

## COUNCIL AGENDA

For

January 22, 2007, 6:30 p.m., Council Chamber

### ROLL CALL:

### CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

July 10, 2006 (regular meeting), July 22, 2006 (special meeting), July 24, 2006, August 7, 2006, August 21, 2006, August 28, 2006, September 11, 2006 and September 25, 2006 (regular meetings) of City Council.

### ANNOUNCEMENTS:

### PUBLIC HEARINGS:

### PERSONAL APPEARANCES:

*(A list will be provided on Monday after 1:30 p.m.)*

### REMARKS OF COUNCIL:

### PETITIONS:

06-44 from Rick Hayes, 11789 Wilkinson Rd., Freeland, MI, requesting permission for fireworks display on January 26, 2007 (rain date January 28, 2007) at the east side of the Saginaw River between the Johnson Street Bridge and the I-675 Bridge.

06-45 from Rick Hayes, 11789 Wilkinson Rd., Freeland, MI, requesting permission for fireworks display on January 27, 2007 (rain date January 28, 2007) at the east side of the Saginaw River between the Johnson Street Bridge and the I-675 Bridge.

06-46 from Thomas A. Topham, Top Lease Company, 220 S. 2<sup>nd</sup> Street, requesting permission for taxicab rate increase.

07-01 from Rick Hayes, 11789 Wilkinson Rd., Freeland, MI, requesting permission for fireworks display on January 31, 2007 (rain date February 1, 2007) at the east side of the Saginaw River between the Johnson Street Bridge and the I-675 Bridge.

07-02 from JoAnn Crary, 515 North Washington, requesting public hearing and Resolution approving Brownfield Single Tax Business Tax Credit for the Downtown Area Development, LLC III project located at 901 S. Washington Avenue.

REPORTS FROM BOARDS AND COMMISSIONS AND COMMITTEES:

APPOINTMENT OF BOARDS AND COMMISSIONS MEMBERS:

REPORTS FROM MANAGER:

Management Update:

Recommended Actions:

1. Recommending that the 2007 Single Lot Special Assessment Tax Roll be filed in the Office of the City Clerk for public examination and that a public hearing be held February 19, 2007 at a regular Council meeting.
2. Recommending approval of the insurance proposals with Chubb Group Insurance Companies for Customary Property Coverage, Equipment & Bridges Coverage and Cincinnati Insurance Company for Machinery & Equipment Coverage, effective February 1, 2007 to February 1, 2008, for a total cost of \$272,394; and that the City Manager and/or his designee be authorized to execute any and all necessary insurance documents under the plans. Further recommend that the City Manager and/or his designee be allowed to make adjustments to said policies, as necessary, throughout the policy term in removing and/or adding coverage on equipment, machinery and buildings, as the City acquires and/or disposes of same. Funds are budgeted and available in the Self Insurance Fund (Other Services) Account No. 677 1762 711 8006.
3. Recommending approval of the Addendum to the Purchase and Development Agreement with Wolgast Corporation and that the City Manager or his designee be authorized to execute all documents necessary.
4. Recommending acceptance of the bid and issuance of a purchase order to A.I.S. Equipment in the amount of \$3,113.00 for the purchase of a cable activated trailer for use in patching and repairing City street surfaces while in the course of maintaining the water and sewer systems. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water and Sewer Materials Account Nos. 590 4821 861 9741 (\$1,556.50) and 591 4721 9741 (\$1,556.50).
5. Recommending acceptance of the low bid and issuance of a purchase order to Evans Equipment in the amount of \$4,425.00 for a replacement trailer to be used

