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

PRAYER AND PLEDGE OF ALLEGIANCE

Police Chaplain Richard Popard 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, Paul Virciglio, Andrew Wendt and Mayor Joyce Seals-7.

Absent: Councilmen Daniel Fitzpatrick and Bill Scharffe-2.

ANNOUNCEMENTS

Mindy McNally, Youth Director of YMCA, accepted a proclamation read by Councilman Virciglio designating April 18, 2009 as Healthy Kids Day in the City of Saginaw.

Cheryl Popielarz and Josh Hales, Prevention and Youth Services, accepted a proclamation read by Councilwoman Kitterman-Miller designating April 8, 2009 as Kick Butts Day in the City of Saginaw.

PUBLIC HEARING

City Clerk Diane Herman announced the public hearing on the City's intent to vacate a 55' portion of the alley bounded by Lyon Street, South Mason Street, Mackinaw Street and South Oakley Street. Mayor Seals called for public comment three times. No one was heard.

Councilman Virciglio moved to declare the hearing closed, seconded by Councilman Branch.

Adopted unanimously.

PERSONAL APPEARANCES

David Ortega, 1330 N. Washington, spoke on the second amendment and the right to bear arms. Said there are many people who carry guns who are not properly trained or are ready to make the decision to shoot their adversary at a split second. Believes a 20-hour class is not adequate.

Eve Perry, 2322 State, mentioned the federal economic renewal grants and requested Council pass the 2009 "Buy American" Resolution. Said it's good for the nation's economy and will create U.S. jobs. The resolution does not break international trade obligations.

Lasharda Peoples, 2322 S. Michigan, said her brother's 4th Amendment rights were violated. Said her brother is being harassed by Saginaw Police who towed his vehicle and now refuse to release it.

Wardine Joiner, 3256 Prescott Avenue, complained about a stump which remains in the right of way in front of her house after the City removed a tree. Also mentioned a blight house at the corner of Prescott and Williamson and an abundance of dog feces in her neighbor's yard.

Annie Ransford, 1805 Gratiot, Friends of Theodore Roethke, advised Council of the group's renovation plans for both Roethke homes and said they are on the list for

federal stimulus package. If approved, construction jobs will be created. Said they have requested a working greenhouse, teachers, an interactive museum and parking. Noted it was Roethke's centennial year.

REMARKS OF COUNCIL

Councilwoman Kitterman Miller reminded all that May 9-16, 2009 is the Great American Cleanup sponsored by Keep Saginaw Beautiful. Said the committee would be partnering with many organizations. Gave some details for the cleanup plan and urged citizens to get involved.

Councilman Coulouris announced the Charter Review Ad Hoc Committee had completed their work. Said the group would bring a presentation to the public and advised of the meeting locations. Advised the public to attend a meeting, give input and ask questions.

Councilman Virciglio advised things were going well with Hoyt Park and volunteers would be transforming the park May 13-15, 2009. Promised there would be many activities at the park this summer.

Councilman Wendt invited Council members to meet the new owners of the hotel on Johnson Street on April 8, 2009. Said he looks forward to the hotel coming to fruition. Also looks forward to the unveiling of the City Charter and would be attending some of the public input meetings.

Councilman Branch noted the retirement of Paul Chaffee from The Saginaw News. Thanked him for supporting the City's arts and culture over the years.

Councilman O'Neal expressed appreciation to the Charter Review Ad Hoc Committee for the work they had done. Mentioned some recent benefits supporting domestic violence and thanked those who coordinated the events. Reminded Mrs. Peoples that public safety is Council's number one priority and if young African-American men are perpetrating crimes, emphasis should be placed on suspicious activities where they are concerned.

Mayor Seals mentioned some recent events she had attended. Announced an upcoming International Franchise Association seminar hosted by Senator Levin's office. Advised she had met with Anthony Turner on the 2010 Census and she and Chairperson Braddock from the County would be forming a Complete Count Committee. Stressed the importance of the population count with regard to County and City funding. Announced her birthday party for May 21st and said the monies raised would be going to youth in the community.

(All Council members present extended condolences to the family of Bob Maul and praised him for his contributions to the community.)

PETITIONS

09-06 from Larry Rodarte, Mexican Civic Union, requesting permission to erect a banner in the 200 block of West Genesee and the 300 block of South Michigan from April 16, 2009 to May 9, 2009, for the purpose of promoting the Cinco De Mayo Parade.

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

Adopted unanimously.

(Note: Councilman Wendt was not present for this vote.)

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

Reports from Boards and Commissions and Committees:

Councilman O'Neal reported the City/County/School Liaison Committee met and discussed the Job Fair and 2009-2010 goals which they would continue to discuss at the next meeting sponsored by the School District. The Committee agreed to contribute \$1,000 to Mr. Packard for youth activities at Hoyt Park. Stressed the need for attendance at the meetings by other Committee members.

Councilman O'Neal also advised the Cities of Promise would be meeting to review the Committee's goals and objectives.

Councilman Branch reported the City Manager Evaluation Committee would be meeting with the City Manager in the next week or two.

Councilwoman Kitterman-Miller thanked Dow Chemical for contributing \$5,000 towards the Great American Cleanup.

Councilman Coulouris reported on the following items from the March 24th meeting of the City Planning Commission:

- (a) Site plan review approved for Sparkle Pro Clean to construct a 40 x 60 pole barn accessory building at 1904 S. Niagara. A 6' fence would serve as a screen for abutting properties.
- (b) Approved the vacation of an alley bounded by Superior and Michigan.
- (c) Approved a petition by the Southwest Neighborhood Association to rezone a parcel bounded by Kendrick, S. Wheeler, W. Michigan and Maple Street from R-2 and R-1 to single family residences. There are 294 properties of which 73 are registered rentals, 12 vacant, 10 in foreclosure and the remainder are owner-occupied.

