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REGULAR MEETING OF THE COUNCIL OF THE CITY OF SAGINAW, MICHIGAN, HELD MONDAY, MAY 5, 2008, AT 6:30 P.M. IN THE COUNCIL CHAMBER OF CITY HALL.

COMMITTEE OF THE WHOLE

Attending the Committee of the Whole meeting held at 5:00 p.m. were Councilpersons: Gregory Branch, Larry Coulouris, Daniel Fitzpatrick, Amanda Kitterman-Miller, Amos O'Neal, William Scharffe, Paul Virciglio, Andrew Wendt and Mayor Joyce Seals. Darnell Earley, City Manager, gave an overview of the Fiscal Year 2008-09 Proposed Budget.

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PRAYER AND PLEDGE OF ALLEGIANCE

Pastor Larry Camel, New Birth Missionary Baptist 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, Daniel Fitzpatrick, Amanda Kitterman-Miller, Amos O'Neal, Bill Scharffe, Paul Virciglio, Andrew Wendt and Mayor Joyce Seals-9.

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

Councilwoman Kitterman-Miller moved to approve the minutes from the February 25, 2008 regular Council meeting.  
Adopted unanimously.

ANNOUNCEMENTS

Leslie J. Perry, Public Relations Specialist, Covenant HealthCare, accepted a proclamation read by Councilman Coulouris designating May as Stroke Awareness Month in the City of Saginaw.

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Councilman O'Neal moved to suspend the Council Rules of Order and allow a management update and fact-finding presentation on the halfway house project.  
Adopted unanimously.

REPORTS FROM CITY MANAGER

Management Update

City Manager Darnell Earley stated there have been rumors and half-truths for the past few weeks regarding the legal and procedural aspects of the Planning Commission, City Council, City staff and their involvement in the halfway house project. He said it was important for Council and citizens to know the legal issues and facts which the presentation would cover. Said City Council was not obligated to vote on the issue and there is nothing for them to rescind.

City Attorney Tom Fancher gave a history of the property which included being rezoned to M2 in 1999 on the request of the Saginaw Housing Commission (SHC), who

wanted to foster industrial development in this area. A few days after the rezoning, the City deeded the property to the SHC at no cost. In 2000, SHC sold the property to K-Property Leasing for \$9,000 and K-Property, shortly thereafter, sold the property to Bombay Group for \$10,000. In 2007, Bannum, Inc., contacted the City about the proposed use, i.e. residential re-entry program. The City contacted SHC to advise them of the proposal. The Planning Commission reviewed the proposal on October 23, 2007, and upon consideration, discussion and legal assessment, approved the request unanimously. This was reported to City Council on November 5, 2007.

Charise Summers, Compliance Manager for Bannum, Inc., assured Council and citizens that the Federal Bureau of Prisons does not allow rapists, child molesters or murderers to come to any community-based program. Noted there is presently a center of this type in the community. The only difference is a new name and location. She explained the process by which residents come to the facility and what is offered to the residents while there. Said accountability is paramount in any community-based program. Residents cannot just freely come and go. She stressed the security on the facility.

Karl Schwartz, Wolgast Construction, provided Council with a packet of materials relative to the project which included a chronological description of the zoning steps taken by Bannum, copy of the site plan presented to the Planning Commission's and the order approving the site plan, excerpts from the City's Zoning Ordinance and miscellaneous correspondence. He briefly described the building construction and the surrounding buildings and property. Mentioned Bannum having been the successful bidder and how it had spent money to have the building and site professionally designed prior to actually being awarded the contract to save time in case its bid was successful.

*(During the presentation, there was discussion and questions from several Council members on the procedures and process.)*

#### PERSONAL APPEARANCES

Johnny Sanders, 3420 Grant, said the halfway house was wrong. Someone had to give the permission to build it. Said the citizens aren't informed of things until they happen. Doesn't believe he should have to clean up empty lots. He didn't put the debris there.

Michael Noel, 535 Bethany, mentioned seeing trash in a ditch at the dead end of Findlay and N. Washington. Believes the City should clean it up.

Annie Runsford, 1805 Gratiot and 1559 Gratiot, invited Council to attend the Theodore Roethke Centennial Birthday celebration at the Andersen Enrichment Center on May 25<sup>th</sup>.

Earl Jesse, 310 S. Harrison, mentioned a building across the street from City Hall. Said this is where the halfway house should be. Said incarceration without rehabilitation is useless.

Bria Smith, 3044 Yauck, said she and her fellow classmates would be scared to walk to school if they put the halfway house that close to their school. Believes the crime rate will go up.

Alton Wicker, 519 N. 4<sup>th</sup>, said if someone wants to leave the neighborhood because of the halfway house, no one would buy their house. Questioned what happened to "no child left behind." Said he would lead a picket at his school against where it is being

built.

Demetria Powell, 1525 Essling, said she is concerned about the halfway house being built near her school. Believes it will lead to more vacant houses. Said the children should be the City's main concern. They will no longer be able to walk to school.

