

CITY COUNCIL AGENDA

JANUARY 26, 2004, 6:30 P.M., COUNCIL CHAMBER

PLEASE NOTE:

A Committee of the Whole meeting will be held today beginning at 4:30 p.m. in the Council Chamber. Deborah Kimble, City Manager, and Karen Lawrence-Webster, Finance Director/Treasurer, will discuss the proposed reorganization and mid-year budget adjustments; and other matters.

ROLL CALL:

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

January 5 and January 12, 2004 regular Council meetings.

ANNOUNCEMENTS:

Frederick Ford, Director of OIC of Metropolitan Saginaw, Inc., (OICMS) to accept Resolution in recognition of OICMS' contributions made to Saginaw and the surrounding community.

PUBLIC HEARING:

Community Development Block Grant for 2004-05

PERSONAL APPEARANCES:

1. Gary Beckert, regarding harassment by the Environmental Department.
2. Earl Jesse, 310 S. Harrison, regarding water and other matters.
3. Karen Kapyscinski, 330 S. Washington, to introduce Curves.
4. Jack O. Schmidt, regarding reorganization of the City of Saginaw and the Police Department.

REMARKS OF COUNCIL:

PETITIONS:

- 04-01 from Saginaw Habitat for Humanity, 316 S. Jefferson Ave., requesting that the property on the corner of Hartsuff and S. 15th St. be designated as a Neighborhood Enterprise Zone.
- 04-02 from Tammy Johnson, Executive Director of Homes from Heavens, requesting that Homes from Heaven be recognized as a nonprofit organization.
- 04-03 from Elida A. Tello, 3226 Glenwood, requesting permission to erect a banner in the 200 block of West Genesee Avenue from April 1, 2004 through May 1, 2004 for the purpose of promoting the Cinco de Mayo parade and festivities.

REPORTS FROM BOARDS AND COMMISSIONS AND COMMITTEES:

REPORTS FROM THE MANAGER:

1. Recommending that the annual purchase order issued to Larry's Auto be increased by an additional \$2,000.00 for miscellaneous auto parts. Due to an above normal need for automotive shop and field parts, the increase is needed to continue acquiring the various parts. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water Operation & Maintenance Fund Account No. 591 4721 86 7330 (50%) and the Sewer Parts Account No. 590 4821 861 7330 (50%).
2. Transmitted herewith is a contract between the City of Saginaw and the New Reformation Jazz Band. They will be paid \$3,000.00, which includes all school performances and transportation. Funds will be paid entirely by the Saginaw Community Enrichment Commission with a grant received from Citizens Bank.
3. Recommending that a purchase order be approved and issued to Douglass Safety Systems LLC in the amount of \$4,199.52 for the purchase of eight SCBA hoop wrapped air bottles. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Fire Department General Fund Maintenance Fund Account No. 101 3754 751 7330.
4. Recommending that a purchase order be approved and issued to Saginaw Rock Products Co. in the amount of \$5,000.00 to purchase ice control sand. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Local Streets Winter Maintenance Fund Account No. 203 4655 841 7340.
5. Recommending acceptance of the only bid and that payment be made to A. C. Klopff, Inc. in the amount of \$5,995.00 for the removal and disposal of the old furnace heating system, to furnish and install one Lennox HVAC furnace at

