
REGULAR MEETING OF THE COUNCIL OF THE CITY OF SAGINAW, MICHIGAN, HELD MONDAY, MARCH 9, 2009, AT 6:30 P.M. IN THE COUNCIL CHAMBER OF CITY HALL.

PRAYER AND PLEDGE OF ALLEGIANCE

Mayor Seals 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, Amanda Kitterman-Miller, Amos O'Neal, Bill Scharffe, Paul Virciglio and Mayor Joyce Seals-7.

Absent: Councilpersons Daniel Fitzpatrick and Andrew Wendt -2.

ANNOUNCEMENTS

Mayor Joyce Seals announced that on Student Government Day, March 23, 2009, the Council meeting would start at 12:00 noon in the Council Chamber and the deadline for personal appearances would be 4:00 p.m. on Friday, March 20, 2009.

PERSONAL APPEARANCES

Earl G. Jesse, 310 S. Harrison, spoke regarding lawsuits and said all elected and appointed councilpersons and officials swore to uphold the state and national constitutions when accepting office.

Kenneth Champion, 2112 Cherry St., spoke in response to statements made by Kenneth Shapley at a previous meeting. Disagreed that 310 Johnson was incompatible with the Saginaw Plaza Hotel and needed permanent closure. Said there had been problems with the 21 and under age group, but they no longer lease or hold events for that group, only 25 and older. Said crime could happen anywhere and another empty building was not the answer. Said the hotel realtor was not trying hard to sell the hotel because of the profits made from parking during events at The Dow.

Trish Burns, 845 S. Linwood Beach, representing the Public Libraries of Saginaw. Said the libraries strive for a variety of programs including the One Book One Community program. Asked council members to accept the book given to them, "Eyes on the Prize, America's Civil Rights Years 1954-1965" by Juan Williams, read it and share with others. Said the author would be at the Temple Theater on April 16, 2009 at 7:00 p.m. for a free community program, urged all to attend.

Amy Beyerlein, 1680 S. Bradleyville, purchased a business at 3504 State St. and wanted to thank everyone in the city for being great, very helpful, willing to go out of their way to help get the business up and running.

REMARKS OF COUNCIL

Councilwoman Kitterman-Miller reminded all the Keep Saginaw Beautiful Committee meeting would be held Wednesday, March 11, 2009 at 5:15 p.m. in Council Chambers. The Blitz is the week of May 9-16.

Councilman Scharffe said, regarding recent pit bull attacks, the city ordinance does not prohibit pit bulls or exotic animals, only swine. Asked the City Manager and City Attorney to look into changes to our ordinance regarding animals.

Councilman Virciglio said he had done some research on dangerous animal ordinances throughout the state, but they require an animal to be declared dangerous before something could be done. Expressed hope the City could find something that would allow action to be taken prior to injury being inflicted.

Mayor Seals attended the Michigan Municipal League conference the past week and collected much information including refinancing road construction and the stimulus plan. Asked the City Manager to look into a place called Recycle Bank Allied which is a rewards program intended to motivate recycling. Urged the community to support the Arts. Said the Y.M.C.A. is holding an event to honor Mr. Woodley. Attended the faith-based Saginaw strategic planning meeting for lead poisoning prevention. Noted participation had increased and 33 students had been identified as having lead poisoning.

(Council members thanked Ms. Beyerlein for her good comments regarding city employees and her support of the city.)

PETITIONS

09-05 From Mairin MacDonald, of WKCQ-FM, requesting permission to erect a banner in the 500 block of Court Street from May 22 to June 20, 2009, for the purpose of promoting the KCQ Country Music Fest Free Concert.

Councilman Scharffe moved to approve the request, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

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

Subject: Amend the official City map by vacating a 55' portion of the alley bounded by Lyon, South Mason, Mackinaw and South Oakley Streets, abutting the properties known as 1220 Lyon and 523 South Oakley Streets

Planning Commission Recommendation: It is recommended that the official City map be amended by vacating the 55' portion of the alley bounded by Lyon Street, South Mason Street, Mackinaw Street and South Oakley Street, abutting the properties known as 1220 Lyon Street and 523 South Oakley Street.

Justification: Ms. Maritza Perkins requested that a 55' portion of the alley bounded by Lyon Street, South Mason Street, Mackinaw Street and South Oakley Street, abutting the properties known as 1220 Lyon Street and 523 South Oakley Street, be vacated in order to deter unnecessary traffic through the alley. The petition was referred to the City Planning Commission for investigation and a report with recommendation. The Commission held a public hearing on the request on September 23, 2008 and all interested persons were heard. The Commission recommended approval of the petition to vacate the 55' portion of this alley.

Council Action: Councilman Coulouris moved that the report from the Planning Commission be received and filed, seconded by Councilman Virciglio.

Adopted unanimously.

Councilman O'Neal reported the City/County/School Liaison committee met January 22, 2009, where they received an update on the Job Fair and the repurposing of

the Andersen Water Park, and an overview of activities of Hoyt Park. Noted participation at the last few meetings had been lacking on the City's part. Cities of Promise meeting is scheduled for March 11, 2009, to review goals and objectives for the year.

