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REGULAR MEETING OF THE COUNCIL OF THE CITY OF SAGINAW, MICHIGAN, HELD MONDAY, JANUARY 11, 2010, AT 6:30 P.M. IN THE COUNCIL CHAMBER OF CITY HALL.

PRAYER AND PLEDGE OF ALLEGIANCE

Councilman Amos O'Neal offered a prayer and led the pledge of allegiance.

ROLL CALL

Mayor Gregory Branch called the meeting to order. The following Councilpersons were present: Dennis Browning, Larry Coulouris, Daniel Fitzpatrick, Amanda Kitterman-Miller, Amos O'Neal, Joyce Seals, Paul Virciglio, Andrew Wendt and Mayor Gregory Branch-9.

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS

Councilman Fitzpatrick moved to approve the minutes from the December 21, 2009 regular council meeting, seconded by Councilwoman Kitterman-Miller. Adopted unanimously.

PERSONAL APPEARANCES

Earl Jesse, 310 S. Harrison, noted the Saginaw Housing Commission has 400-500 apartments within 5 high rises in the City which follow the Landlord/Tenant Act and HUD rules. Doesn't know how many residents have medical marihuana permits. Expressed some concerns.

Gregory R. Switala, 11488 Wing Drive, Clio, Director of the Tri-City Compassion Club, thanked the City for taking a second look at the Medical Marihuana Moratorium. Believes the City made the right decision. Requested the proper direction be given to law enforcement so incidents do not occur where individuals are raided who are in compliance with the Act. Believes the City has a right to zone store fronts and licensed businesses.

REMARKS OF COUNCIL

Councilman O'Neal mentioned Council and staff would soon be looking at the City's Strategic Plan as to where the City is headed. Said the City has been doing well thanks to the City Manger and staff, but moving forward there would be tough decisions to make. Requested support from the community for those tough decisions. Noted that crime was still Council's number one priority and funds are aggressively sought to enhance the City's crime efforts.

Councilman Wendt welcomed County Commissioner Mike Hanley to the Council Chamber.

Councilwoman Seals said she had been working with the City/County/School Liaison Committee on the in-school suspension where the suspension is 10 days or less. Was surprised to find out that the Saginaw Schools Superintendent and ISD Superintendent did not have a copy of the revised City's Parental Responsibility ordinance. They have now been provided with one to be disseminated to the principals, and in turn counselors and PTSA. Also mentioned a grant received by the County and how she and the City Manager are working with the County and YMCA to put together a healthy, walkable community plan.

Will provide Council with copies so she can get their input.

Councilman Fitzpatrick welcomed Mike and Lisa Shabluk who purchased Erie Marking, LLC, 211 Fordney and thanked Dr. Thorns and his staff for their assistance with the transaction.

Councilman Coulouris commended the Streets Division for a great job on the snow removal. Requested that citizens add the word "volunteer" to their New Year's resolutions. Somewhere each person is needed, neighborhood association, church group, etc. Urged all to step forward and help out.

Councilwoman Kitterman-Miller said Keep Saginaw Beautiful is gearing up for the cleanup day in May. Announced the annual Chocolate Lovers fundraising event for the Underground Railroad would be held on January 31st.

Mayor Branch said he found it curious that the top story on a recent issue of The Saginaw News listed the FBI's 2008 homicide statistics for Saginaw and at the bottom of the page, the 2009 statistics reported Saginaw's homicides were down by 55%.

*(Several Council members expressed Happy New Year greetings.)*

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

From the Boards and Commissions Committee:

Councilwoman Kitterman-Miller moved for consideration of appointing Paul Virciglio to the Saginaw Riverfront Development Commission to fill a vacancy with a term to expire April 1, 2013, seconded by Councilman Fitzpatrick.

Adopted unanimously.

#### REPORTS FROM CITY MANAGER

Management Update

Rob Eggers of Spicer Group presented an update on the Downtown Development Authority's Tax Increment Finance Plan. He provided Council members with a form to be completed taking their suggestions for the plan. Said the DDA would incorporate the Genesee Avenue Corridor project plans prepared by the Michigan State Extension Office.