Dequavion DeVance, 947 Athens, said the halfway house would affect the community and black Americans. Said it will bring more violence to the neighborhood. Believes it is being built in that area because people think that's where the people in the area will end up anyway.

Larry Campbell, #4 Milan Court, said he is outraged on how the process was handled in getting no information out to the community. Mentioned there being an issue when other buildings were constructed in the area in 2004. Said neighbors requested at that time that Council put some mechanism in place to involve the community in these decisions. Believes the lack of notice to the neighbors is negligent.

Algertha Pritchett, 325 Bethany, said she is concerned about the children in the neighborhood with a halfway house. Said Council knew about it and should have seen the neighbors were notified. Mentioned other sites where the facility could have been built.

Mary Jackson, 1214 Casimir, questioned why the halfway house could not have been built in another location. Said the planning started in 2007 and neighbors are just now finding about it.

Ron Spess, Saginaw School Board President, 550 Millard, read a prepared statement from the School Board. Said the halfway house is approximately 700 feet from Arthur Eddy Academy (K-8) with 450 students. Said the School Board invested six million dollars in the school to approve the educational experience and now they have concerns for the safety of the children and stability of the neighborhood. Believes the City did not follow the Zoning Ordinance.

Kristi Jackson, 3350 Williamson, said she was concerned for the Saginaw Housing Commission residents. Said no one is against prisoner reform. Said the issue is the fact of respect and consideration. The residents believe they were disrespected because their fears were not taken into consideration.

Duane Walker, 3892 Wild Pine Drive, Director of the Saginaw Housing Commission, gave details on new rental homes, renovations and proposed projects the Housing Commission has contributed to northeast Saginaw with HUD funding. Expressed their desire to revitalize Unity Park. Said it doesn't make sense for the Planning Commission to approve a halfway house across from a park and viable residential land, which will now render it useless.

Jacquelin Lockhart, 824 Athens, questioned what gives the Planning Commission the right to decide what goes in her neighborhood. She never received a letter or phone call. Said she never would have given the City permission to put a halfway house in her neighborhood. Suggested they put a Ready Med there.

Loubertha Little, 1211 Casimir, said she lives in the neighborhood and takes care of her property. Said the neighbors are there for Council when they call for a vote on a millage because they want the City to improve so they can live happy and well. Believes there is a conspiracy to pick on the eastside residents. Questioned why they had to choose that area to build the halfway house.

Hattie Williams, 1541 Dillon, said she would like to sell her house but can't. Said

she lives alone and is fearful about the halfway house. Really hopes they will not build the halfway house near her home.

Mary Washington, 1508 Essling, President of the North Eastside Neighborhood Association, mentioned a shooting incident at the other facility. Said the watchdog website has several sex offenders who list their address as 709 Lapeer, the current halfway house. Spoke on the recent incident in Frankenmuth where residents fought against a Walmart and the Planning Commission listened to the people. Requested a copy of the state law. Said something needs to change. Said the neighbors plan to fight until the end.

Greg McDonald, 2245 Delaware Blvd., said he believes there is no bad faith on Council and the Planning Commission. Said what the City has is some bad law that allowed a bad idea to happen. He encouraged City Council to take action and fix the Zoning law. Said he was told there are some bad procedures in place. The Zoning law should be amended to give proper notice and that the facility cannot be built within a school.

Helen Browning, 833 Cathay, said she's lived in the neighborhood for many years and it doesn't need rapists, murderers and drug attics. Said when Council wants their votes, they come to their churches, but when they put in a halfway house, they don't even get a phone call. Can't understand why the City would want to build such a facility near a school.

Dr. Shaheen, 1100 S. Washington, mentioned his family's efforts to improve Saginaw. Said his family bought the Jewish Temple to prevent a halfway house from being on Washington Street. Sympathized with the Northeast Neighborhood group and said such a thing would not happen on the Westside of Saginaw or Saginaw Township. Said the project is not desirable for this location. *(Upon hearing the 3-minute timer, Dr. Shaheen requested two more minutes to speak.)*

Councilman Scharffe moved to allow Dr. Shaheen to speak 1 additional minute. Defeated by the following vote:

Yeas: Councilpersons Scharffe, Wendt, Coulouris and Fitzpatrick-4.

Nays: Councilpersons Kitterman-Miller, O'Neal, Viriciglio, Branch and Mayor Seals-5.

Leon Pritchett, 1037 N. 8<sup>th</sup>, said he has the Restoration Center behind him and doesn't need the halfway house up the street from him. Suggested the City put something useful there like a grocery store. Said Council took an oath to protect the City. If the Planning Commission can make decisions for the City, the City doesn't need Council.

Joyce Liddell, 1217 Dillon, said there are too many children in their community and we don't want or need the halfway house there.

Catherine Latimar, Geneva Court, is upset about the halfway house. Said Council was elected by the people but next time, they will not have her vote. Said Council needs to put themselves in her position. Mentioned a similar incident in Zilwaukee where the people won the fight.