REPORTS FROM CITY MANAGER

Management Update

City Manager Darnell Earley said he was in the process of finalizing the establishment of the Internal Affairs and Administration Review panel for the Police Department. In response to Council's request, he advised City Council meetings would be re-televised on Tuesdays at 1:00 p.m. Said he would also check into televising the Charter Review Committee meetings. He briefly discussed the Andersen Water Park financing.

Phil Karwat, City Engineer, discussed the City's current proposed spending of the American Investment and Recovery Funds and other projects submitted for stimulus funding.

Darnell Earley, City Manager, reviewed the Fourth Quarter Budget Analysis. Mentioned the decline in the proposed revenues, in particular, income tax and others which have been affected due to the economy. Said he plans to initiate some administrative measures to ease the pressure on the expenditures.

Recommendation Actions

Subject: MERS Health Care Savings Program Participation Agreements

Manager's Recommendation: I recommend approval of the MERS Health Care Savings Program (HCSP) Participation Agreements with the following bargaining unions:

Service Employees International Union (SEIU) Hourly, Salaried and Regular Part-Time, Police Officers Association of Michigan (POAM) and American Federation of State, County and Municipality Employees (AFSCME).

I have approved the Agreements as to substance and the City Attorney has approved them as to form. It is also recommended that City Council authorize the City Manager or his designee to sign all documents. In addition, City Council must approve a Uniform Resolution, which is contained within another section of the agenda.

Justification: On February 5, 2009, City Council approved new negotiated contract benefits for the bargaining units identified above. The tentative Agreements contained language that provided an HCSP for all new hires, instead of the City providing future retiree health care benefits. This new program will reduce future retiree health care liability cost for the City. The HCSP will be administered by MERS. Furthermore, MERS requires City Council to approve both the Participation Agreements and Uniform Resolution.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Internal Revenue Code Section 125 Cafeteria Plan Adoption Agreement

Manager's Recommendation: I recommend approval for the establishment of a Qualified Cafeteria Plan (Plan) as set forth pursuant to Section 125 of the Internal Revenue Code. Furthermore, I recommend approval of the Adoption Agreement of said plan for the City of Saginaw (City). I have approved the Agreement as to substance and the City Attorney has approved as to form. It is also recommended that City Council authorize me or my designee to sign all documents. In addition, City Council must approve a Uniform Resolution, which is contained within another section of the agenda.

Justification: On February 5, 2009, City Council approved new negotiated contract benefits between the City and the Police Officers Association of Michigan (POAM) bargaining unit. The Agreement contained language that required new employees hired into the bargaining unit after March 1, 2009, to make bi-weekly pretax contributions of \$46.15 that will be applied to their health care benefit as an active employee. Furthermore, other bargaining units have also agreed to have members make weekly/bi-weekly contributions to the health care plan beginning on July 1, 2011. The approval of the Section 125 Plan allows employees to contribute a premium before Federal and State taxes are calculated. Section 7.4 of the Cafeteria Plan states that the Plan Administrator can only incur liability for willful misconduct or willful breach of the Plan. Furthermore, Section 7.9 of the Cafeteria Plan states that the City must indemnify the Plan Administrator.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Giarmarco, Mullins & Horton, P.C. Agreement

Manager's Recommendation: I recommend approval of the Agreement for Professional Legal Services with Giarmarco, Mullins & Horton, P.C. Further, it is recommended that either the City Manager or his designee be authorized to execute the Agreement. This Agreement has been approved by the City Manager as to substance and

the City Attorney as to form.

Justification: William H. Horton of Giarmarco, Mullins & Horton, P.C. is experienced in a specialized area of negotiation and litigation with health care providers, in particular, the issue of adequate notification of access fees. He has successfully litigated this issue on behalf of Oakland County and is currently representing Saginaw County in a similar action. The proposed Contingent Fee Agreement will allow him to represent the City of Saginaw at the same time. The legal fee will be 25% of the gross recovery for the first \$3 million and 15% of any amount above that. There will be no charge if there is no recovery.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Drug Forfeiture - Budget Adjustment

Manager's Recommendation: It is recommended that a budget adjustment be completed in the Drug Forfeiture Fund to pay the City's obligated 10% Prosecuting Attorney forfeiture fees.

The Drug Forfeiture Fund's – Fund Equity revenue line item (264-0000-680-00-00) should be increased from \$1,700.00 to \$29,582.00, which equates to a \$27,882.00 increase. This will be offset by an increase to the Professional Services expenditure line item (264-3040-731.80-01) from \$17,000.00 to \$44,882.00.

Justification: The Saginaw County Prosecuting Attorney reviews drug cases in which individuals were arrested by the Saginaw Police Department for drug trafficking. The Prosecuting Attorney makes the decision whether the money confiscated should be forfeited to the Saginaw Police department or returned to the owner. The Saginaw Police Department is obligated to pay the Prosecuting Attorney 10% of the monies forfeited from drug cases.

The Saginaw Police Department has received the disposition from the Saginaw County Prosecuting Attorney Office on drug cases dating back through 2004. The total disposition of the cases is \$278,804.00, of which \$27,880.40 is due to the Saginaw County Prosecuting Attorney.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Budget Adjustment

Manager's Recommendation: It is recommended that a budget adjustment be completed to increase the General Fund's Other Revenue/Police Donations Account No. 101-0000-601.67-60 from \$20,000 to \$21,000, which is a \$1,000 increase. This deposit consists of a check from Sam's Club Foundation to cover equipment and supplies for the Saginaw Police Department's Chaplain Program. The increase in revenue will be offset by an increase in the Police Department's Administration Division Supplies Account No. 101-3012-721.73-20 by the same amount.

Justification: The Saginaw Police Department received a check in the amount of \$1,000.00 from the Sam's Club Foundation designated for the use of the Saginaw Police Chaplains to purchase equipment and supplies needed to assist in the aid of members of

the Saginaw Police Department and members of the local community.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Budget Adjustment Demolitions Account

Manager's Recommendation: It is recommended that the 2008/09 budget for the demolitions program be amended to reflect the Cities of Promise Grant Agreement for \$500,000.00. The Revenue line item (101-0000-511-51-09) will be increased as will the demolitions expenditure line item (101-3865-761-80-25) by the grant amount. Purchase orders will be issues per the demolition contract.