- Merrill Park Recreation Center. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Community Development Block Grant Fund Account No. 275 6511 761 8330.
6. Recommending acceptance of the only bid and that a purchase order be approved and issued to Commercial Equipment Company in the amount of \$13,556.40 for a microfiche printer. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water Surplus Fund Account No. 577 4740 881 9760.
 7. Recommending that payment be made to Michigan Pipe and Valve in the amount of \$13,675.00 for the emergency purchase of a new gate valve to repair a water main break on Junction Road, east of Dixie Highway. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water Surplus Fund Account No. 577 4740 881 9720.
 8. Recommending acceptance of the bid received from IMC Salt, Inc., d/b/a North American Salt Co., Inc. and that a purchase order be approved and issued to them in the amount of \$37,965.00 for 1,500 tons of salt. This vendor meets all requirements of the State of Michigan Contract Compliance Policy which supersedes the City of Saginaw's contract compliance provisions. Funds are available in the Municipal Streets Fund Account No. 204 4615 781 7340.
 9. Recommending acceptance of the low bid and issuance of a purchase order to Martin Chevrolet in the amount of \$46,818.00 for the purchase of one stake rack truck. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Motor Pool Operations Fund Account No. 661 4480 841 9770.
 10. Recommending acceptance of the low bid and issuance of a purchase order to Martin Chevrolet in the amount of \$54,863.64 for the purchase of two dump trucks for the Maintenance and Service Division. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Motor Pool Operations Fund Account No. 661 4480 841 9770.
 11. Recommending that payment be made to Sungard HTE, Inc. in the amount of \$107,689, pursuant to the HTE Software License Agreement and Supplemental Software License and Services Agreement approved by Council on October 20, 1997 as part of the IBM Technology Upgrade Plan. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Information Services Operating Services Account No. 658 1720 711 8005.
 12. Recommending that the 2004 single lot special assessment tax roll be filed in the office of the City Clerk for public examination and that a public hearing be posted for a regular meeting on February 23, 2004.

13. Recommending that an agreement conveying an easement to Consumers Energy be approved. The agreement has been approved by the City Manager as to substance and by the City Attorney as to form.

INTRODUCTION OF ORDINANCES

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Authorizing Phillip J. Karwat, City Engineer, to be designated as the single Streets Administrator in all transactions with the State Transportation Department.
2. Approving the annual rate justification filing for 2004 submitted by Charter Communications for increases to the Basic Service Tier for implementation in March, 2004.
3. Approving the Community Development Block Grant Program Submission for 2004-05.
4. Approving the HOME Program Submission for 2004-05.
5. Approving the Comprehensive Homeless Assistance Program Emergency Shelter Grant Submission for 2004-05.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

1. Motion to go into closed session to discuss labor negotiations.

Deborah Kimble
City Manager

COUNCIL COMMUNICATION

From: The City Manager

Subject: Emergency Purchase of a 20" & 16" Resilient Wedge Gate Valve

Manager's Recommendation:

I recommend that payment be made to Michigan Pipe and Valve in the amount of \$13,675.00.

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

Funds for this payment are available in the Water Surplus Fund Account No. 577-4740-881-9720

Justification:

On November 5, 2003, the Public Utilities Department, Maintenance and Service Division, responded to a water main blowout on Junction Road, east of Dixie Highway. We were unable to use the existing butterfly valve due to excessive wear. In order to isolate this section of the water main and to help minimize the effects of shutdowns for our wholesale customers, the decision to install a new gate valve was made. Michigan Pipe and Valve was the only vendor in the state who had the valve in stock and could deliver the next day.

The water main break history of the Dixie Highway portion of our out-city system warranted the City to purchase the additional 16" valve. The local vendor already had the 16" gate valve in his yard. The valve will now be readily available should it be needed on Dixie Highway or another location in the water system.

Council Action:

Council _____ move that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Miscellaneous Auto Parts Purchase Order

Manager's Recommendation:

I recommend that the original the purchase order issued to Larry's Auto be increased by an additional \$2,000.00.

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

Funds for this purchase are available 50% in Water Operation & Maintenance Fund Account No. 591-4721-861-7330 and 50% in Sewer Parts Account No. 590-4821-861 73-30.

Justification:

The Maintenance and Service Division established an annual purchase order for miscellaneous auto parts with Larry's Auto. Due to an above normal need for automotive shop and field parts for this fiscal-year, the increase is needed to continue acquiring the various parts from a City-based small business.

Council Action:

Council _____ moved that the recommendation of the City Manager be accepted.