*(Council recessed from 8:45-8:50 p.m.)*

#### REMARKS OF COUNCIL

Councilman Scharffe said he knew as a Councilperson he would have to deal with an issue involving the feelings and interests of a lot of people. Said he looked into the

halfway house issue and from what he knows there is nothing Council can legally do to reverse the decision. Said Council is not deaf to the concerns of the citizens and promised he would continue to look into the matter and see if the citizens' concerns could be addressed. Thanked the citizens who came to speak. Hopes there is something Council can do to make them feel better and resolve the issue.

Councilman Virciglio questioned Council's options. Said Council was advised it doesn't have any legal options. Said Council has to look to the City Manager and City Attorney and ask what options does Council have?

Councilman Wendt requested a meeting on a proposal he drafted for the police officers on disability who have requested to earn more money. Requested consideration of a flashing yellow light near Kempton School to assist in slowing down traffic. Advised citizens that Council made no decisions or recommendations with regard to the halfway house. Said he is not happy the citizens were not informed. Believes citizen participation is important. Also requested what legal options Council had. *(City Attorney Tom Fancher advised Council has no jurisdiction to act on this matter. It is a final decision of the Planning Commission and any appeal would be in Circuit Court. Noted, however, that Council could change the Zoning ordinance for the future.)* Councilman Wendt agreed the ordinance should be changed to benefit all citizens no matter who they are or where they live. Urged the citizens to exercise their rights to get the results they want.

Councilman Branch sympathized with the residents' concerns. Expressed his disapproval of the anonymous letter he received. Believes if someone is committed to a cause, they should have the courage to sign their name. Mentioned Restoration Community Outreach at 1205 Norman and said it is a halfway house for violent offenders, yet he has not heard of any outcry. Said there are 5 registered sex offenders at that facility.

Continued to list registered sex offenders in the area. Stated the State of Michigan gave the Planning Commission the authority to place the facility in that area because it is zoned industrial. Mentioned again that it was the Saginaw Housing Commission who initially requested the property be rezoned which allowed such a facility to be placed there. Said he and other Council members have issues with zoning and agree some of the procedures need to be changed, however, those changes cannot be made retroactive. Said the Neighborhood Association, Saginaw Housing Commission and School Board can all seek redress in Circuit Court and he encourages it.

Councilman O'Neal stressed the need to have citizens be a part of the process. Believes in this case the system failed the people, the process is flawed. Mentioned he lives on the Northeast side of Saginaw. Said Council will fix the system with regard to this matter and others that have a major impact on people. Council needs the citizens on Boards and Commission where such decisions are made. If he is going to err, wants to err on the side of the people. Said Council has been working hard to involve the people and in this case the people were disregarded. He has a problem with that. Extended his apologies to the residents.

Councilman Fitzpatrick said he agrees with many of his fellow Councilpersons. Noted he walked the neighborhood in question that day and met some of the neighbors. Stressed again Council has no legal authority in this matter and cannot take a vote to change anything. Urged the residents to take any legal action necessary to address the situation. Spoke on liquor license transfers and said Council is just a rubber stamp for

approval. The State of Michigan grants the licenses. Said Council objected to a license on Cumberland but the State had already granted the license. Still intends to vote "no" on the matter. Said the City needs parks and good neighborhoods, not more liquor stores. Said Council can revoke a liquor license with substantial complaints. Mentioned House Bill 6017 on Scrap Metal. Urged citizens to read about it and give Council comments.

Councilwoman Kitterman-Miller believes knowledge is power. People need to know the process in order to get involved and make a difference. Believes it is Council's responsibility to listen to the people, research, educate themselves and inform and educate the community. Said the City, Neighborhood organizations, residents and her all hold a stake in the City and need to make a group effort. Apologized to the residents for not putting two and two together when hearing the address for the halfway house at the time Councilman Coulouris reported on the matter during Boards and Commission reports. Said she has trust in the Planning Commission and will continue to support their work. She will also do her best to pay more close attention to the results of their efforts and be more diligent in scrutinizing upcoming projects and being ready to ask questions. Said although the Planning Commission followed the law, believes in such a circumstance it's necessary to go above and beyond the legal requirement. Agrees with her fellow Councilpersons that the notification requirements need to be revisited. Mentioned the Saginaw Housing Commission should have protected its investment in the neighborhood and hung on to the property instead of selling it like Dr. Shaheen did with the Jewish Temple. Thanked all the students and resident who spoke on the matter.

Mayor Seals agreed with Councilwoman Kitterman-Miller. Said correct information is important. Mentioned she had received the same notice on the project as did the neighborhood. It was not a matter Council needed to approve. Said she had recently attended a meeting and heard the residents' concerns. Said she intends to find out what property in the City is zoned M-1 and M-2. Said she already advised the City Attorney that ordinances need to be drafted which require special permission to have these types of facilities located anywhere in the City with notification to the surrounding neighborhoods. Said it was a wake up call for her to get a handle on how property is zoned in the City. She was not familiar with M-1 and M-2. Assured citizens Council members would become experts on zoning and something like this would not happen again in the future. Unfortunately doesn't believe there is a loophole for this time. Citizens should also be familiar with the zoning in their area and what type of businesses that zoning will allow. Noted the Planning Commission's authority is derived from State law.

