
REGULAR MEETING OF THE COUNCIL OF THE CITY OF SAGINAW, MICHIGAN, HELD MONDAY, JANUARY 7, 2008, AT 6:30 P.M. IN THE COUNCIL CHAMBER OF CITY HALL.

PRAYER AND PLEDGE OF ALLEGIANCE

Rev. Darren Elin, of St. John's Episcopal Church, offered a prayer and led the pledge of allegiance.

ROLL CALL

Mayor Joyce Seals called the meeting to order. The following Councilpersons were present: Gregory Branch, Larry Coulouris, William Federspiel, Daniel Fitzpatrick, Amanda Kitterman-Miller, Amos O'Neal, Paul Virciglio, and Mayor Joyce Seals-8.

Absent: Councilman Andrew Wendt -1.

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS

Councilman O'Neal moved to approve the minutes from the September 24, 2007 regular Council meeting, September 29, 2007 Special Strategic Planning Session and October 8, 2007 regular Council meeting.

Adopted unanimously.

PUBLIC HEARINGS

City Clerk Diane Herman announced the public hearing on vacating a portion of the alley lying between South Mason Street, Van Buren Street, South Woodbridge Street and Mackinaw Street. Mayor Seals called for public comment three times. No one was heard. Councilwoman Kitterman-Miller moved to declare the hearing closed.

Adopted unanimously.

City Clerk Diane Herman announced the public hearing on vacating a portion of the alley lying between Webber Street, Oakwood Avenue, Hiland Street and Sheridan Avenue. Mayor Seals called for public comment three times. No one was heard. Councilman Federspiel moved to declare the hearing closed.

Adopted unanimously.

PERSONAL APPEARANCES

John J. Milne, 508 W. Remington, spoke on the proposed ordinance for Scrap Metal sales. Believes the ordinance, in its present form, was not drafted to catch the thieves but attack the dealers and legitimate sellers. Believes the thieves live in the neighborhoods and know the empty buildings before the landlords. Explained how thieves target a property and collect on the metal stolen. Said the property owner should be required to maintain working gas, electric and water, and possibly leave one light on. Noted the ordinance does not address auctions, estate sales or someone giving metal to another person.

Rick Jekel, 1603 Court, spoke on communication. Said most citizens have to rely on the newspaper to get information. Mentioned he requested a copy of the minutes from the block grant public hearing held in September, but has not heard anything. Believes he does not get a response because of who he is. He heard the presentation by Jeremy

Newberg on the Cathedral District Neighborhood Revitalization, however, the paper said the plan would not be presented until March. Questioned how much and where the money came from to pay Mr. Newberg.

John Acklin, 3122 Fulton, questioned why the City does not give proper notice of a water shut-off. The print is so fine on the bill, a person cannot read it. Complained about a house in the 1300 block of Fulton that the City has been telling him for 10 years would be torn down.

Terry Sangster, 2221 Frueh, spoke on his building at 707 Federal. Said he met with the Economic Development Director, the Development Coordinator and the City Attorney and disagrees with having to have an architect or structural engineer for his property. Said he was given several items to take care of before he would be allowed to go to Planning and Zoning and he did take care of them. Requested to meet with Council to talk about the matter and work out the issues. *(City Manager Darnell Earley said he was aware of the meetings Mr. Sangster had with staff and assured Council staff has attempted to work with him to resolve the issues. Noted there would have to be a public meeting for him to meet with Council. Unless there is additional information, the response to Mr. Sangster would be the same.)*

REMARKS OF COUNCIL

Councilman Federspiel thanked Mr. Milne for his input on the Scrap Metal Ordinance. Said a lot of citizens have contacted him on the issue. The City needs a solution that is best for everyone. Requested Mr. Jekel be given a copy of the block grant hearing minutes which he requested. Sympathized with Mr. Acklin on the blight house and requested the City Manager look into it. Told Mr. Sangster it would be a violation of the Open Meetings Act for Council to meet with him. Suggested he contact individual Council members.

