-ray, EKG and select lab procedures	Covered – 100%*, one per calendar year	Not covered
Gynecological exam	Covered – 100%*, one per calendar year	Not covered
Pap smear screening – laboratory and pathology services	Covered – 100%*, one per calendar year	Not covered
Well-baby and child care	Covered – 100%* • 6 visits, birth through 12 months • 6 visits, 13 months through 23 months • 2 visits, 24 months through 35 months • 2 visits, 36 months through 47 months • 1 visit per birth year, 48 months through age 15	Not covered
Childhood immunizations as recommended by the Advisory Committee on Immunization Practices and the American Academy of Pediatrics	Covered – 100%*	Not covered
Fecal occult blood screening	Covered – 100%*, one per calendar year	Not covered
Flexible sigmoidoscopy exam	Covered – 100%*, one per calendar year	Not covered
Prostate specific antigen (PSA) screening	Covered – 100%*, one per calendar year	Not covered

Blue Cross Blue Shield of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association.



In-network

Out-of-network

Mammography

Mammography screening	Covered – 90% after deductible	Covered – 70% after deductible
One per calendar year, no age restrictions		

Physician office services

Office visits	Covered – \$10 copay per office visit	Covered – 70% after deductible, must be medically necessary
Outpatient and home medical care visits	Covered – 90% after deductible	Covered – 70% after deductible, must be medically necessary
Office consultations	Covered – \$10 copay per office visit	Covered – 70% after deductible, must be medically necessary
Urgent care visits	Covered – \$10 copay per office visit	Covered – 70% after deductible, must be medically necessary

Emergency medical care

Hospital emergency room	Covered – \$50 copay per visit, waived if admitted or for an accidental injury	Covered – \$50 copay per visit, waived if admitted or for an accidental injury
Ambulance services – must be medically necessary	Covered – 90% after deductible	Covered – 90% after deductible

Diagnostic services

Laboratory and pathology services	Covered – 90% after deductible	Covered – 70% after deductible
Diagnostic tests and x-rays	Covered – 90% after deductible	Covered – 70% after deductible
Therapeutic radiology	Covered – 90% after deductible	Covered – 70% after deductible

Maternity services provided by a physician

Prenatal and postnatal care	Covered – 100%	Covered – 70% after deductible
Includes care provided by a certified nurse midwife		
Delivery and nursery care	Covered – 90% after deductible	Covered – 70% after deductible
Includes delivery provided by a certified nurse midwife		

Hospital care

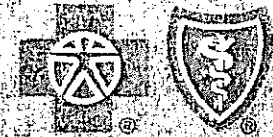
Semiprivate room, inpatient physician care, general nursing care, hospital services and supplies Note: Nonemergency services must be rendered in a participating hospital.	Covered – 90% after deductible	Covered – 70% after deductible
Unlimited days		
Inpatient consultations	Covered – 90% after deductible	Covered – 70% after deductible
Chemotherapy	Covered – 90% after deductible	Covered – 70% after deductible

Alternatives to hospital care

Skilled nursing care	Covered – 90% after deductible	Covered – 90% after deductible
Up to 120 days per member per calendar year		
Hospice care	Covered – 100%	Covered – 100%
Limited to dollar maximum that is reviewed and adjusted periodically		
Home health care – must be medically necessary	Covered – 90% after deductible	Covered – 90% after deductible
Home infusion therapy – must be medically necessary	Covered – 90% after deductible	Covered – 90% after deductible

Surgical services

Surgery – includes related surgical services and medically necessary facility services by a participating ambulatory surgery facility	Covered – 90% after deductible	Covered – 70% after deductible
Presurgical consultations	Covered – 100%	Covered – 70% after deductible
Colonoscopy	Covered – 90% after deductible	Covered – 70% after deductible
Voluntary sterilization	Covered – 90% after deductible	Covered – 70% after deductible



In-network

Out-of-network

Human organ transplants

Specified human organ transplants – in designated facilities only, when coordinated through the BCBSM Human Organ Transplant Program (800-242-3504)	Covered – 100% Limited to \$1 million lifetime maximum per member per transplant type for transplant procedure(s) and related professional, hospital and pharmacy services	Covered – in designated facilities only
Bone marrow transplants – when coordinated through the BCBSM Human Organ Transplant Program (800-242-3504)	Covered – 90% after deductible	Covered – 70% after deductible
Specified oncology clinical trials	Covered – 90% after deductible	Covered – 70% after deductible
Kidney, cornea and skin transplants	Covered – 90% after deductible	Covered – 70% after deductible

Mental health care and substance abuse treatment

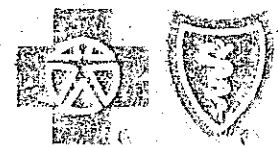
Inpatient mental health care	Covered – 50% after deductible Unlimited days	Covered – 50% after deductible
Inpatient substance abuse treatment	Covered – 50% after deductible Unlimited days, up to \$15,000 annual, \$30,000 lifetime maximum	Covered – 50% after deductible
Outpatient mental health care • Facility and clinic • Physician's office	Covered – 50% after deductible	Covered – 50% after deductible
	Covered – 50%	Covered – 50% after deductible
Outpatient substance abuse treatment – in approved facilities	Covered – 50% after deductible Up to the state-dollar amount that is adjusted annually	Covered – 50% after deductible