#### PETITIONS

- 08-12 from Jonathon Campau, 302 N. 7 Mile Rd., Linwood, MI, requesting permission for fireworks display on June 6, 2008, at the Germania Town & Country Club, 1 Germania Platz.  
Councilman O'Neal moved to approve the request. Adopted unanimously.

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

Subject: Rezoning the area generally abutting the Covenant HealthCare campus to single family residential

Planning Commission Recommendation: Recommending approval to rezone the area generally abutting the Covenant HealthCare campus to single family residential.

Justification: Covenant Neighborhood Association requested the rezoning of the area generally abutting the Covenant HealthCare campus be changed to single family residential in an effort to protect property values, prevent blight, and help fight crime in the area. City council remanded the petition to the Planning Commission for a public hearing.

The Planning Commission held a public hearing on Tuesday, November 27, 2007 at 6:00 p.m. All property owners in the above-mentioned area were notified by mail and all interested parties were heard.

From the investigation and review of the evidence presented at the hearing, the Planning Commission found that the rezoning of the area from the center line of West Genesee Avenue, east to Schaefer Street, around Covenant HealthCare Campus, south to Hancock Street, and west to Bates Street be rezoned from R-2, R-3, RO-1, B-1, and M-1 to R-1, Single Family Residential, has met the criteria required to amend the Saginaw Zoning Map.

Council Action: Councilman Coulouris moved that the report from the Planning be received and filed.

Adopted unanimously.

From the Boards & Commissions Committee:

Councilman Scharffe moved for consideration of reappointing James W. Stuart to the Brownfield Redevelopment Authority, with a term to expire December 31, 2010.

Adopted unanimously.

Councilman O'Neal moved for consideration of reappointing Carol W. Selby to the Public Libraries of Saginaw, with a term to expire June 30, 2012.

Adopted unanimously.

Councilman Coulouris move for consideration of reappointing Robert W. Roenicke to the Electrical Appeals Board, with a term to expire December 31, 2010.

Adopted unanimously.

Councilwoman Kitterman-Miller spoke on the Keep Saginaw Beautiful project scheduled for the weekend of May 16-18, 2008. Mentioned receiving approximately \$7,000 in donations and said there are 22 projects planned. She briefly explained some of them. Urged citizens to get involved. Mentioned the City's drop off site at 1435 S. Washington, and Firestone accepting old tires found on empty lots. Said there would be a celebration on Sunday from 2-4 p.m. at Morley Plaza in downtown Saginaw.

Councilman Coulouris reported on three items addressed by the Planning Commission on April 22nd. The Riverfront Commission requested authorization to scrutinize plans and appeals pertaining to riverfront work. The Commission agreed this would expedite matters between the Planning Commission and potential developers. Secondly there was a request from a Landscape Business to operate at 2110 Burnham Street (Zoned M-2). The neighbors objected to the business due to insufficient parking and the compost which was creating a stench. The business was allowed a time period in which

to clean up the area. Lastly, there was a request from the Northmoor Neighborhood Association to rezone an area from R-2 to R-1 (Phase I: Ash Street to the North, Hill & Schaeffer to the East, Davenport to the South and Benjamin to the West; Phase 2: the remaining area from Benjamin to Durand with the same Northern boundary.) *(There was some confusion between Councilman Coulouris' report and the report from Mr. Stemple who said the landscaping business was denied their request and should cease and desist operations. Mayor Seals requested a clarification on the issue.)*

Councilman O'Neal requested copies of all documents, minutes, etc. given to the Planning Commission be provided to Council as well.

#### REPORTS FROM CITY MANAGER

##### Management Update

City Manager Darnell Earley reiterated that the staff and Planning Commission did its job. Said it is absolute nonsense for someone to imply that there is an alternate "interest" for this project or subjective criteria for measurement. The Planning Commission has always been consistent with its recommendations to Council.

##### Recommended Actions:

##### Subject: Alert Emergency Equipment Inc. Agreement

Manager's Recommendation: I recommend approval of the Agreement between the City and Alert Emergency Equipment Group Inc. ("Alert"). I have approved this Agreement 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.

Justification: Alert and the City have negotiated an Agreement for an even trade of four surplus police vehicles for additional safety upgrading of emergency LED lighting for side mirror beams attached to four 2008 police patrol vehicles. The four vehicles that are offered for trade are beyond economical repair and are valued at a little more than that of scrap.