COUNCIL COMMUNICATION

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

Council _____ offered and moved adoption of the following resolution:

A RESOLUTION APPROVING SUBMISSION APPLICATION
FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SUBMISSION (PROGRAM YEAR 2004-05)

WHEREAS, under the provisions of Title I of the Housing and Community Development Act of 1974, as amended, the Secretary of Housing and Urban Development is authorized to make grants to states and units of general local government to help finance community development programs approved in accordance with the provisions of Title I; and

WHEREAS, the Department of Housing and Urban Development has informed the City of Saginaw that they are entitled to an amount of \$3,063,261.00 in Block Grant funds to carry out the 2004-05 year program; and

WHEREAS, the application has been completed in accordance with provisions of Title I of the Housing and Community Development Act of 1974, as amended, which identified housing and community development programs that would be carried out with 2003-04 year entitlement funds.

NOW THEREFORE BE IT RESOLVED, By the Council of the City of Saginaw:

1. That the Community Development Block Grant application (City Clerk's File No. _____) is hereby approved; and
2. That the City Manager is authorized to file this application with the Department of Housing and Urban Development.

COUNCIL COMMUNICATION

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

Council _____ offered and moved adoption of the following resolution:

RESOLUTION OF THE COUNCIL OF THE CITY OF SAGINAW, MICHIGAN APPROVING THE HOME PROGRAM SUBMISSION (PROGRAM YEAR 2004-05)

WHEREAS, Under the provision of Title II of the National Affordable Housing Act of 1990, as amended, the Secretary of Housing and Urban Development is authorized to make entitlement awards to states and units of general local government that have been designated as a participating jurisdiction to help finance housing programs approved in accordance with the provisions of Title II; and

WHEREAS, The Department of Housing and Urban Development has informed the City of Saginaw that they are entitled to an amount of \$739,000 in HOME funds to carry out the 2004-05 year program; and

WHEREAS, the application has been completed in accordance with the provisions of Title II of the National Affordable Housing Act of 1990, as amended, which identified housing programs that would be carried out with the 2004-05 year entitlement funds.

NOW THEREFORE BE IT RESOLVED, by the Council of the City of Saginaw:

1. That the Community Development Block Grant application (City Clerk's File No. _____) is hereby approved; and
2. That the City Manager is authorized to file this application with the Department of Housing and Urban Development.

COUNCIL COMMUNICATION

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

Council _____ offered and moved adoption of the following resolution:

RESOLUTION OF THE COUNCIL OF THE CITY OF SAGINAW, MICHIGAN
APPROVING THE COMPREHENSIVE HOMELESS ASSISTANCE PROGRAM
EMERGENCY SHELTER GRANT SUBMISSION (PROGRAM YEAR 2004-05)

WHEREAS, Under the provisions of the Comprehensive Homeless Assistance Program of 1987, the Secretary of Housing and Urban Development is authorized to make grants to states and units of general government to help finance rehabilitation or conversion of buildings to use as emergency shelters for the homeless and provision of certain operating and social service expenses in conjunction with the emergency shelter for the homeless; and

WHEREAS, The Department of Housing and Urban Development has informed the City of Saginaw that they are entitled to \$117,000 in Comprehensive Homeless Assistance Program funds for the above purpose in the 2004-05 year program; and

WHEREAS, The application has been completed in accordance with provisions of the Comprehensive Homeless Assistance Program of 1987, which identified operating activities that could be carried out with the 2004-05 year funds.

NOW THEREFORE BE IT RESOLVED, By the Council of the City of Saginaw:

1. That the Community Development Block Grant application (City Clerk's File No. _____) is hereby approved; and
2. That the City Manager is authorized to file this application with the Department of Housing and Urban Development.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Self-Contained Breathing Apparatus Air Cylinders

Manager's Recommendation:

I recommend that a purchase order be approved and issued to Douglass Safety Systems LLC in the amount of \$4,199.52 for the purchase of eight (8) ISI 2216 PSI SCBA hoop wrapped air bottles.