- by the Maintenance and Service Division. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water and Sewer Material Account Nos. 590 4821 861 9741 (\$2,212.50) and 591 4721 861 9741 (\$2,212.50).
6. Recommending acceptance of the low bid and issuance of a purchase order to Evans Equipment in the amount of \$7,894.32 for the purchase of a Portable Light Tower to be used by the Maintenance and Service Division. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water and Sewer Materials Account Nos. 590 4821 861 9741 (\$3,947.16) and 591 4721 9741 (\$3,947.16).
  7. Recommending acceptance of the low bid and issuance of a purchase order to Nationwide Fence & Supply Co. in the amount of \$10,993.81 for the purchase and delivery of chain link fencing to secure the rear portion of the Water Treatment Plant. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Water Treatment Surplus Maintenance Account No. 591 4730 861 9741.
  8. Recommending acceptance of the bid and issuance of a purchase order to CEM Corporation in the amount of \$15,495.00 for the purchase of a laboratory microwave digester to be used by the Wastewater Treatment Plant Laboratory. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Sewer Operation and Maintenance Account No. 590 4830 861 9740.
  9. Recommending approval of the Michigan Department of Transportation Cost Agreement and that the proper city officials be authorized to execute agreement on behalf of the city. Specifically, the parties agree to the intersection improvements at M-13 (Washington Avenue) and M-46 (Rust Street). The City's estimated share is \$16,000.00. Funds for the City's share is available in the Major Streets Construction Projects Account No. 202 4614 781 8047.
  10. Recommending approval of a proposal for a three-year agreement with ADT Security Services, Inc. in the total amount of \$42,078.00 for the access security systems at City Hall, Public Services and the Police Station. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the General Fund Building and Grounds and Maintenance Account No. 101 7575 821 8005 (\$11,385.00), Public Works Building Operation Fund Account No. 641 4439 811 8005 (\$7,755.00), Water and Sewer Operation Maintenance Fund Account Nos. 591 4721 861 8005 (\$7,249.50) and 590 4821 861 8005 (\$7,249.50) and General Fund Building Maintenance Account No. 101 3014 721 8005 (\$8,439.00).

INTRODUCTION OF ORDINANCES:

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Authorizing the City to participate in the intersection improvements at M-13 (Washington Avenue) and M-46 (Rust Street).

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley  
City Manager

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** 2007 Single Lot Special Assessments Tax Roll

**Manager's Recommendation:**

It is recommended that the 2007 Single Lot Special Assessment Tax Roll transmitted herewith be filed in the office of the City Clerk for public examination; that the Council meet and review said roll at a regular meeting to be held February 19, 2007, and that the Clerk is hereby directed to post a public notice of said hearing.

**Justification:**

The City Engineer filed the 2007 single lot assessment tax roll with the City Clerk on January 8, 2007, for the following assessments:

1. Water Connections (WATTR)
2. Sewer Connections (SEWTR)
3. Nuisances: Trash Removal (TR007 & TRASH), Weed Cutting (WC007 & WEEDC) and Wrecker Service (WS007 & WRKSV).
4. Sidewalks (SDWTR)
5. Solid Waste Disposal (TRFE)
6. Environmental Compliance (EC001 & EC002)

The expenses on single lot assessments are not the types that require prorating of costs among several lots and parcels of land in the special assessment district, but are assessed to owners of the individual lots on which a service was performed. The owners of record have been billed in accordance with provisions of Title III, Administration, Chapter 33, "Taxation and Assessment," Section 33.26, Assessing Single Lots of the Saginaw Code of Ordinances, O-1.

**Council Action:**

Council \_\_\_\_\_ moved that the recommendation of the City Manager be approved.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Insurance proposals for the City's Deluxe Property Coverage, Business Income, Machinery & Equipment, Bridges and Crime Coverage

**Manager's Recommendation:**

I recommend approval of the insurance proposals with Chubb Group Insurance Companies for Customary Property Coverages, Equipment & Bridges Coverage and Cincinnati Insurance Company for Machinery & Equipment Coverage, effective February 1, 2007 to February 1, 2008, for a total cost of \$272,394; and that I, and/or my designee, be authorized to execute any and all necessary insurance documents under the plans. I further recommend that I or my designee be allowed to make adjustments to said policies, as necessary throughout the policy term, in removing and/or adding coverage on equipment, machinery and buildings, as the City acquires and/or disposes of same.

Coverage documents, policy changes and contracts to implement the new insurance are subject to the City Manager's approval as to substance and the City Attorney's approval as to form.

Funds are budgeted and available in the Self Insurance Fund (Other Services) Account No. 677-1762-711-80-06. (\$113,497.50 will be expended from the FY2006-07 budget and \$158,986.50 from the FY2007-08 budget.)