Councilman Virciglio reported the Downtown Development Association had formed a subcommittee to study the feasibility of a Tax Increment Financing District to be used as a development tool to spur investment in the City.

Councilman Branch reported the City Manager Evaluation Committee had received all of the evaluations and were processing the results.

Councilman Scharffe reported the Saginaw Economic Development Corporation adopted a new set of bylaws after review showed potential violations of the Open Meetings Act.

REPORTS FROM CITY MANAGER

Management Update

Thomas Darnell, Director of Public Services, talked about work on the Water Treatment Plant by Greeley & Hansen. Said they are looking at the plant to see what treatment alternatives may be needed to meet future regulations, or if another plant would be needed to meet future demands and regulations in the water industry. Said they put together a computer model of the system to find weaknesses and future planning, and had worked on an interim alternative disinfection system. Noted task order 7 regarding a pump station for Tittabawassee Township, was on hold and task orders 8-11 look at treatment alternatives and put everything together into a water system master plan. He noted the 2006 agreement was for 2-3 years with a \$2,000,000 limit. When asked if this was everything he said it was not, that task order 11 puts everything together into a master plan.

City Manager Darnell Earley noted this was a significant point in the life of our water treatment facility and to go forward a master plan was needed to address issues over the expected life of the plant, before problems arise.

Mr. Earley said he would be traveling to Buffalo, New York, as ICMA President-elect, to address their Mayor and Council and discuss the value of Mayor/Council government and Saginaw's experiences, similar to what a previous ICMA President did during one of Saginaw's Town Hall meetings regarding the 2007 Charter reform vote. Noted the trip was sponsored by ICMA.

(At 7:25 p.m., Councilman Wendt arrived and took his seat.)

Mr. Earley shared his concerns over the jury trial and verdict the previous week. Said if there were problems in the Saginaw Police Department they needed to be addressed. Noted the findings of a parallel investigation conducted by the Michigan State Police were consistent with the City's findings. Said he would appoint an independent 3-person panel consisting of a representative from the Michigan Department of Civil Rights, a citizen member and representative from another law enforcement agency, to perform an administrative review of Police Department internal affairs and operations, for any signs of systemic issues that may have led to the allegations testified to in court.

Recommendation ActionsSubject: Apparatus Repairs/Front Line Services

Manager's Recommendation: I recommend that the purchase order issued to Front Line Services for the Saginaw Fire Department Apparatus repairs for fiscal year 2009 be increased by \$29,000 for a purchase order total of \$114,000.

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 budgeted and available in the Fire Apparatus Motor Vehicle Repairs Account No. 101-3754-751.80-42.

Justification: Council approved a purchase order for \$85,000 to this vendor at the beginning of the fiscal year for apparatus repairs. Due to extensive repairs and preventative maintenance, these funds have been used. An increase is needed to cover anticipated costs for the remaining months of this fiscal budget year to maintain our fire apparatus in a state of readiness.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Police Department – Digital Transcription Software Budget Adjustment

Manager's Recommendation: I recommend a budget adjustment to be completed for the purchase of digital computer transcription software and equipment.

The Drug Forfeiture's Decrease in Fund Equity line item no. 264-0000-680.00-00 should be increased from \$0.00 to \$1,700.00. Likewise, the Drug Forfeiture's computer Software line item no. 264-3040-731.73-25 should be increased by \$1,700.00 for the purchase of transcription software and equipment.

Justification: The City's Police Department currently uses standard cassette tapes, which are analog, to record interviews of subjects. With modern technological advances such as the compact disc and digital recordings, analog equipment is rapidly becoming obsolete. The Police Department has not made a purchase of recording equipment in over 15 years. The cost of this equipment is as follows:

3 SME-DAVTS Transcription Systems @ 229.00 ea.	\$ 687.00
1 Ganz 4 Channel DVR, 250 GB HDD, CD/DVD RW	\$ <u>990.00</u>
	\$1,677.00
	<u>10.00</u> S&H
	\$1,687.00

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Police Officer Ballistics Vests

Manager's Recommendation: I recommend that a purchase order be approved and issued to Gator Hawk Armor in the amount of \$9,576.00 for concealable body armor for the city's police officers.

This vendor meets all requirements of 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 Police Department's Supplies/Clothing Supplies Account No. 101-3014-721.73-03.

Justification: On February 3, 2009, the Saginaw Police Department received a quote from Gator Hawk Armor offering to extend the current pricing from bid P-538-07 through June 30, 2009. Gator Hawk Armor is the sole qualified bidder.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Purchase of One Police Patrol Vehicle

Manager's Recommendation: I recommend the approval to purchase one (1) fully equipped 2009 Chevy Impala police patrol vehicle from Berger Chevrolet of Grand Rapids, MI, in conjunction with the State Bid process.

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 the Motor Pool Operations / Capital Outlay/Vehicles, Account No. 661-4480-841.97-70.