Councilman Branch updated Council on the Scrap Metal ordinance. Noted the intent of the ordinance was to catch the thieves. Based on the input the City has received on the issue, the ordinance, in its present form, will not have the affect intended. The matter has grown beyond a local issue. The City is still looking at modifying its ordinance, however, the State legislature (Senate and House) both have Bills pending addressing the issue. Council will consider a Resolution of support for this legislature and will also work locally with the Saginaw Chamber of Commerce to get the bills passed.

Councilman O'Neal thanked the City Manager and staff for the Strategic Planning Session. Said it was interesting to see the new colleagues agreed with the priorities. Believes the City has made tremendous gain and will continue to improve. Noted that Mr. Newberg from Capital Access was paid from grant monies. Requested a report on the process to date for Mr. Sangster.

Councilman Fitzpatrick also expressed appreciation for the Strategic Planning Session. Said there are challenges ahead but there are a number of folks putting their best efforts to bring viability and prosperity to the City. Mentioned the EPA walking away from talks with Dow Chemical on the river cleanup. Thanked Dow for its commitment and requested Council adopt a resolution urging the EPA to come back to the table. Requested someone look into the home referenced by Mr. Acklin and also those discussed at the Strategic Planning session. Assured citizens the City would not only focus on the Cathedral

District with regard to dangerous buildings. Thanked Councilman Branch for his leadership on the scrap metal issue. Said Council would continue to work on the issue. Sent his thoughts and prayers for those area soldiers being deployed to Iraq.

Councilwoman Kitterman-Miller thanked all the speakers for sharing information. Council appreciates hearing from the citizens. Thanked City staff and Council members for giving up half of their weekend for the Strategic Planning session. Said it shows the citizens their dedication and commitment and that Council and staff are working together to move the City forward. Noted that the City is and will continue to follow a plan. Although there is a lot of work to be done, the City has made great strides. Also thanked the citizens who have helped bring the plan to life.

Councilman Coulouris welcomed the Heritage High School students in Council Chambers and thanked them for attending. Told Mr. Milne the scrap metal issue is a national epidemic. Said the matter is being worked on but will take the cooperation of the County and State to strengthen the rules and regulations. Notes that when someone takes \$50 worth of material from a house, it causes \$500 in damages. Mentioned a vacant house on Midland Road where the copper, water heater and furnace were stolen.

Mayor Seals said the Strategic Planning Session was excellent, it was time well spent. It brought her up to date on where Council was and where they are going. Noted that Economic and Business Development was added to the Strategic Planning priorities. Assured Mr. Sangster Council was supportive of his business effort and staff would look into his issue. Told Mr. Jekel the City does have a plan and they are working on it. Said there are very capable people sitting at the Council table and they all have their area of expertise. Shared leadership is needed to get things done. Said she is proud of the effort all Council members are making. Mentioned the City Manager would soon be scheduling a quarterly meeting with federal, state and county representatives to talk about issues. Requested the City Manager inform and update Council on the Cities of Promise Initiative.

PETITIONS

- 07-34 from Tom Miller, Jr., Saginaw Future, submitting a request for an Obsolete Property Rehabilitation District for the property located at 110 Florence.
Councilman Federspiel moved to receive and file the request.
Adopted unanimously. Mayor Seals referred the matter to the City Manager.

REPORTS FROM BOARDS AND COMMISSIONS AND COMMITTEES AND APPOINTMENT OF BOARDS AND COMMISSIONS MEMBERS

Mayor Seals noted that she has authority to make some appointments but requested Council formerly vote on her recommendations. She requested Councilman Virciglio be appointed to the Neighborhood Renewal Services Board.

Councilman O'Neal moved to approve the appointment.
Adopted unanimously.

Mayor Seals then requested Councilman O'Neal be appointed to the Region VII Commission on Aging Board.

Councilman Coulouris moved to approve the appointment.
Adopted unanimously.

