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REGULAR MEETING OF THE COUNCIL OF THE CITY OF SAGINAW, MICHIGAN, HELD MONDAY, JUNE 15, 2009, AT 6:30 P.M. IN THE COUNCIL CHAMBER OF CITY HALL.

PRAYER AND PLEDGE OF ALLEGIANCE

Pastor Cirven Merrill offered a prayer and led the pledge of allegiance.

ROLL CALL

Mayor Joyce Seals called the meeting to order. The following Councilpersons were present: Gregory Branch, Larry Coulouris, Daniel Fitzpatrick, Amanda Kitterman-Miller, Bill Scharffe, Paul Virciglio and Mayor Joyce Seals-7.

Absent: Councilpersons Amos O'Neal and Andrew Wendt-2.

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS

Councilman Scharffe moved to approve the minutes from the January 5, January 12 and January 26, 2009 regular council meetings, January 24, 2009 special council meeting, and February 9 and February 23, 2009 regular council meetings, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

PUBLIC HEARING

City Clerk Diane Herman announced the public hearing on the amendment to an established Neighborhood Enterprise Zone #10 in the City of Saginaw. Paul Barrera, Jake's Old City Grill, 100 S. Hamilton and William Giorgis, 2522 Hess spoke in favor of the NEZ and requested Council's support. Earl Jesse, 310 S. Harrison said he would support a legitimate business but didn't think the area needed another liquor establishment. Mayor Seals called for additional comments three times. No one else was heard.

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

Adopted unanimously.

PERSONAL APPEARANCES

Earl Jesse, 310 S. Harrison, spoke briefly on the removal of Chuck Conner from the Saginaw Housing Commission Board of Directors. Requested reconsideration since Mr. Conner was the resident member of the Board which is required by law. Said he didn't know the details but said someone should take another look.

Pastor Cirven D. Merrill, 817 S. Warren Avenue, invited Council to the 5<sup>th</sup> Annual Stop the Violence Rally on June 20, 2009, which would include a march, food and free Gospel Concert.

Katherine Latimore, 37 Geneva Court, complained about a burned out house at 1029 Farwell that is keeping her from securing a renter for her house next door. Also complained that the street sweepers are not seen very often on the East side.

REMARKS OF COUNCIL

Councilman Fitzpatrick spoke on the economic downturn. Said Michigan has been in recession for the past 10 years. Said it is unknown at this time what grant monies would

be made available to the City. Anything approved by Council at this time is not new money but is the result of staff working with various government agencies. Noted that Flint has 40% of its housing abandoned or in foreclosure.

Councilwoman Kitterman-Miller expressed her appreciation to the Old Towne Saginaw Association, who works very hard to provide a lot of great activities, including the Lawn Chair Film Festival. Inquired about a street sweeping schedule and requested the information be provided to the public. Announced a Household Hazardous Waste Drop-off scheduled for July 11, 2009 and August 15, 2009 from 9-1:00 p.m. at Arthur Hill High School. Noted that household paint could be donated to Habitat for Humanity.

Councilman Coulouris announced an Open House to be held June 18, 2009 for a new business, Court Street Gallery, 414 Court Street. The front part will be a gallery and the back part will be an artist studio. Said neighbors need to get out and participate in their neighborhoods to address blight.

Councilman Scharffe mentioned the City Charter Amendments and commended Council members for how they handled the issue. Said much thought was given to recommended changes. Mentioned attending the 17<sup>th</sup> Annual Flag Day Ceremony at McBrite Manor and praised them for the wonderful, well-attended event.

Councilman Virciglio commended City crews, the SCENIC team and volunteers who assisted in demolishing the eyesore in the Southwest Neighborhood Association. Praised them for actively working with their Community Police Officer to get these results. Noted the audience in attendance applauded when the building came down.

Councilman Branch spoke on a recent trip he took with his family and how the cemetery at Gettysburg reminded him of how important it is to stay focused and committed in the face of adversity. Thanked Council for adopting the Resolution in support of Garber Buick.