In the fall of 2007, City Council approved an Agreement with Alert. Recently, during negotiations with the City for the upgrade of the four 2008 vehicles, Alert advised the City that it had a credit of \$1,287.11. Furthermore, Alert would credit the City \$1,800.00 for the four surplus vehicles. Therefore, the City's total credit is \$3,087.11. The costs of adding additional upgrades to the four vehicles would be \$2,454.20. However, Alert will deduct that costs from the City's credit. The remaining credit of \$632.91 will be used to acquire future additional safety equipment.

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

Adopted unanimously.

##### Subject: Donation of Outdated Cell Phones to Underground Railroad, Inc.

Manager's Recommendation: I recommend donating outdated Ameritech analog cell phones formerly used for elections and other City-purchased and personal cell phones collected from City employees that have no use or value to the City, to Underground Railroad, Inc. as part of the Great American Cleanup/Keep Saginaw Beautiful Initiative to be

held May 16-18, 2008.

Justification: On or about October 30, 2002, the City Clerk's Office purchased Forty-Three (43) Ameritech analog cell phones to use in its precincts.

Since that time, the City Clerk's Office has updated its cell phones twice, both times requesting some form of trade-in credit for the analog phones and has been told by the companies that these are outdated and are no longer of any use.

Since these telephones can no longer be used by the City of Saginaw, they have been determined to have no value. The purchasing ordinance does not address a situation on how to dispose of property that is determined to have no value to the City of Saginaw.

The City Clerk's Office seized this opportunity to collect other outdated cell phones from City employees that were of no value or use. The following cell phones were collected: Nine (9) Audiovox Model MVX-480; Four (4) Verizon Motorola Model M120C; Eight (8) Audiovox Verizon Tri-Mode; Five (5) Motorola StarTAC; Three (3) Verizon Kyocera; One (1) Bell Atlantic Mobile Model C300D; One (1) Nextel Motorola 550 Plus; One (1) AirTouch Samsung; Two (2) Motorola Model V2260; and One (1) Sprint Samsung Model SPH-N200. Some of these phones were purchased with City funds and some were employees' personal phones. All of the cell phones are of no value to the City.

As part of the Great American Cleanup/Keep Saginaw Beautiful Initiative to be held May 16-18, 2008, Underground Railroad, Inc. will be collecting used and outdated cell phones at a designated drop off location. The Underground Railroad, as a nonprofit domestic violence agency, is given a small stipend for recycled cell phones.

Given the foregoing, I recommend that the Forty-Three (43) Ameritech analog Election cell phones, and the other cell phones listed above, be donated to Underground Railroad, Inc. as part of the Great American Cleanup.

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

Adopted unanimously.

Subject: Resolution of Property Damage Claim

Manager's Recommendation: I recommend final approval of claim number P134-07-00254 and payment to Claimant in the amount of \$3,842.29 to resolve a property damage claim at 3426 Grant. This claim settlement has been approved by the City Manager as to substance and the City Attorney as to form.

Funds to pay these claims are available in the City's Self Insurance Fund Account No. 677-1762-711.80-74.

Justification: On or about October 27, 2007, the owner of 3426 Grant experienced property damage when a portion of a tree on City property fell on her home, car and fence. The City's third-party administrator has reached a settlement with the Claimant in the amount of \$3,842.29.

As part of the agreement, Claimant will sign a release, releasing the City from any and all further liability on this claim.

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

Subject: I.T.I. Inc. Maintenance Agreements

Manager's Recommendation: I recommend that the phone equipment maintenance agreements with I.T.I. Inc. be approved and that a purchase order be approved and issued to them in the amount of \$12,563.14. It is further recommended that the City Manager or his designee be authorized and directed to execute the maintenance agreements. These agreements have been 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 available in Information Services Operating Services Account No. 658-1720-711.80-05.

Justification: This maintenance agreement covers the telephone equipment located at City Hall, Police Department, Public Works Building and Wastewater Treatment Plant for a one-year period from 4-1-08 to 3-31-09. The agreement covers all service under normal wear and tear including parts, labor and travel time. It also offers free user training, no charge for service related software updates, free loaner equipment and 24 hour, 7 day service without paying any after hour premium.

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

Adopted unanimously.

Subject: City Council Authorization for a Public Auction to Sell Personal Property

Manager's Recommendation: I recommend that City Council authorize the public auction of personal property from the Anderson Water Park. The City will utilize Ebay online auction service to sell the property.

Justification: The City of Saginaw ("City") is in the process of demolishing the defunct Andersen Water Park. Staff has concluded that some of the existing features and assets are of value. Further, staff concluded it was in the best interest of the City to utilize Ebay to dispose of the personal property because it is the most efficient and cost effective way to sell the property. Pursuant to Title I, General Provisions, Chapter 14, Finance and Purchasing, Section 14.27(D), City Council can authorize the sale of personal property at a public auction. In the past, City Council has authorized the sale of personal property at a public auction.

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

Adopted unanimously.

Subject: Propane

Manager's Recommendation: I recommend increasing purchase order 34119 with Amerigas to \$4,000.00 in order to have an adequate supply of propane gas through June 30, 2008.