Justification: On February 23, 2009, City Council approved an insurance proceeds budget adjustment for the Saginaw Police Department. The Saginaw Police Department would like to utilize these available funds to replace one (1) patrol vehicle totaled in an accident. The emergency equipment was not damaged and will be re-installed on the new patrol vehicle.

The vehicle will be purchased outright at the cost of \$19,178.00. This amount includes delivery, documentation fees and titles.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Saginaw County Substance Abuse Prevention Services Agreement

Manager's Recommendation: I recommend that the Substance Abuse Prevention Services Agreement with the Saginaw County Department of Public Health ("DPH") be approved. The Agreement has been approved by me as to substance and the City Attorney as to form.

Justification: During the past several years the DPH and City have entered into an agreement regarding Substance Abuse Prevention Services. The purpose of the Agreement is to develop and deliver prevention services to specific high risk populations identified as underserved and provided in a variety of settings. Pursuant to the terms of the Agreement, the City will receive \$164,000.00 to conduct 2,050 units of service for a drug free community. The funds are specifically used by the Saginaw Police Department to fund its drug prevention efforts through the Family Youth Initiative program.

Council Action: Councilman Virciglio moved that the recommendation of the City

Manager be approved, seconded by Councilwoman Kitterman-Miller.
Adopted unanimously.

Subject: Consumers Energy Easement

Manager's Recommendation: I recommend that the easement with Consumers Energy be approved. The easement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: The City received a request from Consumers Energy ("Consumers") for an easement for overhead and underground electric lines and gas pipelines on its property located at 101 South Hamilton. Consumers is requesting the easement to service the newly constructed dwelling located at 100 South Michigan. Consumers will indemnify, defend and hold harmless the City from any liability claims. In addition, Consumers will repair blacktop and/or concrete and grade and reseed the areas that it disturbs in exercising its rights under the easement.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.
Adopted unanimously.

Subject: State of Michigan Public Assistance Grant Agreement

Manager's Recommendation: I recommend that the Grant Agreement ("Agreement") with the State of Michigan Department of Police, Emergency Management and Homeland Security Division be approved. The City Manager has approved the Agreement as to substance and the City Attorney as to form. It is further recommended that the City Manager and/or his designee be authorized to sign the Agreement and any other documents on behalf of the City.

Justification: In June 2008, there was a storm that caused significant damage in the City of Saginaw. As a result, President Bush declared the City of Saginaw a disaster area on August 27, 2008, pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Afterwards, City personnel submitted a grant application to the state requesting supplementary financial assistance for clean up activities. The total cost of the City's clean up activities is \$1,053,413.04.

The City was awarded funds in the amount of \$921,736.43. Federal funds will be provided under the Act at 75% for reimbursement of eligible costs in the amount of \$790,059.80, except for projects that are eligible for 80% reimbursement. Furthermore, the State of Michigan will provide reimbursement of 12.5% in the amount of \$131,676.63 and the City is responsible for providing the remaining matching funds equal to 12.5% of the total cost.

According to the terms of the Agreement, all Freedom of Information Act ("FOIA") requests regarding information submitted in the course for applying for funding, must be submitted to the Michigan State Police ("MSP"). Under normal circumstances, the City would handle its own FOIA requests. Staff had a concern that if the MSP denies a request and the requestor files an appeal with a court and is granted fines and penalties that the City would have to pay for its possible error. Staff discussed the matter with the MSP and it would not amend or delete that language from the Agreement.

As a result, City personnel determined the risk was minimal and it was in the best

interest of the City to accept the terms of the Agreement and that City Council should be advised of the risk. However, if the MSP is sued and a court grants the requestor fines and costs, the City's SIR would be impacted. Currently, the City's SIR is \$250,000.00.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Ikon Office Solutions Agreements

Manager's Recommendation: I recommend that the bid from the State of Michigan for the lease of a copy machine for CDBG be accepted and that the Product Schedule Agreement and Work Order Agreement be approved. The term of the lease is for 36 months and the monthly payment is \$223.00. Also, I request that payment be made to Ikon Office Solutions ("Ikon") in the amount of \$669.00 for the balance of fiscal year 2009 and \$7,359.00 total for fiscal years 2010 through 2012.

The Agreements are approved by me as to substance and the City Attorney as to form. It is further recommended that the City Manager and/or his designee be authorized by City Council to sign all lease agreement documents on behalf of the City.

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 available in the CDBG Residential Loans and Grants/Operating Services Account No. 276-6540-761-8005.