Mayor Seals thanked all who attended her birthday party and/or supported the effort. Also noted a need for a street sweeping schedule. Reported a dumping site at 9<sup>th</sup> and Carlisle. Requested someone respond to a complaint made by Terry Doerr, a citizen who lives out of town several months of the year due to his job, who wants to know why his water had been turned off. She reminded Council members of the July 11<sup>th</sup> Strategic Planning Session. Verbalized the need for market rate apartments and housing in the City.

*(Several Council members offered condolences to Lou Dawkins and his wife for the recent loss of their son. Several Council members commended the Old Towne Business District and expressed support for the Neighborhood Enterprise Zone.)*

#### PETITIONS

09-13 from Tamar Chipp, Saginaw Community Foundation, requesting permission to erect a banner in the 500 block of Court Street from May 1, 2009 to May 21, 2009 and the 1000 block of East Genesee from June 5, 2009 to July 5, 2009 for the purpose of promoting the 25<sup>th</sup> Anniversary of the Saginaw Community Foundation.

Councilman Coulouris 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

From the Boards and Commissions and Committees:

Councilwoman Kitterman-Miller moved for consideration of reappointing Neville Bernard Britto to the Public Libraries of Saginaw Board with a term to expire June 30, 2013, seconded by Councilman Fitzpatrick.

Adopted unanimously.

Councilwoman Kitterman-Miller moved for consideration of appointing John D. L. Humphreys to the Saginaw Riverfront Development Commission to fill a vacancy with a term to expire April 1, 2012, seconded by Councilman Fitzpatrick.

Adopted unanimously.

Councilman Branch moved for consideration of reappointing William James Ostash to the Historic District Commission with a term to expire February 19, 2013, seconded by Councilwoman Kitterman-Miller.

Adopted unanimously.

From the Charter Review Ad Hoc Committee:

City Attorney Tom Fancher discussed his initial review of Charter Amendments with the Attorney General's (A.G.) Office. He advised Council the Drafting Committee had me and divided the changes into 32 or 33 ballot questions. The A.G. would review the document and advise him of any additional information needed. The A.G. raised a concern about having so many ballot questions on one election. He thought it would be difficult for a voter to determine which questions were important and which were just housekeeping issues. The Committee suggested the time-sensitive and money-saving ballot proposals (6 to 8) would be drafted for November's ballot and the remaining housekeeping issues placed on a subsequent election (i.e. August 2010 Primary)

With regard to gender-neutral language, Attorney Fancher suggested the language be changed with each amendment. He said the state did not care about capitalization, however, if the City decides to make that change, it would have to be in the Statement of Purpose and explained to the voters. As such, he didn't think the issue should be addressed. He also discouraged changing the title of "Treasurer" to "Administrator in Charge of Treasury" because it would require a separate ballot proposal just to make that change.

After some discussion Council agreed to allow the City Attorney the opportunity to decide how the proposals would be divided.

Reports from other Boards, Commissions and Committees:

Councilman Scharffe reported the Saginaw Economic Development Corporation approved two (2) loans for Ivan Phillips Funeral Home, LLC (d/b/a Paradise Funeral Chapel, LLC), 3100 S. Washington, for \$31,950 for a hearse and \$20,250 for a limousine. Both vehicles were previously owned and in good condition.

On a non-committee related matter, Councilman Scharffe thanked Chief Holland for the information he provided on the use of fire pits in the City. The Chief did an outstanding job on framing the issue which basically states all fire pits give off sparks which

can get into the air and cause a fire. Saginaw's homes are too close to each other.

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REPORTS FROM CITY MANAGERManagement Update

City Manager Darnell Earley advised Council of a conference call he and the management staff had with the White House Office on Intergovernmental Affairs regarding a new bond program which allows municipalities to use municipal bonds to further their capital improvement efforts. He said the issue would be fully reviewed.

Recommended Actions

Subject: Daniel Collison Freedom of Information Act Appeal

Manager's Recommendation: I recommend that the FOIA Appeal submitted by Mr. Collison be denied.

Justification: On April 17, 2009, the Saginaw Police Department ("SPD") received a Freedom of Information Act ("FOIA") request from Daniel Collison requesting the following documents:

"A complete copy of all file materials including but not limited to photographs, diagrams, measurements, accident reconstruction report/s, handwritten notes, interviews, written and recorded statements, blood alcohol test reports, toxicology reports, breathalyzer test results, narrative reports, traffic citations issued and UD-10's and any all other information contained within your file."