Other covered services

Outpatient Diabetes Management Program (ODMP)	Covered – 90% after deductible	Covered – 70% after deductible
Allergy testing and therapy	Covered – 100%	Covered – 70% after deductible
Chiropractic manipulation treatment and osteopathic manipulation treatment	Covered – \$10 copay per office visit Up to a maximum of 24 visits per member per calendar year	Covered – 70% after deductible
Outpatient physical, speech and occupational therapy	Covered – 90% after deductible Limited to a combined maximum of 60 visits per member per calendar year	Covered – 70% after deductible
Durable medical equipment	Covered – 90% after deductible	Covered – 90% after deductible
Prosthetic and orthotic appliances	Covered – 90% after deductible	Covered – 90% after deductible
Private duty nursing	Covered – 50% after deductible	Covered – 50% after deductible

Additional riders

Rider CBC-MT, copay requirement for manipulative treatment	Imposes the same fixed dollar copay requirement for chiropractic and osteopathic manipulative treatment by a network provider as is required for all network physician office visits.
Rider XVA, excludes voluntary abortions	Excludes benefits for voluntary abortions



Blue Preferred[®] Rx Prescription Drug Coverage with \$15 Generic / \$30 Brand Name Fixed Dollar Copay Benefits-at-a-Glance for City of Eastpointe

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Note: Effective October 1, 2006, the mail order pharmacy for specialty drugs changed to Option Care, an independent company. Specialty prescription drugs (such as Enbrel[®] and Humira[®]) are used to treat complex conditions such as rheumatoid arthritis. These drugs require special handling, administration or monitoring. Option Care will handle mail order prescriptions only for specialty drugs while many retail pharmacies will continue to dispense specialty drugs (check with your local pharmacy for availability). Other mail order prescription medications can continue to be sent to Medco. (Medco is an independent company providing pharmacy benefit services for Blue members.) A list of specialty drugs is available on our Web site at bcbsm.com. Log in under "I am a Member." If you have any questions, please call Option Care customer service at 866-515-1355.

Network pharmacy

Non-network pharmacy

Copays

	Network pharmacy	Non-network pharmacy
Generic prescription drugs	\$15 for each drug	\$15 for each drug <i>plus</i> 25% of the BCBSM approved amount for the drug
Prescribed over-the-counter drugs – when covered by BCBSM	\$15 for each drug	\$15 for each drug <i>plus</i> 25% of the BCBSM approved amount for the drug
Brand name prescription drugs	\$30 for each drug	\$30 for each drug <i>plus</i> 25% of the BCBSM approved amount for the drug
Mail order (home delivery) prescription drugs	Copay for up to a 34 day supply: <ul style="list-style-type: none"> • \$15 for each generic drug • \$30 for each brand name drug Copay for a 35 to 90 day supply: <ul style="list-style-type: none"> • \$30 for each generic drug • \$60 for each brand name drug 	No coverage

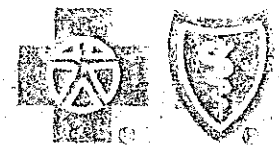
Note: If your prescription is filled by any type of network pharmacy, and you request the brand-name drug when a generic equivalent is available on the BCBSM MAC list and the prescriber has not indicated "Dispensed as Written" (DAW) on the prescription, you must pay the difference in cost between the brand-name drug dispensed and the maximum allowable cost for the generic *plus* the applicable copay.

Covered services

	Network pharmacy	Non-network pharmacy
"Rx only" drugs	Covered – 100% less plan copay	Covered – 75% less plan copay
Prescribed over-the-counter drugs – when covered by BCBSM	Covered – 100% less plan copay	Covered – 75% less plan copay
State-controlled drugs	Covered – 100% less plan copay	Covered – 75% less plan copay
Disposable needles and syringes – when dispensed with insulin or other covered injectable legend drugs Note: Needles and syringes have no copay.	Covered – 100% less plan copay for the insulin or other covered injectable legend drug	Covered – 75% less plan copay for the insulin or other covered injectable legend drug
Mail order (home delivery) prescription drugs – up to a 90-day supply of medication by mail from Medco (BCBSM network mail order provider)	Covered – 100% less plan copay	No coverage

Note: Over-the-counter (OTC) drugs are drugs that do not require a prescription under federal law.

Note: A network pharmacy is a Preferred Rx pharmacy in Michigan or a MedImpact pharmacy outside Michigan. MedImpact is an independent company providing pharmacy benefit services for Blue members. A non-network pharmacy is a pharmacy NOT in the Preferred Rx or MedImpact networks.



Features of your plan

<p>Drug interchange and generic copay waiver</p>	<p>Certain drugs may not be covered for a second prescription if a suitable alternate drug is identified by BCBSM, unless the prescribing physician demonstrates that the drug is medically necessary. A list of drugs that may require authorization is available at bcbsm.com.</p> <p>If your physician rewrites your prescription for the recommended generic or OTC alternate drug, you will only have to pay a generic copay. If your physician rewrites your prescription for the recommended brand-name alternate drug, you will have to pay a brand-name copay. In select cases BCBSM may waive the initial copay after your prescription has been rewritten. BCBSM will notify you if you are eligible for a waiver.</p>
<p>Quantity limits</p>	<p>Select drugs may have limitations related to quantity and doses allowed per prescription unless the prescribing physician obtains preauthorization from BCBSM. A list of these drugs is available at bcbsm.com.</p>

Additional riders

<p>Rider CI, contraceptive injections Rider PCD, prescription contraceptive devices Rider PD-CM, prescription contraceptive medications</p>	<p>Adds coverage for contraceptive injections, physician-prescribed contraceptive devices such as diaphragms and IUDs, and "Rx only" oral or injectable contraceptive medications.</p> <p>Note: These riders are only available as part of a prescription drug package.</p> <p>Riders CI and PCD are part of your medical-surgical coverage, subject to the same deductible and copay, if any, you pay for medical-surgical services. (Rider PCD waives the copay for services provided by a network provider.)</p> <p>Rider PD-CM is part of your prescription drug coverage, subject to the same copay you pay for prescription drugs.</p>
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