City Manager Darnell Earley provided a brief update on the organizational efficiency study. Said he would meet with department heads individually and provide a copy of the plan to Council members at the Strategic Planning Session January 30<sup>th</sup>.

Recommended Actions

Subject: Purchase and Development Agreement with Wolgast Corporation and Wickes Park Homes

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

Justification: On December 5, 2005, the City of Saginaw entered into a Purchase and Development Agreement with Wolgast Corporation for property located in the 3200,

3300, 3400, 3500, and 3600 block of Douglass St. on the southeast side of the City. A Payment in Lieu of Taxes ("PILOT") ordinance was enacted at the same time. That Agreement has been amended a number of times due to the reduced scope of the project, and the changing nature of the state and federal tax incentives. In the interim, Wolgast Corporation has created Wickes Park Homes Limited Housing Association Partnership to develop this project. In December 2009, the city enacted a revised PILOT to reflect the reduced scope of the project and the newly created developer.

This proposed Purchase and Development Agreement would reflect the new ownership, the reduced scope of the project, and incorporate the various amendments that have been adopted in the intervening years. It would also provide an option for Wolgast Corporation, if circumstances permit, to acquire the balance of the property and construct the remaining houses in the original proposal.

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

Adopted unanimously.

Subject: Burns and McDonnell Engineering Company Inc. Agreement

Manager's Recommendation: I recommend that the Agreement with Burns and McDonnell Engineering Company, Inc. ("Burns and McDonnell") be approved in the amount of \$41,100.00. Terms of the Agreement include development, assembly, printing, mail house services, and postage for the 2009 Regional Consumer Confidence Report ("CCR").

In addition, Burns and McDonnell has agreed to indemnify the City for all claims resulting from its negligence in performance of the Agreement up to \$2,000,000.00. The Agreement is subject to my approval as to substance and the City Attorney as to form.

This vendor meets all requirements of §14.23, "Vendors", of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing, of "Title 1, "General Provisions" of the Saginaw Code of Ordinances O-1.

Funds are budgeted in the Water Treatment Operations Engineering Services, Account Number 591-4730-861-8002.

Justification: The City received two proposals during the week of November 23, 2009, to provide professional consulting services for coordination, development and distribution of the 2009 CCR. The proposals were received from Tetra Tech Inc. ("Tetra Tech") and Burns and McDonnell. The 1996 amendments to the Safe Drinking Water Act requires the City to provide consumers information about their drinking water and opportunities to get involved in protecting their source water pursuant to a CCR. All community water systems are required to prepare and provide their customers with an annual water quality report or CCR.

Several years ago, the Michigan Department of Environmental Quality District Engineer recommended the use of a regional approach to the report. For the past five years, the City has successfully used this approach to distribute information to customers by distributing the Saginaw Regional Water Quality Report/CCR. Specifically, this approach reduces the expense of production of the report, mailing costs and City staff time. The City will coordinate the development of the CCR with Burns and McDonnell. The individual communities will sign participation agreements and reimburse the City for their share of the costs. The CCR will be developed and distributed to City customers that elect to participate

in the 2009 Regional CCR.

For the past twelve years, the City has worked with Tetra Tech to produce the CCR. Specifically, the City worked with Susan Franklin on this project. She has extensive knowledge regarding the CCR, the City and the municipalities that receive water services from it. In 2009, Ms. Franklin left Tetra Tech and is now employed by Burns and McDonnell. Due to her highly professional approach, her creative, on-going, efforts to reduce costs and great success in coordinating the Regional CCR, staff determined that the proposal from Burns and McDonnell best suited the City's interest. The estimated cost is slightly higher in the Burns and McDonnell quote due to increased estimate of the handling and postage. Both proposals indicate the costs for handling and postage will be based on actual costs and not the estimated cost. Moreover, Burns and McDonnell's cost includes a two-color print option and Tetra Tech's only provides a one-color print option. The recommended quoted cost includes a 1.5 % increase when compared to last year.

The following is a tabulation of the proposals received by the City:

Tetra Tech, Inc. Ann Arbor, MI	\$40,500.00
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Burns and McDonnell Engineering Co. Inc. Downers Grove, IL	\$41,100.00
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Council Action: Councilman Coulouris moved that the recommendation of the City Manager be approved, seconded by Councilman Wendt.  
Adopted unanimously.