Subsequently, on April 23, 2009, the SPD sent Mr. Collison a letter denying his request pursuant to MCL 15.243(1)(b)(i). This section states that information is exempt from disclosure because it would interfere with law enforcement proceedings. The SPD denied Mr. Collison's FOIA request because the case is still open. Specifically, the SPD is still investigating the fatal accident, including interviewing witnesses.

A review of this matter discloses that the case is still open and that the SPD has not completed its investigation. Subsequently, the information will be submitted to the Prosecuting Attorney's Office. Disclosure of the information would interfere with law enforcement proceedings pursuant to MCL 15.243(1)(b)(i). Furthermore, disclosure of the information could interfere with the Prosecuting Attorney's Office potential case. It would deprive the defendant of a fair trial pursuant to MCL 15.243(1)(b)(ii) because it could taint a potential jury.

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

Adopted unanimously.

Subject: Authorizing Severance Agreement with Labor Relations Administrator and Purchase of Service Credit

Manager's Recommendation: I recommended approval of the proposed severance agreement between the City of Saginaw and Ralph D. Carter, Labor Relations Administrator, and the associated purchase of service credit. This agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: Appearing on this agenda is a Resolution for the purchase of four (4) months of credited service in the Municipal Employees' Retirement System (MERS) for an employee whose position is being eliminated June 30, 2009.

Due to current and projected budget constraints resulting in retrenchment

management for fiscal year 2010 and the foreseeable future, the approved fiscal year 2010 budget includes the elimination of twenty-seven (27) positions, including the Labor Relations Administrator position, which is currently occupied. The incumbent in this position will have approximately twenty-four (24) years and eight (8) months of credited service when the position is eliminated. This circumstance results in the incumbent's ineligibility to retire when the position is eliminated because he will be approximately four (4) months short of reaching eligibility under the MERS pension plan.

In consideration of the employee's nearly 25 years of service and the long term savings resulting from the elimination of this position, I recommend that the City Council approve the Resolution authorizing this purchase. This will enable the incumbent to receive the additional four (4) months of credited service, which will allow him to retire from the City, effective July 1, 2009. I further recommend that the City Manager and other appropriate officials be authorized to execute an agreement whereby the City will be reimbursed 50% of the cost of the purchase of this credited service time and to obtain a full release and waiver of claims.

The cost of the credited service time is calculated by MERS to be Ten Thousand Nine Hundred Nineteen Dollars (\$10,919.00), of which the City will be reimbursed Five Thousand Four Hundred Fifty-nine Dollars and Fifty Cents (\$5,459.50), resulting in a net expenditure of Five Thousand Four Hundred Fifty-nine Dollars and Fifty Cents (\$5,459.50).

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

Adopted unanimously.

Subject: BASIC Dependent Verification Audit Agreement

Manager's Recommendation: I recommend that the Agreement with Benefit Administration Services International Corporation ("BASIC") be approved. 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.

Justification: Through successful negotiations with the collective bargaining units, the City was able to secure the opportunity to conduct annual open enrollments with each employee and dependent(s) enrolled in the City health care program. The Agreement will allow BASIC to directly assist the City with Verification of all dependents enrolled in the City's group health care program. Nationally recognized consultants have determined that 5-15% of dependents covered under an employer's health care plan are actually ineligible for coverage. Further studies indicate the average cost for each dependent on a health care plan is \$2,400.00 per year.

In the past, the City has requested dependent verification on an "as known" basis. However, it has been determined that a (100%) comprehensive dependent verification process is needed to remove ineligible dependents (when applicable). This will provide potential cost savings to the City's health care program.

BASIC has been the provider for the City, with facilitating the federally required COBRA responsibilities for the City since 1999. In addition, it administers the Prescription Drug reimbursement program and the recent Premium Only Plan designed to allow employees to pay for health care premiums pre-tax. BASIC will provide the administrative

services needed to efficiently deliver a quality Dependent Eligibility Verification program.