Councilwoman Kitterman-Miller reminded all the Keep Saginaw Beautiful Committee meets the second Wednesday of each month. The next meeting is Wednesday, January 9, 2008 at 5:15 p.m. in the room across the hall from Council Chambers. Said she planned to contact some of the neighborhood groups to get them involved.

Mayor Seals reminded all the Charter Review Committee would meet on Tuesday, January 10, 2008, at 4:00 p.m. in Council Chambers. Said the Committee is going through the Charter section-by-section.

REPORTS FROM CITY MANAGER

Recommended Actions

City Manager Darnell Earley thanked Council members, department heads and other City staff for giving up their weekend to be a part of the team to discuss how we can make Saginaw better. Noted this was the third year of the plan. Said he is excited about the things discussed and from a team-building standpoint it's time well spent. Assured Council that staff members would be looking into the issues brought up at the meeting.

Subject: Trivalent Group Block Time Agreement

Manager's Recommendation: I recommend that the Agreement with Trivalent Group ("Trivalent") be approved in an amount not to exceed Seven Thousand Five Hundred Dollars and 00/100 (\$7,500.00). Pursuant to a prepaid block of hours, Trivalent will provide specialized assistance with the installation of a new server. This Agreement was approved by the City Manager as to substance and the City Attorney as to form.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35-14.44, of the Saginaw Code of Ordinances.

Funds for this payment are budgeted and available in the Information Services Operating Services Account No. 658-1720-711.80-05.

Justification: On October 25, 2007, a 6-year-old City server had a critical failure. This server held documents and configurations that are essential to the operations of most of the City Departments, and an internal tape drive used to create back up tapes for most of the City's servers. It was determined that an attempt to restore the server would not be practical because of its age and concerns about dependability. Documents and configurations were restored to a temporary file storage system to allow City Department's access. The server and tape system are an important piece of the City's information technology configuration and a new server and tape drive were purchased as a replacement. Trivalent has assisted with the installation of the new server. The requested purchase order is for prepayment of a block of Trivalent Group support hours that will be used to pay for support service already rendered and also to assist City Information Services Technicians with the completion of the installation of the new server and tape drive. By purchasing a prepaid block of hours, the City will receive an additional \$600 of services credit at no cost.

Council Action: Councilman Branch moved that the recommendation of the City Manager be approved.

Adopted unanimously.

Subject: Approval of Agreement with Peter C. Jensen, PLLC for Legal Services

Manager's Recommendation: I recommend approval of the Agreement for Professional Legal Services with Peter C. Jensen, PLLC. This contract has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: The City has entered into agreements with local law firms to provide legal services to the City. These services are necessary in the areas of conflict of interest, expertise and work overflow. These contracts are five years in duration, but either party may elect to terminate the contract upon sixty days notice. There is no minimum amount of work guaranteed or promised to any law firm. The purpose of the contracts is to provide a pre-existing framework for assignments sent to the various firms. The contracts set the hourly rate for services and the amount of expenses charged.

The City has for many years used the services of Peter C. Jensen, a local attorney with extensive experience in municipal law and general litigation. Mr. Jensen was associated with the law firm of Miller, Canfield, Paddock & Stone, PLC, and the prior contract had been with that firm. Mr. Jensen is opening his own office and a new contract must be executed with that new firm. This contract is for an additional five years at the same rates, terms and conditions as the existing one with Miller Canfield, PLC.

Council Action: Councilman Branch moved that the recommendation of the City Manager be approved.

Adopted unanimously.

Subject: Floor Matting

Manager's Recommendation: I recommend that the low bid from Supply Pro be accepted and a purchase order be approved and issued to them in the amount of \$3,580.85 for the purchase of custom length floor mats.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35-14.44, of the Saginaw Code of Ordinances.

Funds for this purchase are budgeted in the Water Treatment Operations Capital Outlay/Office Equipment Account No. 591-4730-861.97-60.