Justification: The State of Michigan solicited bids for copy machines of which Ikon was the successful bidder. The copier machine that is currently in use in the CDBG Residential Loans and Grant Department has become too costly for repairs. To ease the impact to departmental budgets, a thirty-six (36) month lease was negotiated by the parties.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: HUD Authorization for Riverfront Grant

Manager's Recommendation: I recommend that the Mayor and City Manager, and their designees, be authorized to utilize the HUD LOCCS Voice Response System. This Authorization has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: The Council has already authorized the acceptance of the special project grant from the U.S. Department of Housing and Urban Development ("HUD") for demolition and land acquisition in the Riverfront area. As part of the administration of that grant, HUD has requested formal written authorization from the Mayor to allow various City employees to use the LOCCS Voice Response System. This authorization and use of this system is required to administer the grant and draw down the available funds. The proposed Council action is designed to authorize both the City Manager and Mayor to access this system and allow them to designate other employees as well. This proposal will satisfy the current requirements of HUD as well as provide flexibility for further administration of the grant.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Michigan Department of Transportation Traffic Signal Maintenance Cost Agreements

Manager' Recommendation: I recommend that the City approve the Cost Agreements ("Agreements") for traffic signal maintenance at eight locations throughout the City. The Agreements have been approved by me as to substance and the City Attorney as to form. A Resolution to approve the Agreements appears under the regular order of business for your consideration.

Funds for these Agreements are available in the General Fund Traffic Engineering Utilities Account No. 101-4621-791-8031.

Justification: Transmitted herewith are eight Agreements (City Clerk's File Nos. _____) with the Michigan Department of Transportation (MDOT) for traffic signal modernization maintenance at the following locations:

<u>Location</u>	<u>City %</u>	<u>MDOT %</u>	<u>Total</u>
M-13 (Washington) @ Ezra Rust Dr	50	50	\$1,320
M-58 (Davenport) @ Mason	50	50	\$600
M-58 (State) @ Mason	50	50	\$480
M-58 (Davenport) @ Mackinaw	50	50	\$624
M-58 (State) @ Mackinaw	50	50	\$624
M-58 (Davenport) WB @ Stone	0	100	\$0
M-58 (Davenport) @ Brenner	0	100	\$0
M-58 (State) EB @ Woodbridge	50	50	\$480

Once all work has been completed for the modernization at these locations, the existing Agreements that are in place will be replaced with these new Agreements.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Michigan Department of Transportation Traffic Signal Construction Cost Agreements

Manager' Recommendation: I recommend that the City approve the Cost Agreements ("Agreements") for traffic signal construction at two City locations. The Agreements have been approved by me as to substance and the City Attorney as to form. A Resolution to approve the Agreements appears under the regular order of business for your consideration.

Funds for these Agreements are available in the General Fund Traffic Engineering Utilities Account No. 101-4621-791-8031.

Justification: Transmitted herewith are two Agreements (City Clerk's File

Nos. _____) with the Michigan Department of Transportation (MDOT) for traffic signal construction at the following locations:

Location	City %	MDOT %	Total
M-13 (Washington) @ 10 th	50	50	\$624
M-13 (Washington) @ Emerson	50	50	\$816

Once all work has been completed for the construction at these locations, the existing Agreements that are in place will be replaced with these new Agreements.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.
Adopted unanimously.

Subject: Cummins Bridgeway LLC Maintenance Agreement

Manager's Recommendation: I recommend that the Agreement with Cummins Bridgeway LLC ("Cummins") be approved in the amount of \$1,414.80. The Agreement has been approved by me as to substance and by 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 purchase are budgeted in the Water Treatment Operations Account No. 591-4730-861.80-63.

Justification: On July 29, 2008, the City received an Agreement from Cummins to provide planned equipment maintenance for the Diesel generators at the Gratiot Road Pumping Station. The station has two generators that provide emergency power to the station in the event a power outage occurs. Proper operation is critical for the station, which boosts and supplies water to the western and southwest communities.

The generators were new in 2007 and the warranty lasts until 2010. The Agreement covers all the periodic maintenance required for the generators during the warranty period.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.
Adopted unanimously.

Subject: Emergency Purchase of Chlorine Inductor Motor

Manager's Recommendation: I recommend that payment be made to Hamilton Electric in the amount of \$6,950.00 for the emergency purchase of two chlorine inductor motors to be used by the Wastewater 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 Sewer Operation and Maintenance Fund Parts and Supplies Account No. 590-4830-861.73-30.

Justification: The chlorine inductor for the Wastewater Treatment Plant's effluent discharge failed. It was determined that the submersible pump motor had burned out. A temporary repair was made using the motor from a chlorine inductor from one of the retention treatment basins (RTBs). It is critical, and required by the Plant's National Pollutant Discharge Elimination System Permit, that all water treated by the Wastewater

Treatment Plant and the RTBs be disinfected before it is discharged to the river. Therefore, an emergency purchase of two replacement motors was made. One motor will be used to repair the chlorine inductor immediately and the other will be kept as a spare for future use. In the past, when we requested bids on this item, Hamilton Electric of Saginaw provided the lowest price and the quickest delivery.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.
Adopted unanimously.

Subject: Water Treatment Plant Analyzer/Controller

Manager's Recommendation: I recommend acceptance of the only bid and issuance of a purchase order to RS Technical Services, Inc., Lowell, MI, in the amount of \$7,750.00 for the purchase of a controller/analyzer unit to be used by 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 available in the Water Treatment Laboratory Equipment Account No. 591-4730-861.97-40.