The necessary program reporting requirements, processing procedures and HIPPA responsibilities, will be handled by BASIC pursuant to the terms of the Agreement. The total, one time cost for BASIC to complete this project is estimated at \$14,000.00 to \$16,000.00. The Return on Investment (ROI) is estimated to be between \$70,000.00 to \$240,000.00 per year. The cost and more importantly, the savings will be spread across all departmental funds.

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

Adopted unanimously.

Subject: Entry-Level Firefighter Tests

Manager's Recommendation: I recommend that payment be made to CPS Human Resource Services, Sacramento, CA, in the amount of \$4,682.50 for 400 entry-level firefighter examinations administered January 8, 2009.

The 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 tests are budgeted in the Employee Services Professional Services Account No. 101-1725-701-80-01.

Justification: The City used this vendor for both police and fire testing for the past 10 years. CPS Human Resource Services specializes in the needs of government and not-for-profit agencies. They provide industry-leading employment testing and assessment services designed to ensure content relevance and provide continuity in our applicant assessment

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

Adopted unanimously.

Subject: Approval of Mutual Aid Agreement with Saginaw County

Manager's Recommendation: I recommend Council to approve the Mutual Aid Interlocal Agreement with Saginaw County and that the City Manager or his designee be authorized to execute it and any other related agreements. This Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: The Federal Emergency Management Agency ("FEMA") has recognized the importance of coordination between state and local governments in the event of a natural or manmade emergency. In addition, the existence of a prior formal agreement will facilitate all participating agencies in receiving full and proper reimbursement for their contributions. The County of Saginaw has proposed a uniform Mutual Aid Interlocal Agreement to accomplish this purpose. By entering into this agreement, the City of Saginaw will ensure assistance from other jurisdictions if it is in need and help it obtain reimbursement from FEMA in situations where it renders assistance to others.

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

Adopted unanimously.

Subject: Approval of Transfer of Ownership of NEXTG

Manager's Recommendation: I recommend that Council approve the transfer of ownership of NextG Networks of Illinois, Inc. to new investors.

Justification: NextG Networks of Illinois, Inc. has entered into a standard Right-of-Way Telecommunications Permit with the City pursuant to the Metropolitan Extension Telecommunications Right-of-Way Oversight Act ("METRO Act"); Act No. 48 of the Public Acts of 2002, as amended. Pursuant to this permit, NextG must obtain our approval if it transfers its ownership. The parent company of NextG will be transferred to new investors, thereby causing an indirect transfer of ownership of NextG. As a formality, Next G is seeking approval from all entities that issued telecommunications permits. The transfer in ownership will create no change in the operation of NextG.

Manager be approved.

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

Adopted unanimously.

Subject: Approval of Urban Cooperation Agreement with Saginaw Charter Township for Sharing Electrical Inspection Services

Manager's Recommendation: I recommend council to approve an Urban Cooperation Agreement between the City of Saginaw and Saginaw Charter Township for sharing the services of an electrical inspector. This Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Funds will be reflected in the General Fund Revenue's – Reimbursement/ Inspections Account No. 101-0000-602.68-24 in the amount of \$40,000.00.

Justification: The City of Saginaw ("City") and Saginaw Charter Township ("Township") have previously cooperated in sharing the services of their electrical inspectors. The inspector for the Township has recently retired and the workload of the positions is now such that the communities believe that both can be adequately served by one full time inspector. The City's inspector will retain his full time position with the City, including all salary, medical benefits, pension and all other fringe benefits. The City will make him available for assignments in the Township for approximately one half his work hours and the Township will compensate the City at the rate of \$40,000 per year.

The two municipalities believe that this will be a cost savings for both communities and it will allow the employee to maintain full time employment. The City and Township have negotiated an Agreement, pursuant to the Urban Cooperation Act, being MCL 124.501, et seq., to provide these electrical inspection services.

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

Adopted unanimously.

Subject: Kevin Collins Visiting Artists Residency Agreement

Manager's Recommendation: I recommend approval of the Visiting Artists Residency Agreement between the City of Saginaw and Kevin Collins. Mr. Collins will be paid \$2,000.00, which includes all workshops and transportation. The Agreement has been approved by me as to substance and the City Attorney as to form.