**Justification:**

Recently, Saginaw Bay Underwriters received proposals for insurance coverage on City Property, Machinery, Equipment and Bridges to be effective February 1, 2007 to February 1, 2008. Upon receipt and review of the proposals received by Saginaw Bay Underwriters, the following insurance policies are being recommended:

**CUSTOMARY PROPERTY COVERAGES**

Chubb Group of Insurance Companies policy which includes coverage for Blanket Building and Personal Property, Business Income, Earthquake, Flood, Computer Hardware and Software, Valuable Papers and Miscellaneous Inland Marine (Animals in Petting Zoo) for a premium of \$179,031. Last year the City paid \$198,968 for this same insurance, however, the deductible was \$50,000. If the City chose to

# COUNCIL COMMUNICATION

continue with the \$50,000, the rate this year would be \$198,923. Since the City has only had one claim under this policy in the past 15 years or more, it is being recommended to increase the deductible to \$100,000. This is a savings of \$19,892 per year. Given the City's history, the \$50,000 deductible increase would be recouped in 2.5 years. Again this year, the proposal includes a 3% increase on the value of the City's property which did not affect the premium cost.

## **EQUIPMENT FLOATER POLICY**

Chubb Group Insurance Companies policy which includes Radio, Equipment and Machinery, Employee Tools, Rental Cost Reimbursement, Leased/Rented from others, Floating Docks, Debris Removal, Fire Department Service Charges, Inventory or Appraisals, Pollutant Clean-up, Fire Protection and Equipment Refill for a premium of \$18,459. This is a decrease in premium of \$1,831. (\$1,000-\$5,000 deductible, with the exception of the Floating Docks which carries a \$25,000 deductible.)

## **BRIDGES POLICY**

Chubb Group of Insurance Companies policy which includes coverage on the Douglas Schenck, Frank Andersen, Holland, Genesee Avenue, Johnson Street, Norman Street, C&O RR Grade Crossing, Ojibway Island (South End) and Ojibway Island Pedestrial (North & South End) Bridges for a premium of \$61,660. This is the same insurance the City carried the prior year with no cost increase. (\$50,000 deductible)

## **MACHINERY & EQUIPMENT**

Cincinnati Insurance Company policy which includes coverage on Electric Generators, Miscellaneous Electrical Apparatus, Recip. Eng. Internal Combustion, Transformers, Water Damage, Expediting Expenses, Water Damage, Ammonia Contamination and Hazardous Substance, for a premium of \$13,244. This is the same insurance the City carried the prior year with no cost increase. (\$1,000-\$5,000 deductible)

## **Council Action:**

Council \_\_\_\_\_ moved that the recommendation from the City Manager be approved.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** ADT Security Services, Inc. Contract

**Manager's Recommendation:**

I recommend the approval of a proposal for a three-year agreement with ADT Security Services, Inc. (ADT) in the amount of \$42,078.00 and that a purchase order be issued to them for this amount. The purchase order and this dollar amount shall cover the cost of annual maintenance and service fees for the 2007 (\$14,026.00), 2008 (\$14,206.00) and 2009 (\$14,206.00) Fiscal Years.

This Contract has been approved by the City Manager as to substance and by the City Attorney as to form.

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

Funds for the maintenance and service agreement are budgeted in the General Fund Building and Grounds Maintenance Account No. 101-7575-821-8005 (\$11,385.00), Public Works Building Operation Fund Account No. 641-4439-811-8005 (\$7,755.00), Water and Sewer Operation Maintenance Fund Account Nos. 591-4721-861-8005 (\$7,249.50) and 590-4821-861-8005 (\$7,249.50) and General Fund Building Maintenance Account No. 101-3014-721-8005 (\$8,439.00).

**Justification:**

On October 27, 2006, the City received a proposal for a three-year agreement with ADT Security Services, Inc. for the access security systems at City Hall, Public Services, and the Police Station. A cost comparison shows no increase over our last agreement with ADT.