Justification: On February 10, 2009, the City received a sole bid from RS Technical Services, Inc., for a Wallace and Tiernan MFC Controller/Analyzer with Deplox 5 technology. This unit will continuously measure free chlorine, pH, conductance and temperature to monitor the quality of the water in the distribution system. No price comparison is available.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.
Adopted unanimously.

Subject: Aqua Station Emergency Electrical Repairs

Manager's Recommendation: I recommend that payment be made to Great Lakes Power Services for emergency purchase orders in the amount of \$12,100.00.

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 for this purchase are available in the Water Treatment General Repairs Account No. 591-4730-861.80-40.

Justification: On February 12, 2009 emergency purchase order no. 38022 was issued to Great Lakes Power Services in the amount of \$2,500.00 to assess damages to the electrical switchgear at the Aqua pumping station. There was a fire in the electrical bus bars from one of the main transformers to the switchgear that resulted in the loss of power to two pumps at the station. The bus bars were completely melted through and it was recommended that they be removed and replaced with conduit and wire. It was also recommended that the bus bars for the second main transformer be replaced as well, due to their age. On February 20, 2009, emergency purchase order no. 38089 was issued in the amount of \$9,600.00 to perform the work of removing and replacing the bus bars to both transformers. The Aqua pump station is critical to the distribution of water to Saginaw Township, Zilwaukee and other northern communities serviced by the Saginaw Water Plant.

Great Lakes Power Services was chosen for their expertise in electrical switchgear maintenance. We have used them several times in the past for switchgear work.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Hubbell, Roth and Clark, Inc. Agreement

Manager's Recommendation: I recommend that the Agreement with Hubbell, Roth & Clark, Inc. ("HRC") be approved and a purchase order issued to them in an amount not to exceed \$54,000.00 for miscellaneous system improvements of the Wastewater Treatment Plant. The Agreement is subject to approval as to substance by the City Manager 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.

The funds are available in the Sewer Operation and Maintenance Engineering Services Account No. 590-4830-861.80-02.

Justification: The City's Wastewater Treatment is nearly 60 years of age. The secondary treatment portion of the plant is nearly 40 years old. The recent construction project at the plant upgraded and refurbished the oldest parts of the plant and replaced some of the original equipment from the 1950's. The proposed project plan for miscellaneous system improvements would address other components of the plant that have outlived their expected lifespan by upgrading and replacing them with new technology and mechanical equipment. This project plan would allow us to submit several projects to the Michigan Department of Environmental Quality for funding consideration under President Obama's stimulus package. HRC has submitted a proposal for the scope of services required to develop the project plan. The amount of the Agreement would not exceed \$54,000.00.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Replacement Flow Meter Weiss Street Retention Treatment Basin

Manager's Recommendation: I recommend that the quote from Martin Control Services for a replacement flow meter be accepted and that a purchase order be issued to them in the amount of \$69,295.00.

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 for this service are budgeted in the Sewer Surplus Repair and Replacement Account No. 576-4840-881.97-20.

Justification: The flow meter for the Weiss Street Retention Treatment Basin (RTB) has failed after over 15 years and needs to be replaced. This meter measures the gravity flow from the collector sewers into the Weiss Street RTB. Accusonic Flow Meters are used at all the other RTBs and this is the matching replacement for the failed meter. Using one brand of flow meter makes it easier to maintain them and allows us to keep a smaller inventory of repair parts in stock. Martin Control Services is the sole source for the

Accusonic Flow Meter. Flow meters are required on all the retention basins by our National Pollutant Discharge Elimination System Permit.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.
Adopted unanimously.

Subject: Approval of Greeley and Hansen Task Order Nos. 8, 9, 10 & 11

Manager's Recommendation: I recommend that task order nos. 8, 9, 10 & 11 between the City of Saginaw and Greeley and Hansen LLC be accepted and that a purchase order be approved and issued to them in the amount of \$514,339.00.

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 for these services are available in the Water Surplus Engineering Services Account No. 577-4740-881.80-02 for FY 2009.

Justification: On June 5, 2006, City Council approved an agreement with Greeley and Hansen LLC that involved the completion of various task orders to develop a master plan for the City's water system. The task orders also included the development and design of an interim disinfection system at the water treatment plant. To date Greeley and Hansen has assembled basic data, worked on initial studies of the treatment plant, concentrating on treatment alternatives, built a computerized model of the distribution and transmission systems, studied options and designed an interim disinfection system for the plant, and begun design of a booster station that will serve the northwestern portion of the distribution system.

Task orders 8 – 11 involve determining the serviceability of the current water treatment plant which began operations in 1929, for long-term use. Alternatives will be developed in accordance with the determination made, which could include upgrades, expansion, or construction of a new plant. Based on these recommendations, studies will help determine the transmission/distribution system upgrades needed to meet projected year 2030 demands for water. These task orders together are necessary to evaluate and make knowledgeable, fiscally responsible choices for long-term improvements of the water treatment facilities for the future of the City of Saginaw and its wholesale customers.

Council Action: Councilman Virciglio moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.
Adopted unanimously.