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

Funds for this purchase are available in the Major Streets Routine Maintenance Account No. 202-4651-841.73-30 (\$1,250.00) and the Local Streets Routine Maintenance Account No. 203-4651-841.73-30 (\$850.00).

Justification: The Right of Way Division, Streets section, has a \$1,900.00 blanket purchase order with Amerigas to supply propane gas. Due to increased usage and continual increases in propane prices, the dollar amount of this purchase order is nearly depleted. The propane is used to heat asphalt patching material and joint sealant material needed to maintain the City Streets. Based on current usage, it is estimated that we will use an additional \$2,100.00 worth of propane gas through fiscal year 2008.

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

Adopted unanimously.

Subject: Purchase Order with R. C. Hendrick

Manager's Recommendation: I recommend acceptance of the low bid and issuance of a purchase order to R. C. Hendrick in the amount of \$9,900.00 for the beam repair at ramp one.

Funds are available in the Parking System Capital Outlay General Repairs Fund Account No. 516-7510-761.80-40.

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

Justification: On April 15, 2008, the City received bids for the beam repair at Ramp One. This project will repair the deteriorated existing beam in the ramp. This condition is such that the area is unsafe and unusable, and has been closed until a repair can be made.

Following is a tabulation of the bids received and reviewed by the Purchasing Committee:

R.C. Hendrick Saginaw, MI	\$9,900.00
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Ram Construction Livonia, MI	\$9,980.00
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Council Action: Councilman Scharffe moved that the recommendation of the City Manager be approved.

Adopted unanimously.

Subject: Consumers Energy Alternate Power Contracts

Manager's Recommendation: I recommend that the five contracts with Consumers Energy be approved for a five-year period and that a purchase order in the amount of \$10,319.00 be issued for Fiscal Year 2007-08, and that purchase orders for \$10,319.00 be issued for each subsequent Fiscal Year through 2012. The contracts are approved as to substance by the City Manager and the City Attorney as to form. It is further recommended that City Council authorize the City Manager or his designee to sign the contracts.

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

The funds are available in the Sewer Operation and Maintenance Account No.

590-4835-861.80-31.

Justification: The Wastewater Treatment Division operates and maintains seven Retention Treatment Basins (RTBs) designed to treat stormwater flows in excess of the treatment capacity of the Wastewater Treatment Plant. The Plant's National Pollutant Discharge Elimination System Permit requires that all of the Division's facilities have alternate power sources. Two of the RTBs have diesel-powered pumps which fulfill this requirement. However, the other five RTBs rely on an alternate electrical feed source provided by Consumers Energy. Consumers Energy has adopted a policy that requires any facility with an alternate power source to pay an annual maintenance service fee for this power.

There is a separate contract for each RTB with the affiliated cost directly proportional to the alternate power demand required by that facility. The contracts cover a period of five years beginning immediately with signing. The total cost per year for all five RTBs is \$10,319.00 or a total of \$51,595.00 over the five-year period of the contracts.

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

Adopted unanimously.

Subject: Budget Adjustment

Manager's Recommendation: The City of Saginaw Keep Saginaw Beautiful Committee, an affiliation of Keep America Beautiful, is cosponsoring a 3-day weekend citywide clean up and beautification blitz on May 16-18, 2008. I recommend that the City of Saginaw cosponsor the celebration on Sunday, May 18, 2008.

It is also recommended that a budget adjustment be completed to increase the Public Services Fund Administration/Operating Services Account No. (101-4610-781.80-05) from \$0 to \$6,000.00. This increase will be offset by a deposit of \$5,000.00 from The Dow Chemical Company and \$1,000.00 from Waste Management. This increase in revenue will also increase the General Services/Other Revenue Contributions Account No. (101-0000-571.67-50) from to \$0 to \$6,000.00

Justification: The City received a check in the amount of \$5,000.00 from the Dow Chemical Company and \$1,000.00 from Waste Management to support the 3-day weekend City of Saginaw Citywide Beautification and Clean up Blitz to be held May 16-18, 2008. The proceeds will be used to purchase materials, supplies and equipment for this event. As cosponsor of this event, the City will allow the use of Morley Plaza and donate picnic tables and trash barrels.

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

Adopted unanimously.

Subject: Bierlein Entertainment, LLC Location Release Agreement

Manager's Recommendation: I recommend approval of the Agreement between the City and Bierlein Entertainment, LLC ("Bierlein"). I have approved this Agreement as to substance and the City Attorney as to form. Further, it is recommended that Council authorize the City Manager or his designee to execute the Agreement.

Justification: Bierlein is in the process of shooting the film, Street Boss. The film

is based upon a book written by former FBI Agent Phil Kirby. Bierlein is shooting scenes in several locations in Saginaw County, including Citizen's Bank. The crew will film scenes from within the bank. In addition, it will film a scene outside of the bank on the City sidewalks. Bierlein will shoot the scene on May 5, 2008. Pursuant to the terms of the Release Agreement, the City and Bierlein mutually agree to indemnify and hold each other harmless.