# COUNCIL COMMUNICATION

ADT disclaims all express and implied warranties of merchantability and fitness on parts installed and limits the City's remedies to repair and replacement. By law, the City would also be entitled to a refund as a remedy. ADT limits liability for third party claims to \$1,000.00 or 10% of the contract price, whichever is greater. ADT also restricts the City's statutory right to file a lawsuit based upon a breach of contract claim from six years to one year. The City has its own insurance in the event third party liabilities were to subject to its self-insured retention amount. It is recommended we accept the agreement in its present form as these terms and conditions are understood to be standard in the industry.

**Council Action:**

Council \_\_\_\_\_ moved that the recommendation of the City Manager be approved.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Michigan Department of Transportation Cost Agreement Number 06-5388

**Manager's Recommendation:**

I recommend that Michigan Department of Transportation ("MDOT") Cost Agreement Number 06-5388 be approved and that the proper officials be authorized to execute said agreement on behalf of the City. The Cost Agreement has been approved by the City Manager as to substance and the City Attorney as to form. A resolution to approve the Cost Agreement appears under the regular order of business.

**Justification:**

Transmitted herewith is a proposed Cost Agreement (City Clerk's File No. \_\_\_\_\_) with MDOT for the purpose of setting forth the rights and obligations of the parties. Specifically, the parties agree to the intersection improvements at M-13 (Washington Avenue) and M-46 (Rust Street). The improvements include, but are not limited to, the removal of by-pass lanes and islands, construction of center left turn lanes and right turn lanes and any additional related work. The total project is estimated to cost \$641,200.00. Federal funds will pay \$513,000.00, MDOT funds will pay \$128,000.000 and the City's estimated share is \$16,000.00.

Funds for the City's share are available in the Major Streets Construction Projects Account Number 202-4614-781-8047 (\$16,000.00). The Project Number is ST0705.

**Council Action:**

Council \_\_\_\_\_ moved that the recommendation of the City Manager be approved.

# COUNCIL COMMUNICATION

**Manager's Recommendation:** Approval of the resolution as follows:

Council \_\_\_\_\_ offered and moved adoption of the following resolution:

WHEREAS, a Cost Agreement, Number 06-5388, has been submitted by the Michigan Department of Transportation, which requires the City of Saginaw to adopt a resolution indicating its willingness to participate in the intersection improvements at M-13 (Washington Avenue) and M-46 (Rust Street); including the removal of by-pass lanes and islands and construction of center left-turn lanes and right turn lanes; together with necessary related work; and

WHEREAS, the agreement has been approved by the City Manager as to substance and by the City Attorney as to form.

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Laboratory Microwave Digester

**Manager's Recommendation:**

I recommend acceptance of the bid received from CEM Corporation, Matthews, NC, and that a purchase order be approved and issued to them in the amount of \$15,495.00 for the purchase of a laboratory microwave digester to be used by the Wastewater Treatment Plant Laboratory.

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 Operation and Maintenance Account No. 590-~~4830-8614~~-97-40-~~05-5311-711-8005~~

**Justification:**

On December 5, 2006 the City received bids for the purchase of a microwave digestion unit for the Wastewater Treatment Plant Laboratory. This digester is used to prepare water samples from industrial contributors and the plant discharge for heavy metals analyses as required by our National Pollutant Discharge Elimination System Permit. Two bids were received for this equipment but only one of them fulfilled the requirements of the specification.

**Council Action:**

Council \_\_\_\_\_ moved that the recommendation of the City Manager be approved.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Amendment to Development Agreement/Wolgast Corporation

**Manager's Recommendation:**

It is recommended that the Addendum to the Purchase and Development Agreement be approved and that the City Manager or his designee be authorized to execute all documents necessary. This purchase and development agreement is subject to approval 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 for property located in the 3200, 3300, 3400, 3500, and 3600 block of Douglass St. on the southeast side of the City with Wolgast Corporation. One of the conditions of this agreement was that Wolgast Corporation apply for MSHDA tax credits in the spring 2006, and if not successful, the summer 2006 application periods. The proposed project was not successful in acquiring the MSHDA tax credits in either of these periods. The reason for not being successful was not because of a lack in quality in this proposal but simply that these tax credits are awarded on a lottery system. Both Wolgast Corporation and the City have expended a considerable amount of resources in developing this project. Wolgast Corporation wishes to apply again during the 2007 application periods therefore necessitating that the original purchase and development agreement be amended only in terms of the section of the agreement related to timeframe.