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

Subject: Third Amendment to Development Agreement with Wolgast Corporation

Manager's Recommendation: I recommend that the Third Amendment to the Purchase and Development Agreement with Wolgast Corporation be approved and that the City Manager or his designee be authorized to execute all documents necessary. This Third Amendment to the Purchase and Development Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: On December 5, 2005 the City of Saginaw entered into a Purchase and Development Agreement with Wolgast Corporation for property located in the 3200, 3300, 3400, 3500, and 3600 block of Douglass St. on the southeast side of the City. Due to the initial lack of success in obtaining tax credits, the project was delayed, and the agreement amended. The Michigan State Housing Development Authority ("MSHDA") approved Wolgast's application, but the process took longer than expected, and the Agreement was amended again on February 27, 2007. The recent difficulties in the credit market have occasioned a further delay and this proposed amendment would allow Wolgast Corporation to extend the closing date until July 1, 2009.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

Subject: Great Lakes Crossroad L.L.C.

Manager's Recommendation: I recommend that the Second Amended Development Agreement between the City of Saginaw, Abraham Allen and Great Lakes Crossroad, L.L.C. be approved and that the City Manager or his designee be authorized to execute all documents necessary. This Second Amended Development Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: The City of Saginaw, Abraham Allen and Great Lakes Crossroad, L.L.C. entered into a development agreement on April 16, 2002 with regard to the building at 234 S. Water Street, commonly known as the "Armory". The parties executed an amended development agreement on June 19, 2006, extending the completion date of the proposed elevator until June 30, 2008.

Great Lakes Crossroad L.L.C. has requested an extension of that completion date of the passenger elevator until February 28, 2010. The time extension is required due to general economic conditions that have delayed the completion of this development.

Council Action: Councilman Scharffe moved that this item be postponed, seconded by Councilman Virciglio.

After further discussion, motion was defeated unanimously.

Councilman Scharffe moved that the recommendation of the City Manager be approved, seconded by Councilman Virciglio.

Adopted unanimously.

INTRODUCTION OF ORDINANCES

Subject: Enactment of Ordinance for Housing Tax Exemption

Manager's Recommendation: recommend that the ordinance for Low Income Housing Tax Exemption be enacted. This will create a new PILOT for scattered site single family housing.

Justification: Habitat for Humanity will acquire five residences that it will repair and rehabilitate. It will then transfer them to: "Saginaw Shelter for the Homeless Non Profit Housing Corporation", an entity created by the City Rescue Mission of Saginaw. That new organization proposes to use the following single family homes for transitional housing:

1. 1519 Delaware;
2. 1625 Johnson;
3. 416 S. 7th;

4. 515 S. 11th; and
5. 429 S. 10th.

The plan is to use these houses for shelter for single mothers with dependent children until such time as they are able to acquire a house under the Habitat for Humanity program or locate housing through other means. The program has notified the residents of the various areas involved and sought their support for this proposed PILOT ordinance.

Enacting a Payment in Lieu of Taxes ("PILOT") Ordinance would reduce the tax burden on the properties, allow for the renovation of these properties and make the program economically viable. The duration of the PILOT will be 40 years, and the service fee will be 8% of shelter rents.

Council Action: This Council Communication is for explanation of the ordinance and requires no separate approval.

Councilman Wendt moved to introduce an amended ordinance, seconded by Councilman Branch, entitled and reading as follows:

AN ORDINANCE TO ADD "LOW INCOME HOUSING TAX EXEMPTION FOR SAGINAW SHELTER FOR THE HOMELESS NON PROFIT HOUSING CORPORATION," TO THE TABLE OF SPECIAL ORDINANCES, VIII.

Adopted unanimously.

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

Councilman Virciglio introduced an ordinance, seconded by Councilman Scharffe, entitled and reading as follows:

AN ORDINANCE TO AMEND THE OFFICAL CITY MAP BY VACATING A 55' PORTION OF THE ALLEY BOUNDED BY LYON STREET, SOUTH MASON STREET, MACKINAW STREET AND SOUTH OAKLEY STREET, ABUTTING THE PROPERTIES KNOWN AS 1220 LYON STREET AND 523 SOUTH OAKLEY 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 OF THE SAGINAW CODE OF ORDINANCES.

Adopted unanimously.

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

CONSIDERATION AND PASSING OF ORDINANCES

Councilman Branch moved that an ordinance introduced February 23, 2009, entitled and reading as follows, be taken up and enacted, seconded by Councilwoman Kitterman-Miller:

AN ORDINANCE TO AMEND PARAGRAPH (B) OF §16.02, "DEFINITIONS" OF CHAPTER 16, "POLICE OFFICERS AND FIREFIGHTERS RETIREMENT SYSTEM" OF TITLE I, "ADMINISTRATIVE CODE," OF THE SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw ordains:

Section 1. Paragraph (B) of §16.02, "Definitions," of Chapter 16, "Police Officers and Firefighters Retirement System," of Title I, "Administrative Code" of the Saginaw Code of Ordinances, O-1, is hereby amended to include the definition of "Total Actuarial Cost" and shall read as follows:

§ 16.02(B) DEFINITIONS.