Justification: On January 1, 2009 the City of Saginaw was awarded \$500,000 as additional funding under the Cities of Promise Blight Elimination Program.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

From: The Police and Fire Pension Board of Trustees

Subject: Settlement Agreement for Gwizdala case

Manager's Recommendation: I recommended approval of the proposed settlement agreement resolving the pending litigation in Gwizdala v Board of Trustees of the City of Saginaw Police and Fire Retirement System. The proposed settlement was discussed and approved by the Police and Fire Pension Board at its April 1, 2009 meeting. This agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: This matter arises out of the proposed purchase of prior years of service by Ronald J. Gwizdala, pursuant to §16.08(A)(3) of the pension ordinance. The member may purchase up to five years of prior service if he pays the total cost. The dispute arose out of the method of calculating total cost. The proposed resolution would require Mr. Gwizdala to pay the net sum of \$35,000 and begin receiving increased benefits starting May 1, 2009. In addition, he would provide a release and dismissal of the complaint, including other issues previously dismissed by the court.

Council Action: Councilman Coulouris moved the recommendation of the Police and Fire Pension Board of Trustees be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Approval of Agreement with Health Delivery

Manager's Recommendation: I recommend approval of the lease agreement with Health Delivery, Inc. for use of Lions Park. The agreements have been approved by me as to substance and by the City Attorney as to form.

Justification: On March 25, 1996, the City entered into an agreement with the Saginaw Downtown Lions Club for the maintenance and use of the small park located between the 500 block of Lapeer Avenue and the 500 block of Genesee Avenue. The Lions Club offered to improve and maintain the park at no expense to the City and to keep it open for the public. This has been a successful enterprise, but the Lions Club has notified

the City that they will not be able to maintain this effort because of the declining size of their organization.

Health Delivery, Inc. ("HDI") is located near this park, across the now vacated 500 block of Lapeer Avenue. HDI has offered to take over the responsibilities of the Lions Club and maintain and improve this park. It proposes to construct a decorative fence, with gates, around the park as well as plant flowers. The park will remain open to the public during the day, but will be closed during the evening. The vacated portion of Lapeer Avenue will also be fenced and be used by HDI for employee parking and similar uses.

The Agreement has a term of 99 years, but may be terminated by either party upon six months written notice. The agreement addresses liability, insurance and responsibility for repairs and upkeep.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Cummins Bridgeway Maintenance Agreement

Manager's Recommendation: I recommend that the Agreement with Cummins Bridgeway LLC ("Cummins") be approved in the amount of \$954.00 to provide planned equipment maintenance for the Diesel generator at the Birch Run Pumping Station. 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 Agreement are budgeted in the Water Treatment Operations Account No. 591-4730-861.80-63.

Justification: On March 11, 2009, the City received an Agreement from Cummins to provide planned equipment maintenance for the Diesel generator at the Birch Run Pumping Station. The station has one generator that provides 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 Birch Run Village and Birch Run Township. The City purchased the generator in 2007, as part of upgrades to the station, and the warranty lasts until 2010. The Agreement covers all the periodic maintenance required for the generator during the warranty period.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Replacement Plasma Cutter

Manager's Recommendation: I recommend acceptance of the low bid and issuance of a purchase order to Tupes of Saginaw in the amount of \$2,019.00 for a replacement plasma cutter 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 available in the Sewer Surplus Repairs and Replacements Account No. 576-4840-881.97-20.

Justification: This bid is for a new plasma cutter. The old plasma cutter needs a

new power supply, which is no longer available. This unit has been repaired several times before and needs to be replaced. The plasma cutter is used in most of the fabrication work. Following is a tabulation of the bids received:

Tupes of Saginaw Saginaw, MI	\$2,019.00
Airgas Great Lakes Saginaw, MI	\$2,512.00
WW Grainger Inc. Linconshire, IL	\$2,841.60
Apex Pinnacle Bay City, MI	\$3,262.50
Diversified Mechanical Services Venetia, PA	\$3,358.18

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Hi-Ranger Control Assembly

Manager's Recommendation: I recommend that a purchase order be issued to Dueco in the amount of \$2,510.73 for the repair of a Hi-Ranger control valve used by the Right of Way Division, Streets Section.

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

Funds for this repair is available in the Motor Pool Operation Motor Vehicle Supplies Account No. 661-4480-841.73-12 (\$410.73) and Motor Vehicle Repairs Account No. 661-4480-841.80-42 (\$2,100.00).

Justification: The Right of Way Division, Streets Section, uses a Hi-Ranger to service trees. The Hi-Ranger's control valve is in need of emergency repairs. This valve controls the boom in the bucket. In the case of an emergency, this control would allow employees on the ground to lower the boom. This unit is one of two that the Streets Section depends on for tree maintenance.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Nelson Tank Engineering & Consulting Inc. Proposal and Contract

Manager's Recommendation: I recommend that the proposal and contract from Nelson Tank Engineering & Consulting, Inc. ("Nelson Tank"), be accepted and that a purchase order be approved and issued to them in the amount of \$2,600.00. The proposal

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 are available in the Water Treatment Engineering Services Account No. 591-4730-861-8002.