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

Adopted unanimously.

All City Manager recommendations to this point were adopted by general consent. The following was considered after discussion.

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 (subject to further motion). The dismissed claims may also be the subject of appeals. The Self Insurance Retention ("SIR") for this insured claim is \$150,000, of which approximately \$120,000 has already been spent. The total exposure of the City for the remainder of the litigation is approximately \$30,000. 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 postponed pending the report in closed session.

Adopted unanimously.

Subject: St. Mary's Run/Walk for Health

Manager's Recommendation: I recommend that St. Mary's of Michigan be allowed to rent Ojibway Island for their special event for a reduced rate of \$300.00.

Justification: St. Mary's of Michigan has scheduled their Run/Walk for Health on June 28, 2008 from 5:00 a.m. to 10:00 a.m. The course will go along the Riverwalk, over and through Ojibway Island and turn around in Wickes Park. St. Mary's will not be using the stage, garage, concession, restrooms or dressing rooms on Ojibway Island. They want to reserve the island in the early morning hours for the safety of the participants in their event.

The special event rate sheet shows a cost of \$660.00 per day to reserve Ojibway Island for a special event. St. Mary's has offered to pay \$300.00, leaving the facility open for rental by another event sponsor after 10:00 a.m., should we receive another special event application to reserve Ojibway Island for that date.

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

Adopted unanimously

INTRODUCTION OF ORDINANCES

Subject: Naming or Renaming Ordinance

Manager's Recommendation: I recommend §152.51, "Naming or Renaming of Streets, Parks, Buildings and Other Property," be added to Chapter 152, "Subdivision Control" of Title XV, "Land Usage" of the Saginaw Code of Ordinances O-1. An Ordinance

has been prepared and appears under the regular order of business.

Justification: From time to time the City receives requests from individuals and organizations to name or rename a City street, building or other property. The practice has been for City Council to receive and file the request and refer it to the Engineering Department, which in turn reviews the matter and refers it to the City Planning Commission.

The City Planning Commission notifies the affected parties and holds a public hearing whereat citizens can give their input. Following the hearing, the City Planning Commission gives its recommendation to City Council for final approval and/or denial of the request. Although this procedure has been followed, there has never been any written policy. Since the City has no formal "policy" book, it is in the best interest of the City to adopt an ordinance setting forth the guidelines for naming and renaming City parks, buildings, streets and other property, so that the City is consistent in the manner these requests are handled.

Council Action: This Council Communication is for explanation purposes only of the ordinance to be introduced.

Councilman Coulouris introduced an ordinance entitled and reading as follows:

AN ORDINANCE TO ADD §152.51, "NAMING OR RENAMING OF STREETS, PARKS, BUILDINGS AND OTHER PROPERTY" TO CHAPTER 152, "SUBDIVISION CONTROL," OF TITLE XV, "LAND USAGE," OF THE SAGINAW CODE OF ORDINANCES O-1.

Adopted unanimously. Mayor Seals announced the ordinance would be laid over under the Charter provision.

Councilman Coulouris introduced an ordinance entitled and reading as follows:

AN ORDINANCE TO AMEND THE ZONING MAP BY REZONING THE AREA FROM THE CENTERLINE OF WEST GENESEE AVENUE, EAST TO SCHAEFER STREET, AROUND COVENANT HEALTHCARE CAMPUS, SOUTH TO HANCOCK STREET, AND WEST TO NORTH BATES STREET FROM R-2, R-3, RO-1, B-1, AND M-1 TO R-1, SINGLE FAMILY RESIDENTIAL, LOCATED IN THE CITY OF SAGINAW.

Adopted unanimously. Mayor Seals announced the ordinance would be laid over under the Charter provision.

#### RESOLUTIONS

##### RESOLUTION IN SUPPORT OF HEALTHPARK DEVELOPMENT

Councilman Scharffe offered and moved adoption of the following resolution:

WHEREAS, the City of Saginaw owns property near the Saginaw river in which it is interested in developing; and

WHEREAS, Michigan Healthpark Development, LLC has expressed an interest in acquiring and developing this property for physician's offices, and potentially a medical education campus; and

WHEREAS, this proposed development would involve a \$10,000,000 investment

and create approximately 40 medical jobs in the City, with the potential for additional investment and job creation; and

WHEREAS, Michigan Healthpark Development, LLC has also agreed to work cooperatively with the City in addressing and minimizing any environmental concerns; and

WHEREAS, Michigan Healthpark Development, LLC and the City have already been involved in preliminary negotiations for this project.

NOW THEREFORE, BE IT RESOLVED, that the City of Saginaw supports this project and pledges its cooperation in its progress and completion

Adopted unanimously.