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

Justification:

On December 23, 2003, the Saginaw Fire Department received a bid for eight (8) Self-Contained Breathing Apparatus from Douglass Safety Systems LLC. This was the only bid received. The Self-Contained Breathing Apparatus are used as personal protective equipment that is worn in hazardous environments. The new cylinders will replace air cylinders that have reached the manufacturer's recommended service life.

Funds for this purchase are available in the Fire Department General Fund Maintenance Fund Account No. 101-3754-751-7330.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Replacement Microfiche Printer

Manager's Recommendation:

I recommend acceptance of the only bid received from Commercial Equipment Company and that a purchase order be issued to them in the amount of \$13,556.40.

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 Surplus Fund Account No. 577-4740-881-9760.

Justification:

On December 12, 2003, the Public Utilities Department, Maintenance and Service Division, received one bid for a replacement microfiche printer. The current printer is over 10 years old and parts are no longer available.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Dump Truck Purchase

Manager's Recommendation:

I recommend acceptance of the low bid and issuance of a purchase order to Martin Chevrolet in the amount of \$54,863.64 for the purchase of two 1-ton dump trucks.

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 available in the Motor Pool Operations Fund Account No. 661-4480-841-9770.

Justification:

The Maintenance and Service Division requires these two dump trucks to replace old equipment used in their daily operations.

On December 16, 2003 the City of Saginaw accepted bids for two units. Following is a tabulation of the bids received:

Martin Chevrolet. Saginaw (out-City)	\$54,863.64
Red Holman Pontiac. Westland, MI	55,478.00
Labadie Auto Bay City, MI	60,169.64

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Stake Rack Truck

Manager's Recommendation:

I recommend acceptance of the low bid and issuance of a purchase order to Martin Chevrolet in the amount of \$46,818.00 for the purchase one stake rack truck.

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

Funds are available in the Motor Pool Operations Fund Account No. 661-4480-841-9770.

Justification:

The Maintenance and Service Division requires a stake rack truck to replace old equipment used in their daily operations. Below is a tabulation of the bids received :

Martin Chevrolet Saginaw (out-City)	\$46,818.00
Red Holman Pontiac. Westland, MI	47,772.00
Labadie Auto Bay City, MI	53,234.00

Council Action:

Council_____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Visiting Artists Residency

Manager's Recommendation:

Transmitted herewith is a contract between the City of Saginaw and the New Reformation Jazz Band. They will be paid \$3,000.00, which includes all school performances and transportation.

I recommend the contract be approved and the proper officials be authorized to execute it on behalf of the City of Saginaw. The contract has been approved by me as to substance and by the City Attorney as to form.

Funds for this contract will be paid entirely by the Saginaw Community Enrichment Commission with a grant received from Citizens Bank.

Justification:

The Saginaw Community Enrichment Commission sponsors an annual Visiting Artists Residency, sending artists of renown into schools throughout Saginaw County. This year's residency will run from March 8 – 12, 2004. A series of ten concerts will be held in Saginaw County schools. This year's residency features The New Reformation Jazz Band (NRB).

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Single Streets Administrator for City of Saginaw

Manager's Recommendation:

I recommend approval of the attached Resolution that designates Phillip J. Karwat, City Engineer, as the single Streets Administrator in all transactions with the State Transportation Department.

Justification:

The Michigan Department of Transportation requires in accordance to Section 13 (7) of Act 51, Public Acts of 1951 that the city or village to which funds are returned under the provisions of this section, that "the responsibility for street improvement, maintenance, and traffic operation work, and the development, construction, or repair of off-street parking facilities and construction or repair of street lighting shall be coordinated by a single administrator to be designated by the governing body who shall be responsible for and shall represent the municipality in transactions with the State Transportation Department pursuant to this act."

This action is required due to the recent retirement of the City's current designee, Randy J. Chesney in December 2003.