Funds for the Agreement will be paid by the Saginaw Arts and Enrichment Commission ("SAEC"). The SAEC received a grant from the Harvey Randall Wickes Foundation to fund the residency.

Justification: The SAEC sponsors an annual Visiting Artists Residency Program. This Program sends renown artists into schools and other venues throughout Saginaw County to teach the arts. This year's residency features Kevin Collins, who has participated in the program in the past. A series of five (5) student workshops will be held at the First Ward Community Center over a five (5) week period. The residency will run July 10, 2009 through August 13, 2009 and will conclude with a recital at the annual Children's Picnic on that date.

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

Adopted unanimously.

Subject: Inter Departmental Trash Pick-up for City Offices Only

Manager's Recommendation: I recommend that the Agreements from Waste Management for city wide departmental trash pick up service be accepted and approved for a period of two years through June 30, 2011 for a total cost of \$2,551.88.

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 following accounts: Sewer and Water Operation and Maintenance Fund Operating Services Account Nos. 590-4821-861-80-05 (\$71.00) and 591-4721-861-80-05 (\$71.00), Facilities Operating Services Account No. 101-7575-821-8005 (\$1,974.00), Police Department Operating Services Building Management Account No. 101-3014-721-8005 (\$311.24), Water Operation and Maintenance Fund Operating Services Account No. 591-4730-861-8005 (\$44.64) and Traffic Engineering Operating Services Account No. 101-4621-791-8005 (\$80.00).

Justification: On March 23, 2009, Council approved Waste Management as the best low qualified bidder for City Wide Inter Departmental Trash Pick-up for all City Offices.

After going through the entire sealed bid process the company never advised the City that we had to sign a formal contract until after council had approved the bid. The original bid results were as follows:

	<u>Through 6/30/09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>TOTAL</u>
Waste Management of Michigan Saginaw, MI	\$2,551.88	\$16,062.00	\$16,869.60	\$35,483.48
Republic Services Montrose, MI	\$2,830.00	\$17,366.04	\$18,255.00	\$38,451.04

Council Action: Councilwoman Kitterman-Miller moved that the recommendation

from the City Manager be approved, seconded by Councilman Fitzpatrick.  
Adopted unanimously.

Subject: Replacement Motor for Gate Operator

Manager's Recommendation: I recommend that the quote from System Specialties, Inc. be accepted and a purchase order be issued to them in the amount of \$3,493.00 for the purchase of a replacement motor for the Madison gate.

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 Operations and Maintenance Capital Outlay Account No. 590-4835-861.97-05.

Justification: The motor for the Madison gate, which dewateres the collector sewer, has failed and needs to be replaced. This motor powers the Rotork operator that opens the thirty-inch cast iron gate. The replacement is a Rotork component and is only available from the manufacturer's representative. Therefore, this is a sole source purchase only available from System Specialties, Inc.

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

Adopted unanimously.

Subject: Flow Meter Repair and Calibration

Manager's Recommendation: I recommend that the quote from Martin Control Services be accepted and a purchase order be issued to them in an amount not to exceed \$4,880.00 for the labor and parts needed to repair the flow meters at the Salt / Fraser and Hancock retention basins.

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 Operations and Maintenance General Repairs Account No. 590-4835-861.80-40.

Justification: Each of our seven (7) retention basins has a flow meter for measuring effluent flow. The flow meters at the Salt / Fraser and Hancock basins have been failing intermittently and providing unreliable flow data. We are required by the MDEQ, in our NPDES permit, to monitor and report these flows. Martin Control Services is the factory authorized service agent for Accusonic flow metering systems in our area. Therefore, they are the sole source for the troubleshooting and repair of these meters.

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

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 be issued to them in an amount not to exceed \$175,000.00. This Agreement has been approved by me 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. 590-4830-861-8002.

Justification: The City's Wastewater Treatment Plant 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 projects address replacing the mechanical aerators in the aeration tanks, the sludge collector mechanisms and drives, and effluent weirs and baffles in the secondary treatment stage of the plant with new technology and mechanical equipment.