TOTAL ACTUARIAL COST. The "total actuarial cost" is defined and calculated as follows:

Section 16.08(A)(3) of the Saginaw Code of Ordinances states that, "Effective July 1, 1996, any police officer who was a member on or after this date shall be allowed to purchase prior law enforcement service time up to five (5) years with such member paying the total actuarial cost." The following procedure shall be used to calculate the total actuarial cost of service purchased under this section:

1. The present value of the expected benefits to be paid to the member from the System shall be calculated as of the member's service credit purchase date, without regard to the purchase of service.
2. The present value of the expected benefits to be paid to the member from the System shall be calculated as of the member's service credit purchase date, including the effect of the purchase of service. The additional service credit will be used in both calculating the amount of benefit and in determining the earliest date benefits will commence.
3. The cost of the service credit purchase to the member, as of the service credit purchase date, shall be the difference between 2 and 1.

The calculation of the above amounts shall be based on the benefit formula in effect as of the service credit purchase date, and the following assumptions:

Interest Discount Factor:	The Investment Return (net of expenses) used in the most recently published annual actuarial valuation of the System.
Mortality Table:	A blend of 50% of the male rates and 50% of the female rates of the mortality table used in the most recently published annual actuarial valuation of the System.

Benefit Commencement Date:	The date of earliest retirement, assuming continuous accrual of eligibility service from the service credit purchase date.
Amount of Expected Benefit:	Calculated as of the earliest retirement date. If the member is not eligible to retire at the service purchase date the expected benefit will be based on service and Final Average Salary (FAS) projected to the earliest retirement date. FAS for this purpose will be projected from FAS as of the service purchase date using the base (economic) annual rate of pay increase from the most recently published annual actuarial valuation of the System. If the member is eligible to retire as of the service purchase date, actual service and FAS as of the service purchase date shall be used.
Form of Payment:	60% Joint and Survivor. Actual spousal birth date will be used if available. If unavailable, or the participant is unmarried at the time of service purchase, the female spouse is assumed to be 3 years younger than the male spouse.

Two examples of the Service Credit Purchase calculation are shown on the following pages.

Example 1

In this example, the benefit formula is 2.6% times Final Average Salary (FAS) times the first 25 years of service, plus 2.75% times FAS service in excess of 25 years. A member can retire after 20 years of service, regardless of age.

Data as of Service Credit Purchase Date:

Member's Date of Birth:	12/1/1963
Spouse's Date of Birth:	2/1/1964
Service Purchase Date (SPD):	2/1/2007
Member's Age at SPD:	43.13
Service at SPD:	16.00
Final Average Salary at SPD:	\$62,000.00

The member wishes to purchase 5 years of prior law enforcement time.

Step 1: Calculate Expected Benefit at Earliest Retirement Age Before Service Purchase

Assuming continuous employment, the earliest date the member can retire is 2/1/2011.

Earliest Retirement Date (ERD):	2/1/2011
Age at ERD:	47.13
Service at ERD:	20.00
FAS at ERD:	\$74,646.22
Bi-weekly benefit at ERD:	\$1,492.92
Present Value as of SPD:	\$402,754.00

Step 2: Calculate Expected Benefit at Earliest Retirement Age After Service Purchase

By purchasing 5 years, the member is eligible to retire on the service purchase date.

Earliest Retirement Date (ERD):	2/1/2007
Age at ERD:	43.13
Service at ERD:	21.00
FAS at ERD:	\$62,000.00
Bi-weekly benefit at ERD:	\$1,302.00
Present Value as of SPD:	\$468,251.00

Step 3: Calculate the Cost of the Service Purchase

\$468,251.00 minus \$402,754.00 = \$65,497.00

Comment: In this example, the benefit calculated at ERD before the service purchase is larger than the bi-weekly benefit calculated after the service purchase (due to the projected increase in the FAS). However, the present

value in Step 2 is larger than in Step 1 because benefits are expected to be paid out 4 years longer than in Step 1.

Example 2

In this example, the benefit formula is 2.6% times Final Average Salary (FAS) times the first 25 years of service, plus 2.75% times FAS service in excess of 25 years. A member can retire after 20 years of service, regardless of age.

Data as of Service Credit Purchase Date:

Member's Date of Birth: 1/1/1961

Spouse's Date of Birth:	8/1/1960
Service Purchase Date (SPD):	5/1/2004
Member's Age at SPD:	43.33
Service at SPD:	20.00
Final Average Salary at SPD:	\$68,000.00

The member wishes to purchase 5 years of prior law enforcement time.

Step 1: Calculate Expected Benefit at Earliest Retirement Age Before Service Purchase

The member is eligible to retire on the SPD, so this is the ERD for this calculation.

Earliest Retirement Date (ERD):	5/1/2004
Age at ERD:	43.33
Service at ERD:	20.00
FAS at ERD:	\$68,000.00
Bi-weekly benefit at ERD:	\$1,360.00
Present Value as of SPD:	\$444,815.00

Step 2: Calculate Expected Benefit at Earliest Retirement Age after Service Purchase

Since SPD = ERD the purchased service increases the annuity but does not change the retirement date.