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, Section 13 (7) of Act 51, Public Acts of 1951, as amended, provides that each incorporated city and village to which funds are returned under the provisions of this section, that "the responsibility for street improvement, maintenance, and traffic operation work, and the development, construction, or repair of off-street parking facilities and construction or repair of street lighting shall be coordinated by a single administrator to be designated by the governing body who shall be responsible for and shall represent the municipality in transactions with the State Transportation Department pursuant to this act";
now

THEREFORE, BE IT RESOLVED, that this Honorable Body designate Phillip J. Karwat, City Engineer, as the single Streets Administrator for the City of Saginaw in all transactions with the State Transportation Department as provided in Section 13 of the Act.

COUNCIL COMMUNICATION

From: The City Manager

Subject: 2004 Single Lot Special Assessments Tax Roll

Manager's Recommendation:

It is recommended that the 2004 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 23, 2004, and that the Clerk is hereby directed to post a public notice of said hearing.

Justification:

The City Engineer filed the 2004 single lot assessment tax roll with the City Clerk on January 5, 2004, for the following assessments:

1. Water and Sewer Connections (WSC04 –WSC13)
2. Nuisances (Trash Removal TR004, Weed Cutting WC004, Wrecker Service WS004)
3. Sidewalks (SDW04-SDW08)
4. Solid Waste Disposal (TRFE)

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 to accept the recommendation of the City Manager.

COUNCIL COMMUNICATION

From: The City Manager

Subject: HTE Software Annual Maintenance

Manager's Recommendation:

I recommend that payment be made to Sungard HTE, Inc., in the amount of \$107,689, pursuant to the HTE Software License Agreement and Supplemental Software License and Services Agreement approved by City Council on October 27, 1997, as part of the IBM Technology Upgrade Plan. 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 Information Services Operating Services Account No. 658-1720-711-8005.

Justification:

The City annually renews our maintenance and license fees for HTE, HTE COGNOS Query, Looking Glass and QRep Administrator and End User software. This annual renewal of our maintenance and licenses is for a 12-month period that ends on December 31, 2004. The cost comparison shows a 2% increase over last year per our agreement, which allows an increase equal to the Consumer Price Index.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Ice Control Sand

Manager's Recommendation:

I recommend that a purchase order be approved and issued to Saginaw Rock Products Co. in the amount of \$5,000.00 to purchase ice control sand.

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

Funds for this material are available in the Local Street Winter Maintenance Fund Account No. 203-4655-841-7340.

Justification:

When winter temperatures reach single digits, rock salt is largely ineffective in controlling icy road conditions. The ice control sand is used on bridge decks and major street intersections to provide deicing and traction on the icy roadways.

The City's Streets Division received a price quote from Saginaw Rock Products of \$11.00 per ton for ice control sand treated with calcium chloride to control icing on City streets. The City lacks a proper storage facility to store ice control sand; therefore, purchases are made as required.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Road Salt for 2003/2004 Winter Season.

Manager's Recommendation:

I recommend that the bid from IMC Salt, Inc. d.b.a. North American Salt Company, Inc. be accepted at the State-bid price and that a purchase order be approved and issued to IMC Salt, Inc. d.b.a. North American Salt Company, Inc., in the amount of \$37,965.00 for 1,500 tons of salt.

This vendor meets all requirements of the State of Michigan Contract Compliance Policy which supersedes the City of Saginaw's 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 Municipal Streets Fund Account No. 204-4615-781-7340.

Justification:

On April 18, 1977, City Council approved a cooperative purchasing agreement with the State of Michigan, which allows the City to purchase material and equipment at State-Bid pricing. The City has used this agreement to purchase road salt for ice control on 24 previous occasions besides the current fiscal year.

In addition to the 4,500 tons of salt purchased by the City to fill the salt storage facility, the City has contracted for an additional 1,500 tons of salt. This salt is necessary to insure that enough salt is available for City crews to de-ice the City streets while allowing enough salt to be left over for possible ice storms in the spring and the following fall.