Justification: The City of Saginaw Water Treatment Plant sought proposals for professional engineering inspection services for its west finished water clearwell from reputable engineering firms specializing in water tank inspection services in the State. After a review of the documents, staff determined that the proposal received on January 21, 2009 from Nelson Tank was the most favorable to the City. The scope of work includes a maintenance inspection and detailed engineering report of findings and recommendations. The Michigan Department of Environmental Quality ("MDEQ") requires periodic inspections of finished water storage reservoirs for an ongoing analysis of reservoirs conditions and recommendations for repair or replacement. The MDEQ has agreed that we can alternate between a remote operated vehicle inspection and a traditional inspection. This will be a traditional drain and inspection of the reservoir.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Purchase of Hot Rolled Steel

Manager's Recommendation: I recommend acceptance of the low bid and issuance of a purchase order to MKR Fabricators in the amount of \$3,382.00 for the purchase of hot rolled steel for use 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 service are available in the Sewer Surplus Repair and Replacements Account No. 576-4840-881.97-20.

Justification: Hot rolled steel is used to fabricate new draft tubes for two of the aerators in the activated sludge process. The twenty mechanical surface aerators were installed in the early 1970's and provide air to the secondary treatment process at the wastewater plant. The steel draft tubes have deteriorated and must be replaced. The City received three bids for this steel. Following is a tabulation of the bids:

MKR Fabricators Saginaw, MI	\$3,382.00
Spaulding Machine Co. Saginaw, MI	\$3,755.00
Central Metallizing Saginaw, MI	\$4,750.00

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Computer Equipment

Manager's Recommendation: I recommend acceptance of the low bid and issuance of a purchase order to Computer Management Technologies in the amount of \$3,759.50 for a Panasonic Toughbook Computer to be used by the Right of Way Division.

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 is available in the Sewer Operation and Maintenance Capital Outlay Account No. 590-4821-861.97-41.

Justification: On March 19, 2009, the City received bids for one Panasonic Toughbook Computer that will be utilized in field operations for the Right of Way Division. The following is a tabulation of the bids that were received:

Computer Management Technologies City of Saginaw, MI	\$3,759.50
Technical Solutions Troy, MI	\$3,873.00
Advanced Wireless Technology Wixom, MI	\$3,987.18
Business Services San Diego, CA	\$4,099.99

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Emergency Crack Sealing

Manager's Recommendation: I recommend that payment be made to D.C. Byers Company, Detroit, Michigan, in the amount of \$5,000.00 for the emergency repair of cracks in the walls of the south clarifier at the Water Treatment Plant.

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

Funds for this service are budgeted in the Water Treatment General Repairs Account No. 591-4730-861.80-40.

Justification: On March 19, 2009, an emergency purchase order (#38216) was issued to D.C. Byers Company, Detroit, Michigan, in the amount of \$5,000.00. The work was for sealing cracks in the walls of the south clarifier at the Water Treatment Plant. The clarifier is filled with water year round and water has been leaking thru the cracks. Because of the leaks, the brick on the exterior of these walls has become severely damaged and is beginning to loosen from the building. The clarifiers are drained once a year for inspection and cleaning so the work needed to be done at this time. D.C. Byers Company was chosen based on their experience and the recommendation from Greeley and Hansen; the engineering firm hired by the Water Treatment Plant for Master Planning and other work for

the Water Plant and distribution system.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Vertical Inline Centrifugal Pumps

Manager's Recommendation: I recommend acceptance of the low bid and issuance of a purchase order to K. L. McCoy & Associates in the amount of \$5,450.00 for the purchase of two centrifugal pumps for the Wadsworth Pumping Station.

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 Repairs and Replacement Account No. 591-4730-861.97-20.

Justification: On March 24, 2009, the City received four bids for the purchase of two centrifugal pumps. The pumps are for the Wadsworth Pumping Station. The current pumps are obsolete and repair parts are no longer available. The impellers were found to be severely worn during the last inspection and the pumps need to be replaced. The Wadsworth Pumping Station boosts water to the Village of Reese and Blumfield Township. There is no cost comparison available for this item. Following is a tabulation of the bids received:

	<u>Total Bid</u>
K.L. McCoy & Associates Cedar Springs, MI	\$5,450.00
Detroit Pump & Mfg. Co. Ferndale, MI	\$6,014.00
Kerr Pump & Supply Oak Park, MI	\$6,550.00
Anderson Pump & Process Brookfield, WI	\$7,740.50

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Replacement Steel Purchase

Manager's Recommendation: I recommend acceptance of the low bid and issuance of a purchase order to Withers Steel in the amount of \$10,014.00 for the purchase of steel 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 available in the Sewer Surplus Repairs and Replacements Account No. 576-4840-881.97-20.

Justification: This bid is for the materials to rebuild two of the splash plates and supports for the aerators at the wastewater treatment plant. The aeration system, installed in the early 1970's, consists of 20 mechanical surface aerators. The steel in the splash plates and supports has deteriorated and must be replaced. Following is a tabulation of the bids received:

Withers Steel Montrose, MI	\$10,014.00
Peerless Steel Saginaw, MI	\$10,633.53
Diversified Mechanical Services Comstock Park, MI	\$11,176.73
Alro Steel Bay City, MI.	\$11,245.29
Venetia Steel Venetia, PA	\$12,336.21
Spaulding Machine Co. Saginaw, MI	\$13,366.00

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Laboratory Equipment Step Saver

Manager's Recommendation: I recommend acceptance of the low quote and issuance of a purchase order to Environmental Express, Inc. in the amount of \$10,038.00.

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 budgeted in the Sewer Operations Laboratory Equipment Fund Account No. 590-4830-861.97-40.

Justification: The quote is for the equipment needed to run the analysis for fats, oil and grease in the wastewater treatment laboratory. This analysis is required by the MDEQ in our NPDES permit and is currently being contracted to an outside laboratory. Due to cost increases, we feel it will be more cost effective to purchase the equipment and run the analysis in-house. Following is a tabulation of the quotes that were received:

Environmental Express Inc. Mt. Pleasant, SC	\$10,038.00
Airgas Great Lakes Saginaw, MI	\$10,996.43

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

Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Emergency Variable Frequency Drive Purchase

Manager's Recommendation: I recommend that payment (P. O. #38246) be made to Kendall Electric, Inc., Saginaw, Michigan, in the amount of \$11,437.87 for emergency purchase of a variable frequency drive for a pump at the Aqua Pumping Station.