These projects are eligible for funding consideration under President Obama's American Recovery and Reinvestment Act (ARRA) stimulus package. The funding is administered through the Clean Water State Revolving Fund (CWSRF). The Michigan Department of Environmental Quality (MDEQ) accepts project plans and proposals for the CWSRF on a very rigid quarterly schedule. To qualify for the ARRA stimulus money, the project design must be completed and submitted to the MDEQ for the first quarter approval by the end of July. Stimulus funds are only available in the first quarter financing schedule. To promote use of stimulus funds, ARRA has authorized up to forty percent (40%) principle forgiveness of the CWSRF loan. On these projects, the principle forgiveness could save the City of Saginaw more than two million dollars (\$2,000,000.00).

HRC has submitted a proposal for the scope of services required to design the project. The amount of the Agreement would not exceed \$175,000.00.

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

Adopted unanimously.

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

Subject: Emergency Repairs to Tractor 819

Manager's Recommendation: I recommend payment be made to Bader Brothers in the amount of \$2,137.90 for emergency repairs to Tractor 819.

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 Vehicle Repair Parts Account No. 661-4480-841-73-12.

Justification: On May 29, 2009, Purchase Order #38567 was issued for emergency repairs to John Deere Tractor 819. This tractor is used for cutting lots in the weed abatement program and it is imperative to have it serviced as soon as possible. The existing bell housing has cracked. This is an integral part of the tractor's frame. Welding repairs cannot be made, therefore, a new bell housing is required. Bader Brothers is the provider for John Deere parts in our area.

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

Adopted unanimously.

RESOLUTIONS  
A RESOLUTION ADOPTING A FINAL PROJECT PLAN FOR  
SEWERAGE FACILITIES IMPROVEMENTS PROJECT AND DESIGNATING  
AN AUTHORIZED PROJECT REPRESENTATIVE

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

WHEREAS, some of the existing sewerage facilities equipment and components have served their useful life and are in need of replacement and improvement; and

WHEREAS, the City of Saginaw authorized Hubbell, Roth & Clark, Inc. to prepare a Project Plan which recommends improvements at the Wastewater Treatment Plant (WWTP), improvements at the Retention Treatment Basins (RTB's), and a new sanitary interceptor sewer river crossing at a total estimated project cost of Forty Nine Million, Three Hundred and Thirty Five Thousand Dollars and 00/100 (\$49,335,000.00); and

WHEREAS, said Project Plan was presented at a Public Hearing held on June 11, 2009 and all public comments have been considered and addressed,

NOW, THEREFORE, BE IT RESOLVED, that the city of Saginaw formally adopts and agrees to implement the selected Alternatives No. 1A, 2A, 3A, 4A, and 5A of the Project Plan. These alternatives include renovation of the WWTP, improvements at the RTB's and a new sanitary interceptor sewer river crossing.

BE IT FURTHER RESOLVED, that the City Manager, a position currently held by Darnell Earley, is designated as the authorized representative for all activities associated with the project referenced above, including the submittal of said Project Plan as the first step in applying to the state of Michigan for a State Revolving Loan to assist the implementation of the selected alternative.

Adopted unanimously.

Subject: Authorizing Severance Agreement with Labor Relations Administrator and Purchase of Service Credit

Manager's Recommendation: I recommended approval of the proposed severance agreement between the City of Saginaw and Ralph D. Carter, Labor Relations Administrator, and the associated purchase of service credit. This agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification: Appearing on this agenda is a Resolution for the purchase of four (4) months of credited service in the Municipal Employees' Retirement System (MERS) for an employee whose position is being eliminated June 30, 2009.

Due to current and projected budget constraints resulting in retrenchment management for fiscal year 2010 and the foreseeable future, the approved fiscal year 2010 budget includes the elimination of twenty-seven (27) positions, including the Labor Relations Administrator position, which is currently occupied. The incumbent in this position will have approximately twenty-four (24) years and eight (8) months of credited service when the position is eliminated. This circumstance results in the incumbent's ineligibility to retire when the position is eliminated because he will be approximately four (4) months short of reaching eligibility under the MERS pension plan.