Justification: On December 4, 2007, the City received three bids for the purchase of custom length floor mats to be used as runners. The mats will replace the old floor runner material that was aged and immovable. The new mats can be rolled up and moved when work is being done in an area. The floor mats are used to protect the red tile floor of the Pump Room. There is no cost comparison available for this item. Following is a tabulation of the bids received and reviewed by the Purchasing Committee:

	<u>Total Bid</u>
Supply Pro Saginaw, MI (in-City)	\$ 3,580.85
MSC Industrial Supply Co. Melville, NY	\$ 3,731.78

Northern Industrial Supply
Saginaw, MI (in-City)

\$ 3,998.94

Council Action: Councilman Branch moved that the recommendation of the City Manager be approved.

Adopted unanimously.

Subject: Alro Steel P.O. Increase

Manager's Recommendation: I recommend that blanket purchase order no. 34165 issued to Alro Steel be increased by \$2,500.00, for a total not to exceed \$4,400.00.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35 – 14.44, of the Saginaw Code of Ordinances.

Funds are available in Motor Equipment Parts and Supplies Account No. 661-4480-841.73-30.

Justification: Due to a greater number of repairs being made to ready the fleet trucks for winter plowing activities, it is necessary to increase the annual blanket for steel needed to make repairs to this equipment. This increase will ensure there are adequate funds for the additional materials for the remainder of the fiscal year.

Council Action: Councilman Branch moved that the recommendation of the City Manager be approved.

Adopted unanimously.

Subject: Clausing Lathe

Manager's Recommendation: I recommend that the low bid from ABH Tooling & Machinery be accepted and a purchase order be approved and issued to them in the amount of \$14,646.00 for purchase of a clausing lathe to be used at the Water Treatment Plant.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35-14.44, of the Saginaw Code of Ordinances.

Funds for this purchase are budgeted in the Water Treatment Operations Account No. 591-4730-861.97-41.

Justification: On December 4, 2007, the City received three bids for the purchase of a new lathe for use in the Water Treatment Plant's maintenance department. This lathe will replace an old worn model and is capable of machining to much closer tolerances. With the older equipment utilized at the Water Plant, some parts are unavailable. A new lathe will enable us to machine some of these unavailable parts on site, extending the life of equipment and saving on the cost of repairs. There is no cost comparison available for this item. Following is a tabulation of the bids received and reviewed by the Purchasing Committee:

	<u>Total Bid</u>
AHB Tooling & Machinery Saginaw, MI	\$ 14,646.00
Vander Zeil Machinery Sales Alto, MI	\$ 14,850.00

Huron Industrial Supply \$ 15,333.00
Cass City, MI

Council Action: Councilman Branch moved that the recommendation of the City Manager be approved.

Adopted unanimously.

Subject: Caterpillar Backhoe Purchase

Manager's Recommendation: I recommend that a purchase order be issued to Michigan Cat in the amount of \$81,914.00 for the purchase of a Caterpillar Backhoe. Michigan Cat is the "sole source" for this equipment in the state of Michigan.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35 – 14.44, of the Saginaw Code of Ordinances.

Funds for this purchase are budgeted in the Water & Sewer Surplus Account Nos. 577-4740-881-9741 (\$40,957.00) and 576-4840-881-9741 (\$40,957.00).

Justification: This 2008 430E model is a scheduled replacement for a 1998 JCB Backhoe. It is the only machine that is compatible with our newest breaker and compactor that are used for construction and repair of the City's distribution and transmission water mains and sewage collection systems.

Council Action: Councilman Branch moved that the recommendation of the City Manager be approved.

Adopted unanimously.

All City Manager recommendations were adopted by general consent.