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 Repairs and Replacement Account No. 591-4730-861.97-20.

Justification: On March 23, 2009 an emergency purchase order was issued to Kendall Electric, Inc. in the amount of \$11,437.87. The purchase order was for a variable frequency drive (VFD) for one pump at the Aqua Pumping Station. During the fire at the station on February 11, 2009 that damaged the transformer bus work, no pumps could be run for several hours because the drive for one of the pumps was already damaged. Without the third pump at the station, the pumping capability is limited in the event of another power interruption. All three pumps are needed for redundancy. The Aqua pump station is critical to the distribution of water to Saginaw Township, Zilwaukee and other northern communities serviced by the Saginaw Water Treatment Plant (WTP). Replacement is needed before the high demand season begins. The maintenance foreman researched new VFD's and solicited quotes from several suppliers. The Allen Bradley VFD was chosen based on the reputation and quality of their equipment and the fact that most of the WTP's control equipment is Allen Bradley. Kendall Electric, Inc. was chosen because they are the sole supplier of Allen Bradley electrical equipment in the region and their quote for the VFD was the lowest.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Replacement Roof Maintenance Shop Wastewater Treatment Plant

Manager's Recommendation: I recommend acceptance of the low bid and issuance of a purchase order to Snyders Roofing LLC in the amount of \$12,500.00 for a replacement roof of the maintenance shop at the Wastewater Treatment Shop.

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 available in the Sewer Surplus Repair and Replacements Account No. 576-4840-881.97-20.

Justification: The City received six bids for the replacement of the maintenance shop roof at the Wastewater Treatment Plant. The current roof is leaking and needs to be replaced. Following is a tabulation of the bids:

Snyders Roofing LLC Greenville, MI	\$12,500.00
Brandle Roofing Midland, MI	\$13,993.00

Beyer Roofing Saginaw, MI	\$14,520.00
Buchinger Roofing, Inc. Reese, MI	\$14,934.00
Herbert Roofing Saginaw, MI	\$19,500.00
Mid-Michigan Roofing Saginaw, MI	\$24,386.00

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: SolarBee Inc. Maintenance and Support Plan Agreement

Manager's Recommendation: I recommend the approval of the SolarBee, Inc., Maintenance and Support Plan Agreement ("MSP Agreement") and that a purchase order be approved and issued to SolarBee, Inc. ("SolarBee"), in the amount of \$6,052.00 in each of the following Fiscal Years 2010, 2011, and 2012. The total amount of the Agreement is \$18,156.00. The Agreement has been approved by me 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 service have been budgeted in the Water Treatment Operations Account No. 591-4730-861-8063.

Justification: The Water Treatment Plant currently owns three SolarBee Water Re-Circulation Units. These units preserve and enhance raw water quality in our storage reservoirs. The use of these units has resulted in on-going savings in terms of energy and chemical costs. The MSP Agreement includes twice yearly servicing by SolarBee technicians for preventative maintenance and repair and includes all travel parts and labor. The cost of the MSP Agreement is 30% less than the cost the City would incur if it did not have a MSP Agreement with SolarBee. The MSP Agreement also provides water quality monitoring, additional service, if required, and unit repositioning, due to high wind, flood or ice events, at no extra charge. In the case of vandalism, travel and labor costs will be paid by SolarBee and the City is responsible for paying for parts. The Maintenance and Service Plan is only available through SolarBee.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.
Adopted unanimously.

Subject: Replacement Isolation Gate

Manager's Recommendation: I recommend that the quote from Rodney Hunt Company be accepted and that a purchase order be issued to Hesco, their manufacturers

representative, in the amount of \$19,155.00.

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 available in the Sewer Repair and Replacements Account No. 576-4840-881.97-20.

Justification: One of the isolation gates for the influent flow chamber has deteriorated to the point where it is no longer functional. The gate was removed and found to be beyond repair. These gates are used to isolate portions of the plant influent for routine maintenance of the raw sewage pumps and are part of the original 1948 construction. The replacement gate must be an exact match to the original in order for us to fit it into the existing wall thimbles and allow us to reuse the old stem guides and electric operator. Rodney Hunt Company is a sole source for a replacement isolation gate.

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Vehicle Purchase

Manager's Recommendation: I recommend acceptance of the bid received from NBC Truck Equipment and issuance of a purchase order to them in the amount of \$198,015.00.

This vendor meets all the 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 Motor Pool Vehicle Replacement Account No. 661-4480-841.97-70. A budget transfer from the Motor Pool Operations Fund Equity Account No. 661-0000-680.00-00 should be increased from \$48,053.00 to \$246,068.00, which equates to a \$198,015.00 increase. Likewise, to offset the increase in revenues the Motor Pool Operation Fund's – Vehicle Account No. 661-4480-841.97-70 should be increased from \$364,949.00 to \$562,964.00.

Justification: The City of Saginaw received two bids for the purchase of snowplowing, salting, and dump body equipment. The bid from Knapheides Dump Box does not meet specification; the thickness of the steel used in the box and the salt spreader hinders the standardization of snowplowing parts, which carries many different parts for repairs. On the other hand, the bid from NBC truck equipment meets all the specifications. The following is a tabulation of the bids received and reviewed by the Purchasing Committee:

Knapheide: Flint, MI	\$186,303.00
NBC Detroit, MI	\$198,015.00

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

Subject: Benefit Changes for Non-Union Employees

Manager's Recommendation: I recommend approval of a blanket amendment to the non-union individual employment agreements that changes the current health care plan, prescription drug benefit and the Long Term Disability benefit negotiated in the labor contracts, specifically the AFSCME Supervisory Unit. Further, I recommend approval of the pay charts for Non-Union employees that have been changed to reflect across the board wage increases comparable with AFSCME Supervisory employees.