Subject: Building Materials

Manager's Recommendation: I recommend that the bid for building materials be split and that purchase orders be issued to Lowe's Home Improvement in the amount of \$1,593.60 and Self Serve Lumber in the amount of \$697.94, for a total cost of \$2,291.54.

These vendors meet all requirements of §14.23, "Vendors", Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing", of Title 1, "General Provisions" of the Saginaw Code of Ordinances O-1.

Funds for these purchases are budgeted in the Sewer Operation and Maintenance Parts and Supplies, Account No. 590-4830-861.73-30.

Justification: On December 1, 2009, the City received bids from two vendors for building materials for the Wastewater Treatment Plant. The plant has a seven bay carport that is used for vehicle storage. The rafters in the carport are open and birds nest in them and make a mess in the carport and on the vehicles. This bid is for building materials to enclose the rafters and eliminate nesting sites. The bid was split and the vendor with the lowest cost for each of the six items was selected. The actual bid results were as follows:

	<u>Items Bid</u>	<u>Cost</u>
Lowe's Home Improvement Saginaw, MI	5 of 6	\$2,204.76

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Self Serve Lumber  
Saginaw, MI

6 of 6

\$2,405.74

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

Adopted unanimously.

Subject: WTP Emergency Repair North Clarifier

Manager's Recommendation: I recommend that payment be made to D.C. Byers Company, Detroit, Michigan, up to the amount of \$13,295.00 for emergency purchase order #40113.

This vendor meets all requirements of §14.23, " Vendors", of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing, of "Title 1, "General Provisions" of the Saginaw Code of Ordinances O-1.

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

Justification: On December 29, 2009, an emergency purchase order was issued to D.C. Byers Company, Detroit, Michigan, in the amount of \$13,295.00 for the repair of the north clarifier at the Water Treatment Plant. The work included sealing cracks in the walls and concrete repair. The clarifier is filled with water year round and water has been leaking through the cracks. Because of the leaks, the brick on the exterior of these walls was deteriorating. 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 City of Saginaw for Master Planning and other work for the water system.

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

Adopted unanimously.

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

Subject: K-9 Training

Manager's Recommendation: I recommend approval to send Officer Jeffery Wenzell and the new Saginaw Police Department dog to K-9 Training scheduled to take place December 21, 2009 – March 18, 2010. The total cost for Officer Wenzell to attend this training is \$4,520.00.

Funds for this training are available in the Criminal Justice Training Account, No. 261-3323-741.80-90 (\$3,500.00), Criminal Justice Supplies and Parts (261-3323-741.73-30 (\$600.00) and Criminal Justice Travel/Meals/Lodging Account No. 261-3323-741.80-91(\$420.00).

Justification: The City of Saginaw has received funds from the State Of Michigan MCOLES (Michigan Commission of Law Enforcement Standards) that are strictly designated for police officer training. The Saginaw Police Department would like to utilize part of the funds to send Officer Wenzell and the newly purchased dog to the K9 Academy Training Facility.

Council Action: Councilman Wendt moved that the recommendation of the City Manager be approved, seconded by Councilman Browning.

Adopted unanimously.

INTRODUCTION OF ORDINANCES

Subject: Stationary Boiler Operators and Stationary Engineers Ordinance Amendments

Manager's Recommendation: It is recommended that Paragraphs (H) through (K) of §110.26, "Stationary Boiler Operators and Stationary Engineers," and §1 "License Fees" of "Appendix: Fees" of Chapter 110, "General Provisions", of Title XI, "Business Regulations" of the City of Saginaw Code of Ordinances, O-1, be amended. An Ordinance has been prepared and appears under the regular order of business.

Justification: The City Clerk's Office is in the process of reviewing the City's licensing fees as many license fees have not been reviewed and evaluated since 1995.