**Council Action:**

Council\_\_\_\_\_ moved that the recommendation of the City Manager be approved.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Water Treatment Plant Fencing

**Manager's Recommendation:**

I recommend acceptance of the low bid and issuance of a purchase order to Nationwide Fence & Supply Co. in the amount of \$ 10,993.81 for fencing at the Water Treatment Plant.

This vendor meets all requirements of the Contract Compliance Provisions, Title1, Chapter 14 §14.35-14.44, of the Saginaw Code of Ordinances.

Funds are budgeted in the Water Treatment Surplus Maintenance Account No. 591-4730-861.97-41.

**Justification:**

On October 24, 2006, the City received bids for the supply and delivery of chain link fencing to be used to secure the rear portion of the Water Plant. The fencing includes barbwire along the top and sliding gates to allow for access. The fencing will secure the rear parking area including the chemical storage areas. There is no cost comparison available for the purchase of these items. Following is a tabulation of the bids received and reviewed by the Purchasing Committee:

	<u>Total Bid</u>
Nationwide Fence & Supply Co. Chesterfield, MI	\$ 10,993.81
Lowe's Company Saginaw, MI	\$ 14,817.27

**Council Action**

Council \_\_\_\_\_ moved that the recommendation of the City Manager be approved.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Portable Light Tower

**Manager's Recommendation:**

I recommend acceptance of the low bid be and issuance of a purchase order to Evans Equipment in the amount of \$7,894.32 for the purchase of a portable light tower to be used by the Maintenance and Service 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 are available in the Water and Sewer Materials Accounts 590-4821-861-97-41 (\$3,947.16) and 591-4721-97-41 (\$3,947.16).

**Justification:**

On December 12, 2006 the Public Services Department, Maintenance and Service Division received two bids for a portable light tower for use during maintenance and repairs of the water and sewer systems during nighttime and emergency operations. This equipment will allow the division to illuminate the entire work area, whereas before only the excavation could be illuminated with the small portable lights used.

Following is a tabulation of the bids received.

Evans Equipment Burton, MI	\$7,894.32
Michigan Cat Saginaw, MI	\$8,885.00

**Council Action:**

Council \_\_\_\_\_ moved that the recommendation of the City Manager be approved.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Replacement Trailer

**Manager's Recommendation:**

I recommend acceptance of the low bid and issuance of a purchase order to Evans Equipment in the amount of \$4,425.00 for the purchase of a replacement trailer to be used by the Maintenance and Service 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 are available in the Water and Sewer Material Accounts 590-4821-861-97-41 (\$2,212.50) and 591-4721-861-97-41 (\$2,212.50).

**Justification:**

On December 12, 2006, the Public Services Department, Maintenance and Service Division received two bids and one alternate bid for a replacement trailer for pipeline work. This trailer replaces a 1960's era trailer.

Following is a tabulation of the bids received.

Evans Equipment Burton, MI.	\$4,425.00
Towline Trailer Saginaw, MI	\$4,800.00

**Council Action:**

Council \_\_\_\_\_ moved that the recommendation of the City Manager be approved.



# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Cable Activated Trailer

**Manager's Recommendation:**

I recommend acceptance of the low bid and issuance of a purchase order to A.I.S. Equipment in the amount of \$3,113.00 for the purchase of a cable activated trailer.

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

Funds for this purchase are available in the Water and Sewer Materials Accounts 590-4821-861-97-41 (\$1,556.50) and 591-4721-97-41 (\$1,556.50).

**Justification:**

On December 19, 2006, the Public Services Department, Maintenance and Service Division received two bids for a cable activated trailer to be used in patching and repairing City Street surfaces while in the course of maintaining the water and sewer systems. This trailer lowers its deck to allow small heavy equipment to be driven onto the trailer.

Following is a tabulation of the bids received:

A.I.S Bridgeport, MI	\$3,113.00
Evans Equipment Burton, MI	\$3,250.00

**Council Action:**

Council \_\_\_\_\_ moved that the recommendation of the City Manager be approved.

# COUNCIL COMMUNICATION