Justification: This change to a Community Blue PPO - 3 Plan with Blue Preferred Rx Drug rider with \$10 Generic/\$40 Brand Name as fixed dollar co-pays with no reimbursement, and Long term disability payments at 60% of base pay, will reflect the same benefit changes negotiated in labor contracts with bargaining units and will provide cost savings in employee health care and benefit costs. Pay table changes reflect increases comparable to other labor contracts with the AFSCME, SEIU and POAM groups (6.5% over six years)

Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman O'Neal.

Adopted unanimously.

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

Subject: Equipment Rental

Manager's Recommendation: I recommend that a purchase order be issued to the Saginaw County Road Commission in the amount of \$10,182.82 for the rental of Grade-all equipment to assist the City crews with the storm damage cleanup last summer.

This vendor meets all the 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 Major Streets Equipment Rental Account No. 202-4651-841.80-50.

Justification: The Right of Way Division, Streets Section, accepted the use of a Grade-all and a Bobcat with grappling attachments from the Saginaw County Road Commission on June 6, 2008. The Saginaw County Emergency Management Committee offered the use of this equipment, which assisted City crews with the storm damage cleanup.

FEMA has agreed to reimburse the City for the use of the Road Commission's equipment. Upon receiving the FEMA funds, payment will be made to the Saginaw County Road Commission.

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

Ayes: Councilpersons Coulouris, Kitterman-Miller, O'Neal, Virciglio, Wendt and Mayor Seals-6.

Abstain: Councilman Branch-1.

Absent: Councilmen Fitzpatrick and Scharffe.

INTRODUCTION OF ORDINANCES

Subject: Changes to Water Rate Charge for Premises Inside and Outside the City, Respectively

Manager's Recommendation: This communication is for explanation of the attached Ordinance which amends §52.33 "Charge for Premises Within City" and §52.34 "Charge for Premises Outside City" of Chapter 52, "Water" of Title V, "Public Works" of the Saginaw Code of Ordinances.

Justification: This amendment is intended to amend Subsection A and B of §52.33, "Charge for Premises Within City" of the Saginaw Code of Ordinances. The amendments to §52.33(A)(1) and (2), and §52.33(B)(1), are intended to change water rates for premises within the City. The overall increase to inside City customers is 8.75 %.

Also, the amendment is intended to amend Subsection A and B of §52.34, "Charge for Premises Outside City" of the Saginaw Code of Ordinances. The amendment to §52.34(A)(2) is intended to raise the commodity charge to retail customers outside the City. The amendments to §52.34(B)(1) and (2) are intended to change the rates charged to all wholesale water customers. The overall increase to the total outside City customers is 17.46 %. The changes in rates in both sections are primarily due to increased operating costs and implementation of the water system capital improvement schedule. The changes in rates are expected to generate enough revenue to operate and maintain the City's water system through June 30, 2012.

Council Action: This Council Communication is being submitted to explain the attached ordinance to be introduced.

Councilman O'Neal moved to introduce an ordinance entitled and reading as follows, seconded by Councilman Branch:

AN ORDINANCE TO AMEND §52.33, "CHARGE FOR PREMISES WITHIN CITY," AND §52.34, "CHARGE FOR PREMISES OUTSIDE CITY" OF CHAPTER 52, "WATER" OF TITLE V, "PUBLIC WORKS," OF THE SAGINAW CODE OF ORDINANCES, O-1.

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

Subject: Amendment to Title V, Public Works, Chapter 51, Sewer §51.55 of the Saginaw Code of Ordinances

Manager's Recommendation: This communication is for explanation of the attached ordinance listed for introduction under the regular order of business, which amends §51.55, "Wastewater Disposal Charges for Premises Within and Outside the City" of Chapter 51, "Sewer" of Title V, "Public Works" of the Saginaw Code of Ordinances.

Justification: This amendment is intended to amend §51.55. The amendment to §51.55 is intended to change wastewater disposal charges within and outside the City. The changes in rates are primarily due to increased operating costs of the sewer system and the fact that there are now fewer users of the system. Moreover, the rate changes are expected to generate enough revenue to operate and maintain the City's sewer system.

Council Action: This Council Communication is being submitted to explain the

attached ordinance to be introduced.

Councilman O'Neal moved to introduce an ordinance entitled and reading as follows, seconded by Councilman Branch:

AN ORDINANCE TO AMEND §51.55, "WASTEWATER DISPOSAL CHARGES FOR PREMISES WITHIN AND OUTSIDE THE CITY", OF CHAPTER 51, "SEWER" OF TITLE V, "PUBLIC WORKS," OF THE SAGINAW CODE OF ORDINANCES, O-1.

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

CONSIDERATION AND PASSING OF ORDINANCES

Councilman Coulouris moved that an ordinance introduced March 9, 2009, entitled and reading as follows, be taken up and enacted, seconded by Councilman Branch:

O-79

AN ORDINANCE 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 STREET AND 523 SOUTH OAKLEY, 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 ORDINANCE II OF THE SAGINAW CODE OF ORDINANCES.

The City of Saginaw Ordains:

Section 1. 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, located in the City of Saginaw, be and same is hereby vacated.

Section 2. That there is hereby reserved in the alley vacated an easement for public utilities, cable TV and telecommunications, to the same extent as though said alley had not been vacated and no structure shall hereafter be erected thereon without the prior written consent of the City of Saginaw.

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

Section 4. This ordinance shall take effect on April 16, 2009.

Enacted: April 6, 2009.

Adopted unanimously.