RESOLUTION TO SUPPORT RENEWAL OF NEGOTIATIONS  
BETWEEN DOW, EPA AND DEQ

Councilman Scharffe offered and moved adoption of the following resolution:

WHEREAS, Dow Chemical Corporation has in the past worked cooperatively with the City of Saginaw in responding to any concerns for potential contamination and remediation efforts in this area; and

WHEREAS, the City of Saginaw cooperates with the United States Environmental Protection Agency and the Michigan Department of Environmental Quality in their efforts to identify and alleviate environmental concerns and appreciates their guidance and assistance; and

WHEREAS, in the past Dow Chemical Corporation, the Environmental Protection Agency and the Department of Environmental Quality have worked together to correct problems and have been able to negotiate acceptable solutions; and

WHEREAS, Dow Chemical Corporation terminated negotiations to form a plan to address contamination problems in the watershed that includes the City of Saginaw; and

WHEREAS, the City had previously passed a resolution asking these organizations to meet again in an attempt to resolve their differences, but negotiations have not yet resumed.

NOW THEREFORE, BE IT RESOLVED, that the City of Saginaw hereby again recommends and urges these organizations to resume negotiations in good faith to reach a mutually agreeable plan to address these issues.

Adopted unanimously.

RESOLUTION TO SUPPORT RENEWAL OF DREDGING OPERATIONS

Councilwoman Kitterman-Miller offered and moved adoption of the following resolution:

WHEREAS, the City of Saginaw is aware that the United States Army Corps of Engineers is involved with dredging operations on the Saginaw River to maintain a shipping channel to businesses in the Saginaw urban area; and

WHEREAS, the Michigan Department of Environmental Quality is also involved in this project to assure that these dredging operations do not create environmental problems in the area; and

WHEREAS, the Army Corps of Engineers also has experience and expertise in the proper disposition of dredged materials and other environmental issues associated with these projects; and

WHEREAS, disagreements between these two organizations appear to have delayed this project and may prevent its completion; and

WHEREAS, at least eighteen businesses in the urban area will be adversely affected if the dredging project is not completed.

NOW THEREFORE, BE IT RESOLVED, that the City of Saginaw hereby recommends and urges these organizations to resume negotiations in good faith to reach a mutually agreeable plan to address this issue.

Adopted unanimously.

#### UNFINISHED BUSINESS

Subject: Liquor License for 1313 Cumberland

Manager's Recommendation: I recommend approval of the request from Joseph D. Al-Bazzi for a new SDM license and request for transfer of ownership and location of SDD license from Rite Aid of Michigan, Inc., 1310-1340 Gratiot, Saginaw, MI 48602, Saginaw County to 1313 Cumberland, Saginaw, MI 48601.

Justification: On or about March 12, 2008, the City received notice from the Michigan Liquor Control Commission reinstating the request from Joseph D. Al-Bazzi for a new SDM license and request for transfer of ownership and location of SDD license from Rite Aid of Michigan, Inc., 1310-1340 Gratiot, Saginaw, MI 48602, Saginaw County to 1313 Cumberland, Saginaw, MI 48601.

The City of Saginaw Fire Prevention, City Building Inspections Division and the Michigan Department of Agriculture have completed the necessary inspections and have approved 1313 Cumberland for the license as required by Chapter 110, "General Provisions," of Title XI, "Business Regulations" of the Saginaw Code of Ordinances. Under Chapter 111, "Alcoholic Beverages," §111.11, "Application for License," the City Manager is to review all applications and departmental reports and give his recommendation to City Council of his approval or disapproval of the license. Since the necessary requirements have been met by Joseph D. Al-Bazzi, I hereby recommend approval of Joseph D. Al-Bazzi for a new SDM license and request for transfer of ownership and location of SDD license from Rite Aid of Michigan, Inc., 1310-1340 Gratiot, Saginaw, MI 48602, Saginaw County to 1313 Cumberland, Saginaw, MI 48601.

Council Action: Council Coulouris moved that the recommendation of the City Manager be approved. Defeated by the following vote:

Ayes: Councilman Coulouris-1.

Nays: Councilpersons O'Neal, Scharffe, Virciglio, Wendt, Branch, Fitzpatrick, Kitterman-Miller and Mayor Seals-8.

#### MOTIONS AND MISCELLANEOUS BUSINESS

Councilman Branch made a motion to go into closed session to discuss settlement negotiations in pending litigation. Adopted by the following vote:

Ayes: Councilpersons Scharffe, Virciglio, Wendt, Branch, Coulouris, Fitzpatrick, Kitterman-Miller, O'Neal, and Mayor Seals-9.

Nays: 0.

*(Council entered Closed Session at 10:00 p.m.)*

Upon returning from Closed Session at 10:17 p.m., Councilman Scharffe moved to approve the following recommendation from the City Manager:

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 (subject to further motion). The dismissed claims may also be the subject of appeals. The Self Insurance Retention ("SIR") for this insured claim is \$150,000, of which approximately \$120,000 has already been spent. The total exposure of the City for the remainder of the litigation is approximately \$30,000. 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.

Adopted unanimously.

ADJOURNMENT

At 10:18 p.m. Councilman Scharffe moved to adjourn the meeting.

Adopted unanimously.

Diane M. Herman  
City Clerk