CONSIDERATION AND PASSING OF ORDINANCES

Councilman Federspiel moved that an ordinance introduced December 3, 2007, entitled and reading as follows, be taken up and enacted:

O-66

AN ORDINANCE TO VACATE A PORTION OF THE ALLEY LYING BETWEEN SOUTH MASON STREET, VAN BUREN STREET, SOUTH WOODBRIDGE STREET, AND MACKINAW STREET, LOCATED IN THE CITY OF SAGINAW, AND TO RETAIN THEREIN AN EASEMENT FOR PUBLIC UTILITIES, CABLE TV AND TELECOMMUNICATIONS TO BE ADDED TO THE TABLE OF SPECIAL ORDINANCES II.

The City of Saginaw Ordains:

Section 1. That the alley lying between South Mason Street, Van Buren Street, South Woodbridge Street, and Mackinaw Street, be and same is hereby vacated.

Section 2. That there is hereby reserved in the alley vacated an easement for public utilities, cable TV and telecommunications.

Section 3. The official map of the City of Saginaw is hereby amended accordingly.

Section 4. This ordinance shall take effect on January 17, 2008.

Enacted: January 7, 2008.

Adopted unanimously.

Councilwoman Kitterman-Miller moved that an ordinance introduced December 3, 2007, entitled and reading as follows, be taken up and enacted:

O-67

AN ORDINANCE TO VACATE A PORTION OF THE ALLEY LYING BETWEEN WEBBER STREET, OAKWOOD AVENUE, HILAND STREET, AND SHERIDAN AVENUE, LOCATED IN THE CITY OF SAGINAW, AND TO RETAIN THEREIN AN EASEMENT FOR PUBLIC UTILITIES, CABLE TV AND TELECOMMUNICATIONS TO BE ADDED TO THE TABLE OF SPECIAL ORDINANCES II.

The City of Saginaw Ordains:

Section 1. That the alley lying between Webber Street, Oakwood Avenue, Hiland Street, and Sheridan Avenue, be and same is hereby vacated.

Section 2. That there is hereby reserved in the alley vacated an easement for public utilities, cable TV and telecommunications.

Section 3. The official map of the City of Saginaw is hereby amended accordingly.

Section 4. This ordinance shall take effect on January 17, 2008.

Enacted: January 7, 2008.

Adopted unanimously.

MOTIONS AND MISCELLANEOUS BUSINESS

Councilman Federspiel moved to go into closed session to consult with the City's attorney regarding settlement strategies in pending litigation in (1) a sidewalk slip and fall case, and (2) an employee discharge matter. Adopted by the following vote:

Ayes: Councilpersons Fitzpatrick, Kitterman-Miller, O'Neal, Viriciglio, Branch, Coulouris, Federspiel, and Mayor Seals-8.

Absent: Councilman Andrew Wendt-1

(Upon entering Closed Session at 7:20 p.m. Councilman Wendt arrived and joined Council.)

Upon returning from Closed Session at 8:18 p.m., the following item was considered:

Subject: Settlement of Employee Claim

Manager's Recommendation: I recommend approval of the Settlement and Release Agreement in the amount of \$170,000 to resolve a pending lawsuit against the City

and other individuals filed by Karen Lawrence Webster. This Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: Ms Webster's employment was terminated in August, 2004. She has made a number of claims regarding the propriety of that discharge. While many of the claims have been dismissed, one remains for a trial. The dismissed claims may also be the subject of appeals. The Self-Insurance Retention ("SIR") for this insured claim is \$150,000, of which slightly over \$105,000 has already been spent. The total exposure of the City for the remainder of the litigation is approximately \$45,000. It is likely that this would be exhausted even if the City were to entirely prevail at trial and on appeal.

The insurance carrier has expressed its desire to resolve this matter for the amount of \$170,000, the bulk of which it will be responsible for paying. In order to avoid the expense and uncertainties of litigation and resolve this matter, the City has negotiated this payment. The claimant has provided a full and complete release of liability.

Council Action: Councilman Branch moved that the recommendation from the City Manager be approved.

Unanimously defeated.

ADJOURNMENT

At 8:20 p.m., Councilman Coulouris moved to adjourn the meeting.
Adopted unanimously.

Diane M. Herman
City Clerk