RESOLUTIONS
UNIFORM RESOLUTION ADOPTING THE MERS
HEALTH CARE SAVINGS PROGRAM

(Excluding Plans Governed by Internal Revenue Code Section 401(h))

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

WHEREAS, the Municipal Employees' Retirement System ("MERS") Plan Document of 1996, effective October 1, 1996, authorized the Municipal Employees' Retirement Board ("Board") to establish additional programs including but not limited to defined benefit and defined contribution program (MERS Plan Document Section 36(2)(a)); MCL 38.1536(2)(a));

WHEREAS, the Board has authorized MERS' establishment of the health care savings program ("HCSP" or "Program"), which a participating municipality or court, or another eligible public employer that is a political subdivision of the State which constitutes a "municipality" under MERS Plan Document Section 2B(4); MCL 38.1502b(2) ("Eligible Employer"), may adopt for its Eligible Employees;

WHEREAS, MERS has been determined by the Internal Revenue Service to be a tax-qualified "governmental plan" and trust under section 401(a) of the Internal Revenue Code of 1986, and all trust assets within MERS reserves are therefore exempt from taxation under Code section 501(a) (IRS Letter of Favorable Determination dated June 15, 2005).

WHEREAS, the Board has established a governmental trust (the "Trust Fund") to hold the assets of the HCSP, which Trust Fund shall be administered under the discretion of the Board as fiduciary, directly by (or through a combination of) MERS or MERS' duly-appointed Program Administrator;

WHEREAS, 1999 PA 149, the Public Employee Health Care Fund Investment Act, MCL 38.1211 *et seq.* ("PA 149") provides for the creation by a public corporation of a public employee health care fund, and its administration, investment, and management, in order to accumulate funds to provide for the funding of health benefits for retirees and beneficiaries;

WHEREAS, a separate MERS health care trust fund created under PA 149 also constitutes a governmental trust established by a public corporation ("municipality") as an Eligible Employer, provided that all such employers shall be the State of Michigan, its political subdivisions, and any public entity the income of which is excluded from gross income under Section 115 of the Internal Revenue Code; provided further, that the PA 149 trust shall not accept assets from any defined benefit health account established under Section 401(h) of the Internal Revenue Code;

WHEREAS, the Board acts as investment fiduciary for the pooled assets of each MERS participating municipality and court enrolled in MERS defined benefit programs, Health Care Savings Program, the Retiree Health Funding Vehicle, and the Investment Services Pool Program, on whose behalf MERS performs all plan administration and investment functions, and such participating municipalities and courts have full membership, representation and voting rights at the Annual Meeting as provided under Plan Section 45; MCL 38.1545.

WHEREAS, the Board also acts as investment fiduciary for those participating employers who are non-MERS participating municipalities and courts that have adopted the MERS Health Care Savings Program, Retiree Health Funding Vehicle, or Investment

Service Pool Program, and such entities are not accorded membership, representation or voting rights provided to MERS participating municipalities and courts at the Annual meeting under Plan Section 45; MCL 38.1545.

WHEREAS, adoption of this Uniform Resolution and Participation Agreement (the "Uniform Resolution") by each Eligible Employer is necessary and required in order that the benefits available under the MERS HCSP may be extended;

- It is expressly agreed and understood as an integral and nonseverable part of extension or continuation of coverage under this HCSP Resolution that Section 43B of the MERS Plan Document shall not apply to this Uniform Resolution Adopting MERS HCSP, the Participation Agreement, the Trust Plan Document, the Trust Agreement, and their administration or interpretation.

- In the event any alteration of the language, terms or conditions stated in this Uniform Resolution Adopting MERS HCSP is made or occurs, under MERS Plan Document Section 43B or other plan provision or other law, it is expressly recognized that MERS and the Board, as fiduciary of the MERS Plan and its trust reserves, and whose authority is nondelegable, shall have no obligation or duty: to administer (or to have administered) the Trust; or to continue administration by the Program Administrator or by MERS directly.

WHEREAS, concurrent with this HCSP Uniform Resolution, and as a continuing obligation, this governing body has completed, approved, and submitted to MERS documents necessary for participation in and implementation of the HCSP. This obligation applies to any documents deemed necessary to the operation of the Trust by the Program Administrator;

NOW, THEREFORE, BE IT RESOLVED that the governing body adopts (or readopts) the MERS HCSP as provided below.

SECTION 1. HCSP PARTICIPATION

EFFECTIVE APRIL 1, 2009, the MERS HCSP is hereby adopted by the CITY OF SAGINAW.

CONTRIBUTIONS. Basic Employer contributions, Mandatory Salary Reduction Contributions, Mandatory Leave Conversion Contributions, and Post-tax Employee Contributions, shall be remitted pursuant to MERS by the Eligible Employer, and credited to the Eligible Employer's separate fund within the MERS Trust Fund. Employer contributions may be made as a percentage of salary and/or by a specified dollar amount.

INVESTMENT of funds accumulated and held in the Health Care Savings Program Trust Fund shall be held in a separate reserve and invested on a pooled basis by MERS subject to the Public Employee Retirement System Investment Act ("PERSIA"), 1965 PA 314, as provided by MERS Plan Document Section 39; MCL 38.1539, and PA 149.

THE ELIGIBLE EMPLOYER shall abide by the terms of the HCSP, including all investment, administration, and service agreements, and all applicable provisions of the Code and other law. It is affirmed that no assets from any defined benefit health account established under Section 401(h) of the Internal Revenue Code shall be transferred to, or accepted by, MERS.

SECTION 2. IMPLEMENTATION DIRECTIONS FOR MERS AS HCSP INVESTMENT FIDUCIARY AND TRUSTEE

(A) The governing body of this Eligible Employer desires that all assets placed in its MERS HCSP Trust Fund (as a sub-fund within all pooled HCSP trust funds with MERS) be administered by MERS, which shall act as investment fiduciary with all powers provided under Public Employee Retirement System Investment Act, pursuant to PA 149, all applicable provisions of the Internal Revenue Code and other relevant law.

(B) The governing body desires, and MERS upon its approval of this Resolution agrees, that all funds accumulated and held in the MERS HCSP Trust Fund shall be invested and managed by MERS within the collective and commingled investment of all HCSP funds held in trust for all Eligible Employers.