Earliest Retirement Date (ERD):	5/1/2004
Age at ERD:	43.33
Service at ERD:	25.00
FAS at ERD:	\$68,000.00
Bi-weekly benefit at ERD:	\$1,700.00
Present Value as of SPD:	\$556,019.00

Step 3: Calculate the Cost of the Service Purchase

\$556,019.00 minus \$444,815.00 = \$111,204.00

Comment: In this example, the member was eligible to retire on the service purchase date before the purchase of service.

Section 3. This ordinance shall become effective March 19, 2009.

Enacted: March 9, 2009.

Adopted unanimously.

RESOLUTIONSRESOLUTION OF INTENT TO AMEND THE OFFICIAL CITY MAP BY VACATING A 55' PORTION OF THE ALLEY BOUNDED BY LYON STREET, SOUTH MASON STREET, MACKINAW STREET AND SOUTH OAKLEY STREET

Councilman Coulouris offered and moved adoption of the following resolution, seconded by Councilman Branch:

WHEREAS, the City Planning Commission held a public hearing on September 23, 2008, on a proposal to amend the official City map by vacating a 55' portion of the alley bounded by Lyon Street, South Mason Street, Mackinaw Street and South Oakley Street, abutting the properties known as 1220 Lyon and 523 South Oakley Street, in the City of Saginaw; and

WHEREAS, after a duly advertised public hearing, the Commission found that the public and private interest would best be served by the requested alley vacation.

NOW, THEREFORE, be it resolved that the City Council of the City of Saginaw hereby declares its intent to amend the official City map by vacating a 55' portion of the

alley bounded by Lyon Street, South Mason Street, Mackinaw Street and South Oakley Street, in the City of Saginaw.

BE IT FURTHER RESOLVED, that the City Council will meet on April 6, 2009 at 6:30 p.m. in the Council Chamber at City Hall to hear any objections to the proposed alley vacation.

Adopted unanimously.

RESOLUTION TO APPROVE MICHIGAN DEPARTMENT OF TRANSPORTATION TRAFFIC SIGNAL MAINTENANCE COST AGREEMENTS

Councilwoman Kitterman-Miller offered and moved adoption of the following resolution, seconded by Councilman Wendt:

WHEREAS, Cost Agreements ("Agreements") have been submitted by the Michigan Department of Transportation ("MDOT"), which requires the City of Saginaw to adopt a resolution demonstrating its willingness to participate in the cost of traffic signal maintenance at the following locations;

Location

M-13 (Washington) @ Ezra Rust Dr

M-58 (Davenport) @ Mason

M-58 (State) @ Mason

M-58 (Davenport) @ Mackinaw

M-58 (State) @ Mackinaw

M-58 (Davenport) WB @ Stone

M-58 (Davenport) @ Brenner

M-58 (State) EB @ Woodbridge

And,

WHEREAS, future maintenance of traffic signal equipment at these intersections will be shared between MDOT and the City as shown on the Council Communication; and

WHEREAS, said Agreements have been approved by the City Manager as to substance and by the City Attorney as to form.

NOW, THEREFORE, BE IT RESOLVED, that City Officials be authorized to execute said Agreements on behalf of the City of Saginaw.

Adopted unanimously.

RESOLUTION TO APPROVE MICHIGAN DEPARTMENT OF TRANSPORTATION
TRAFFIC SIGNAL CONSTRUCTION COST AGREEMENTS

Councilman Wendt offered and moved adoption of the following resolution, seconded by Councilman Branch:

WHEREAS, Cost Agreements ("Agreements") have been submitted by the Michigan Department of Transportation ("MDOT"), which requires the City of Saginaw to adopt a resolution demonstrating its willingness to participate in the cost of traffic signal construction at the following locations;

Location

M-13 (Washington) @ 10th

M-13 (Washington) @ Emerson

and

WHEREAS, future construction of traffic signal equipment at these intersections will be shared between MDOT and the City as shown on the Council Communication; and

WHEREAS, said Agreements have been approved by the City Manager as to substance and by the City Attorney as to form.

NOW, THEREFORE, BE IT RESOLVED, that City Officials be authorized to execute said Agreements on behalf of the City of Saginaw.

Adopted unanimously.

MOTIONS AND MISCELLANEOUS BUSINESS

Councilman Virciglio moved to go into closed session to consult with the attorney on trial or settlement strategy in connection with pending litigation, seconded by Councilwoman Kitterman-Miller.

Adopted by the following vote:

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

Nays: 0.

Absent: Councilman Fitzpatrick-1.

(Council enters Closed Session at 8:02 p.m.)

ADJOURNMENT

Upon returning from closed session at 8:48 p.m., Councilman Virciglio moved to adjourn the meeting, seconded by Councilman Scharffe.

Adopted unanimously.

Lynnette A. Hagen
Deputy City Clerk