Currently, the license fee for Stationary Boiler Operators and Stationary Engineers is \$35.00. The Board of Examiners of Stationary Boiler Operators and Stationary Engineers consists of two members that conduct four-hour examinations for persons seeking a license to operate steam boilers and steam operated machinery, and Saginaw is one of four venues that test in the State of Michigan. The Board of Examiners members are qualified by technical training and/or have had at least ten years actual experience in operating steam boilers and steam actuated machinery. They spend numerous hours conducting and correcting tests, answering questions throughout the year and staying current with the regulations. Since 1995, board members fees were increased from \$45/quarterly to \$75/quarterly.

In addition, a review of the ordinance determined that certain paragraphs with regard to renewing licenses needed to be more clearly defined. Given the foregoing, it is recommended the Stationary Boiler Operators and Stationary Engineers ordinance be amended to clearly define license renewal and the Appendix on Fees be amended to increase the license fee by \$15.00 annually.

Council Action: This Council Communication is being submitted to explain the ordinance to be introduced in a subsequent portion of the agenda.

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

AN ORDINANCE TO AMEND PARAGRAPHS (H) THROUGH (K) OF §110.26, "STATIONARY BOILER OPERATORS AND STATIONARY ENGINEERS" AND §1, "LICENSE FEES" OF "APPENDIX: FEES" OF CHAPTER 110, "GENERAL PROVISIONS," OF TITLE XI "BUSINESS REGULATIONS," OF THE SAGINAW CODE OF ORDINANCES O-1.

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

UNFINISHED BUSINESS

Council considered the following item which was postponed from the December 21, 2009 Council meeting:

CONSIDERATION AND PASSING OF ORDINANCES  
AN UNCODIFIED INTERIM ORDINANCE IMPOSING A TEMPORARY  
MORATORIUM ON CERTAIN LAND USES CONNECTED  
WITH THE USE OF MARIHUANA FOR MEDICAL PURPOSES

WHEREAS, the State of Michigan, by voter referendum of November, 2008 approved the use of medical marihuana; and

WHEREAS, this law has been identified as Initiated Law 1 of 2008, MCL 333.26421 and executive reorganization order numbers 1996-1, 1996-2 and 2003-1, MCL 330.3101, MCL 445.2001 and MCL 445.2011; and

WHEREAS, such laws and state regulations have not addressed the appropriate land use associated with these activities; and

WHEREAS, the present zoning and land use ordinances do not address the proper location of such activities as, until the recent referendum, many of the activities were illegal and not permitted in any zoning classification, and

WHEREAS, the experience of other states with similar law changes has been that unregulated land use has caused substantial problems for communities, and

WHEREAS, THE City of Saginaw has a legitimate purpose in addressing the proper location and land use for this new activity in appropriate areas, and

WHEREAS, this review process may take several months to properly accomplish, and

WHEREAS, the City is legitimately concerned that uses may be established in inappropriate locations before the revised land use ordinances may be drafted and enacted, thereby defeating the purpose of the ordinance.

WHEREAS, it is a routine and appropriate method to forestall such problems to enact a reasonable moratorium on all land uses for medical marihuana until such an ordinance can be drafted and enacted,

NOW, THEREFORE, BE IT RESOLVED, that the City of Saginaw hereby temporarily denies use of land for the following activities:

1. Cultivation or processing of marihuana;
2. Distribution or dispensing of marihuana;
3. Smoking or other administration of marihuana;
4. Stores for specialized equipment for cultivation, processing, distributing or administering marihuana; and
5. Specialized schools or training for cultivation, processing, distributing or administering marihuana, and

BE IT FURTHER RESOLVED, that the moratorium forbidding such land use shall terminate and be of no further effect upon the effective date of a land use ordinance regulating such activities or after six months from the effective date of this moratorium, whichever shall first occur.

Council Action: Councilman Coulouris moved that the adoption of this ordinance be postponed indefinitely, seconded by Councilman Browning.

Adopted unanimously.

MOTIONS AND MISCELLANEOUS BUSINESS

Councilman Wendt expressed concerns about the shoveling of sidewalks on the bridges.

ADJOURNMENT

At 7:15 p.m., Councilman Coulouris moved to adjourn the meeting, seconded by Councilwoman Kitterman-Miller.  
Adopted unanimously.

Diane M. Herman  
City Clerk