(C) All monies in the MERS HCSP Trust Fund (and any earnings thereon, positive or negative) shall be held and invested for the sole purpose of paying health care benefits for the exclusive benefit of "Eligible Employees" who shall constitute "qualified persons" who have retired or separated from employment with the Eligible Employer, and for any expenses of administration, and shall not be used for any other purpose, and shall not be distributed to the State.

(D) The Eligible Employer will fund on a defined contribution, individual account, basis its MERS HCSP Trust sub-fund to provide funds for health care benefits for "Eligible Employees" who shall constitute "qualified persons." Participation in and any coverage under HCSP shall not constitute nor be construed to constitute an "accrued financial benefit" under Article 9 Section 24 of the Michigan Constitution of 1963.

(E) The Eligible Employer designates and incorporates as "Eligible Employees" who shall constitute "qualified persons" under this HCSP Resolution those who are "Eligible Employees as defined in the HCSP Participation Agreement under this HCSP.

(F) Director of Employee Services shall be the Eligible Employer's HCSP Coordinator; shall designate in writing the "qualified persons" on whose behalf trust fund monies shall be made available under any MERS (or non-MERS) retiree health care benefit program, including, but not limited to, MERS HCSP, or MERS Premier Health; receive necessary reports, notices, etc.; shall act on behalf of the Eligible Employer; and may delegate any administrative duties relating to the Fund to appropriate departments.

(G) Fees and Expenses for the MERS HCSP are contained in Addendum A to this Resolution.

SECTION 3. EFFECTIVENESS OF THIS HCSP UNIFORM RESOLUTION

This Resolution shall have no legal effect until a certified copy of this adopting Resolution shall be filed with MERS, and MERS determines that all necessary requirements under MERS Plan Document Section 36(2)(a), 1999 PA 149 and other relevant laws, and this Resolution have been met. Upon MERS' determination that all necessary documents have been submitted, MERS shall record its formal approval upon this Resolution, and return a copy to the Eligible Employer's HCSP Coordinator as identified above.

In the event an amendatory resolution or other action by the Eligible Employer is required by MERS, such Resolution or action shall be deemed effective as of the date of the initial Resolution or action where concurred in by this governing body and MERS (and the Program Administrator if necessary). Section 54 of the MERS Plan Document shall apply to this Resolution and all acts performed under its authority. The terms and conditions of this Resolution supersede and stand in place of any prior resolution, and its terms are

controlling.

Adopted unanimously.

I hereby certify that the above is a true copy of the Uniform Resolution Adopting The MERS Health Care Savings Program, adopted at the official meeting held by the governing body of this municipality: Monday, April 6, 2009.



CITY CLERK

RESOLUTION TO APPROVE INTERNAL REVENUE CODE
SECTION 125 CAFETERIA PLAN

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

WHEREAS, the City Council of the City of Saginaw deem it to be in the best interest of its employees and officers to adopt, amend or restate its Cafeteria Plan under Section 125 of the Internal Revenue Code of 1986, as amended; and

NOW, THEREFORE BE IT RESOLVED, that City Council hereby adopts and approves this Cafeteria Plan as amended and restated to become effective as of April 1, 2009, pursuant to the Adoption Agreement and Cafeteria Plan which are attached hereto;

BE IT FURTHER RESOLVED, that the City Manager of the City of Saginaw shall have the authority to:

- a. Execute this Adoption Agreement and Amended Cafeteria Plan, and other documents and agreements as may be necessary to implement the Plan;
- b. Appoint a Plan Administrator for such Plan, and change such administrators from time to time with the approval of the City Council;
- c. Contract with BASIC to provide assistance to the Plan Administrator in establishing and maintaining such Plan; and

BE IT FURTHER RESOLVED, that the Clerk of the City of Saginaw is directed to enter a copy of this Adoption Agreement and this Cafeteria Plan, as amended, into the records of this institution, and into the minutes of this meeting.

Adopted unanimously.

RESOLUTION AUTHORIZING FINANCIAL PROCEDURE FOR
THE FUNDING OF THE ANDERSEN WATER PARK PROJECT

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

WHEREAS, the City of Saginaw has begun development of the Andersen Water Park Repurposing Project, an Enterprise fund, in order to provide improved recreational facilities in the Central Parks area; and

WHEREAS, the City of Saginaw has received donations, pledges and grants in excess of 1.4 million dollars to initiate and complete this project; and

WHEREAS, many of these funds will be received in future years or in the form of reimbursements after the project is completed; and

WHEREAS, the development and construction schedule requires expenditures at

a faster pace so that the project may be completed in a timely manner; and

WHEREAS, the enterprise fund may obtain from a commercial source a capital improvement loan to secure timely funding, but would pay a commercial rate of interest on this loan; and

WHEREAS, the General Fund pooled cash account is sufficiently large that it routinely deposits its funds in accounts that are currently yielding a nominal return, and could instead loan these excess funds to the Andersen Water Park Repurposing Project at a rate greater than that it receives now, but at or lower than a rate which would be paid by that fund from a commercial lender.

NOW, THEREFORE, BE IT RESOLVED, that the City of Saginaw authorizes the use of General Fund pooled cash resources in an amount not to exceed 1.1 million dollars to loan to the Andersen Water Park Repurposing Project; and

BE IT FURTHER RESOLVED, that the interest paid by the Andersen Water Park Repurposing Project be at or below market rate and that the payments be made pursuant to a formal repayment schedule not to exceed three years in length.

Adopted unanimously.

MOTIONS AND MISCELLANEOUS BUSINESS

Councilman Wendt announced a Job Fair April 9, 2009 at the Midland Dow Diamond sponsored by Michigan Works.

Councilwoman Kitterman-Miller announced the Keep Saginaw Beautiful Committee would meet Wednesday, April 15 and Wednesday, April 29, 2009 at 5:15 p.m. in Council Chambers.

ADJOURNMENT

At 8:13 p.m. Councilman Branch moved to adjourn the meeting, seconded by Councilman Coulouris.

Adopted unanimously.

Diane M. Herman
City Clerk