In consideration of the employee's nearly 25 years of service and the long term savings resulting from the elimination of this position, I recommend that the City Council

approve the Resolution authorizing this purchase. This will enable the incumbent to receive the additional four (4) months of credited service, which will allow him to retire from the City, effective July 1, 2009. I further recommend that the City Manager and other appropriate officials be authorized to execute an agreement whereby the City will be reimbursed 50% of the cost of the purchase of this credited service time and to obtain a full release and waiver of claims.

The cost of the credited service time is calculated by MERS to be Ten Thousand Nine Hundred Nineteen Dollars (\$10,919.00), of which the City will be reimbursed Five Thousand Four Hundred Fifty-nine Dollars and Fifty Cents (\$5,459.50), resulting in a net expenditure of Five Thousand Four Hundred Fifty-nine Dollars and Fifty Cents (\$5,459.50).

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

#### RESOLUTION TO PURCHASE ADDITIONAL SERVICE CREDIT

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

WHEREAS, Ralph D. Carter is to be granted additional credited service time of approximately four (4) months in order to vest him with twenty-five (25) years of service effective July 1, 2009;

NOW, THEREFORE, BE IT RESOLVED, that as provided in the MERS Plan Document, additional service credit is granted to Ralph D. Carter by this Resolution adopted by the City of Saginaw at its meeting of June 15, 2009; and

BE IT FURTHER RESOLVED, that the City of Saginaw shall pay the full amount to purchase the additional credit in a lump sum on or before the termination of his employment by layoff, that the City Manager shall ensure that all processing steps are completed prior to termination; and

BE IT FURTHER RESOLVED, that Ralph D. Carter shall repay to the City of Saginaw one half of this amount, pursuant to the terms of an Agreement entered into by the parties; and

BE IT FURTHER RESOLVED, that the calculation of the actuarial cost is based on the assumptions approved by the Retirement Board on the date the calculation was prepared. Actual future events and experience may result in changes different than those assumed, and liability different than estimated.

Adopted unanimously.

#### MOTIONS AND MISCELLANEOUS BUSINESS

Councilman Scharffe moved to go into closed session to discuss the negotiation of a collective bargaining agreement, seconded by Councilman Virciglio. Adopted by the following vote:

Ayes: Councilpersons Branch, Coulouris, Fitzpatrick, Kitterman-Miller, Scharffe, Virciglio and Mayor Seals-7.

Nays: 0.

Absent: Councilpersons O'Neal and Wendt-2.

*(Council entered closed session at 8:08 p.m.)*

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Upon returning from closed session at 8:23 p.m., Council considered the following City Manager recommendation:

Subject: Approving Tentative Agreement with Firefighters Union

Manager's Recommendation: I recommended approval of the Tentative Agreement between the International Association of Firefighters ("IAFF") Local 102 and the City of Saginaw, subject to approval by the City Manager as to substance and the City Attorney as to form.

Justification: The most significant amendments are Wages, Health care, Pension, Employee Health Care Contributions, reduction in Long-term disability cost, Drug rider reimbursement elimination, Longer contract term and Elimination of Retiree Health Care and establishing the Retiree Health Savings Accounts. Wage adjustments scheduled for 2% July 1, 2008, 1.5% July 1, 2009, 2% July 1, 2010 and 1% July 1, 2011. In accordance with the City's overall Health care cost containment efforts, the Union accepted the City's proposals to offer one Health care plan, with higher deductibles and coinsurances. In an effort to reduce the City's un-funded liability, effective 7-1-09 retiree health care for new hires is eliminated and the City will contribute to a retiree Health Care Savings Account (HCSA) plan with MERS and Long Term disability payments are reduced to 60% of base pay. Effective 7/1/11 the IAFF employee group will contribute \$20/pay period towards health care costs.

I recommend approval of the Tentative Agreement, to be immediately effective. A formal collective bargaining agreement shall be prepared and executed in the near future.

Council Action: Councilman Scharffe moved that the recommendation from the City Manager be approved, seconded by Councilman Branch.

Adopted unanimously.

#### ADJOURNMENT

At 8:25 p.m., Councilman Virciglio moved to adjourn the meeting, seconded by Councilman Branch.

Adopted unanimously.

Diane M. Herman  
City Clerk