IMC Salt, Inc. d.b.a. North American Salt Company, Overland Park, Kansas was the low bidder at \$25.31 per ton. This price per ton includes the salt, weighing and loading, handling and the truck freight charges. This compares to a price of \$20.16 per ton for the bulk shipment of 4,500 tons received in October 2003.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Resolution for Charter Communications Annual Rate Justification Filing for 2004

Manager's Recommendation:

I recommend that City Council adopt the attached Resolution whereby the City of Saginaw approves the annual rate justification filing for 2004 submitted by Charter Communications for increases to the Basic Service Tier for implementation in March 2004.

Justification:

The Federal Communication Commission requires that any changes in rates for service be submitted and documented with justification for the increase based on actual expenses. The City has authority to review and approve the rates for service, but its power is limited. Our review can approve whether the increase calculations are correct. If the calculations were incorrect, this would be the only basis the City would have for rejecting the rate increases. Complaints related to services or programming are not relevant to rate approval. The City's review of the proposed rate increases discloses that the calculations are correct.

Council Action:

Council _____ moved that the recommendation from 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, Charter Communications has submitted an annual rate justification filing for 2004; and

WHEREAS, Charter Communications is required to submit this filing pursuant to the Federal Communication Commission's (FCC) rate-setting methodology; and

WHEREAS, the City is herein notified of Charter's updated maximum permitted rate justification effective March 2004 for rate increases that will be implemented on the Basic Service Tier; and

WHEREAS, the maximum permitted rate increases are a direct result of certain external costs (i.e. programming, channel changes, copyright), inflation, true-up adjustment, and changes in costs associated with delivering cable service; and

WHEREAS, Charter Communications has also advised the City that all of their customers will be notified of any rate changes in accordance with the franchise requirements and FCC rules; now

THEREFORE BE IT RESOLVED, the City hereby approves the annual rate justification filing for 2004 submitted by Charter Communications.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Consumers Energy Easement

Manager's Recommendation:

I recommend that an agreement conveying an easement to Consumers Energy be approved. The agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification:

On March 10, 2003, City Council approved a Development Agreement with Fort Saginaw, Limited Liability Company ("Fort Saginaw, LLC"), which involved the conveyance of land from the City of Saginaw to Fort Saginaw, LLC. Subsequently, Fort Saginaw, LLC conveyed a small parcel to an adjoining neighbor, American Fidelity Group, Ltd. ("American Fidelity"). American Fidelity owns and operates Kozy Bail Bond. The conveyance of the property places the parcel back on the tax roll.

On November 24, 2003, City Council approved an easement to construct a sewer line. Consumers Energy wants to construct a gas pipeline underneath the property. The easement gives Consumers Energy access to the City's property to construct the gas pipeline.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Repairs to the Merrill Park Recreation Center heating system

Manager's Recommendation:

I recommend acceptance of the only bid received and that payment be made to A. C. Klopf, Inc. in the amount of \$5,995.00 for the removal and disposal of the old furnace heating system, to furnish and install one 90,000 BTU, Lennox HVAC furnace at Merrill Park Recreation Center.

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

Funds for this service are budgeted in the Community Development Block Grant Fund Account No. 275-6511-761-8330, Project No. 04H067.

Justification:

The current furnace is over twenty-five years old, inefficient and unreliable. The outer metal jacket has rusted and will no longer comply with current furnace heating safety codes. The YMCA is using the Merrill Park Recreation Center building for their summer youth program and is requesting air conditioning during this time.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Application for Community Funds from Department of Human and Urban Development

Manager's Recommendation:

It is recommended that the attached Resolutions be approved and that the proper officials be authorized to execute the Community Development Block Grant, HOME and Emergency Shelter Grant applications on behalf of the City

Justification:

As a necessary step in obtaining Entitlement Community funds from HUD, each municipality must formally approve the Submission application process through authorization and resolution.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.