

Council Agenda

February 7, 2011 6:30 p.m., Council Chamber

PRAYER AND PLEDGE OF ALLEGIANCE

ROLL CALL

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

January 24, 2011 regular Council meeting and January 29, 2011 Strategic Planning Session

ANNOUNCEMENTS:

PUBLIC HEARINGS:

1. Obsolete Property Rehabilitation District for the property located at 625 Owen Street.
2. Industrial Facilities Exemption Certificate for the property located at 68 Williamson.

PERSONAL APPEARANCES:

REMARKS OF COUNCIL:

PETITIONS:

11-02 from Thomas Webb requesting permission to erect a banner in the 500 Block of Court Street and the 1000 Block of East Genesee Avenue from May 1, 2011 to May 30, 2011 for the purpose of promoting the Memorial Day Parade.

REPORTS FROM BOARDS AND COMMISSIONS AND COMMITTEES AND APPOINTMENT OF BOARD AND COMMISSION MEMBERS:

REPORTS FROM MANAGER:

Management Update:

1. Germania Club Task Force Strategic Planning Visioning Review
2. Review of Strategic Planning Session
3. Healthcare Cost Containment Report

Recommended Actions:

1. Recommending acceptance of the qualified bid from Hastings Air, Farmington, MI, and issuance of a purchase order to them in the amount of \$67,255.00 for the purchase of a Vehicle Emissions Exhaust System (VEES) for each of the City's fire stations. This system improves health conditions for employees, diminishes facility maintenance and repair, and is an OSHA and MIOSHA requirement. A grant allocation through FEMA's Assistance to Firefighter Grant Act will require the City of Saginaw to match twenty percent of the purchase price, which is the maximum budget impact. Funds will be available in the Maintenance Equipment Account, No. 101 3751 751.97 41.
2. Recommending acceptance of the quote and issuance of a purchase order to I.T. I. Inc., in the amount of \$10,488.00 for the purchase of necessary software, hardware and IP phones to equip the new Call Center. This is the sole source vendor. Funds are available in the Department of Technical Services – GIS Call Center Division's Operating Services Account, No. 650 1739 781.80 05.
3. Recommending acceptance of the low bid and issuance of a purchase order to Ritter Technology, Saginaw, MI in the amount of \$2,361.35 for the purchase of hydraulic hose to be placed in inventory for future repairs to the hydraulic systems on the City's fleet of vehicles and equipment. Funds are available in the Motor Pool Operation Fund – Motor Vehicle Supplies Account, No. 661 4480 841.73 12.
4. Recommending that an emergency purchase order be approved and issued to Applied Technologies in the amount of \$2,592.40 for the purchase of fabricated gears for the repair of mainline valves for the City's Water Distribution and Transmission system. Funds are budgeted in the Water Operations and Maintenance Fund – Maintenance and Service Division's Parts and Supplies Account, No. 591 4721 861 73 30.
5. Recommending acceptance of the quote and issuance of a purchase order to Ace Cutting Equipment and Supply in the amount of \$5,034.00 for the purchase of two (2) ICS water-fed utility gasoline powered pipe-cutting saws for water mains. Funds are budgeted in the Water Operations and Maintenance Fund – Maintenance and Service Division's Parts and Supplies Account, No. 591 4721 861 73 30.
6. Recommending acceptance of the low bid and issuance of a purchase order to National Highway Maintenance Systems, Akron, OH in the amount of \$10,432.00 for the purchase of crack filling material for the general maintenance of City streets. Funds are available in the Major Streets Fund – Routine Maintenance Division's Street and Road Materials Account, No. 202 4651 841.73-40.

7. Recommending acceptance of the low bid and issuance of a purchase order to Meekhof Tire, Saginaw, MI in the amount of \$8,440.00 for the purchase of eight (8) replacement tires for two loaders. Funds are available in the Motor Pool Operations Fund – Motor Vehicle Supplies Account, No. 661 4480 841.73 12.
8. Recommending acceptance of the State bid from AIS Construction Equipment and issuance of a purchase order to them in the amount of \$184,013.00 for the purchase of a new backhoe and a previously owned backhoe to replace two (2) ten year old backhoes. Funds are budgeted in the Water Operation and Maintenance Fund – Surplus Division’s Maintenance Equipment Account, No. 591 4740 881.97 41 (\$92,006.50) and the Sewer Operation and Maintenance Fund – Surplus Division’s Maintenance Equipment Account, No. 590 4840 881.97 41 (\$92,006.50).

INTRODUCTION OF ORDINANCES:

1. An Ordinance to add §151.099 “Local Agent Required,” to Non-owner occupied Housing Facility Fees,” of Chapter 151 “Housing Regulations,” of Title XV, “Land Usage,” of the City of Saginaw Code of Ordinances O-1.

CONSIDERATION AND PASSING OF ORDINANCES:

1. An Ordinance amending Ordinances D-1633, O-3, D-1380, and D-1511, “An Ordinance to adopt and approve the Development Plan and Tax Increment Financing Plan for Downtown Development District Pursuant to the Provisions of Act 197, Public Acts Of Michigan of 1975, as amended, and to provide for other matters related thereto,” to be newly entitled “An Ordinance to adopt and approve the amended Development Plan and Tax Increment Financing Plan Pursuant to the provisions of Act 197, Public Acts of Michigan of 1975, as amended, and to provide for other matters related thereto,” To be added to Table V, Economic Development of the Table of Special Ordinances, of the Saginaw Code of Ordinances.

RESOLUTIONS:

1. Establishing an Obsolete Property Rehabilitation District at 625 Owen Street.
2. Approving the Industrial Facilities Tax Exemption Certificate for Cignys/Saginaw Products Corp., 68 Williamson.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley
City Manager

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Saginaw City Council has scheduled a public hearing on the request from Robert Denha for an Obsolete Property Rehabilitation District at 625 Owen Street, Saginaw, Michigan.

The public hearing will be held Monday, February 7, 2011, at 6:30 p.m. in the Council Chamber of the City Hall. The petition and legal description of the property is on file in the Office of the City Clerk.

All interested persons are invited to attend this public hearing.

Diane M. Herman
City Clerk

IF YOU ARE DISABLED AND NEED ACCOMMODATION TO PROVIDE YOU WITH AN OPPORTUNITY TO PARTICIPATE OR OBSERVE IN PROGRAMS, SERVICES, OR ACTIVITIES, PLEASE CALL THE SAGINAW CITY CLERK, 1315 S. WASHINGTON AVE., (989) 759-1480.

CITY OF SAGINAW

NOTICE OF
PUBLIC HEARING

In compliance with requirements of Act 267, P.A. 1976, the following notice is posted:

Notice is hereby given that the Saginaw City Council has scheduled a public hearing on the request from CIGNYS/Saginaw Products Corp. for an Industrial Facilities Exemption Certificate at 68 Williamson, Saginaw, Michigan.

The public hearing will be held Monday, February 7, 2011, at 6:30 p.m. in the Council Chamber of the City Hall, 1315 S. Washington, Saginaw, MI. The petition and legal description of the property is on file in the Office of the City Clerk.

All interested persons are invited to attend this public hearing.

Diane M. Herman
City Clerk

IF YOU ARE DISABLED AND NEED ACCOMMODATION TO PROVIDE YOU WITH AN OPPORTUNITY TO PARTICIPATE OR OBSERVE IN PROGRAMS, SERVICES, OR ACTIVITIES, PLEASE CALL THE SAGINAW CITY CLERK, 1315 S. WASHINGTON AVE., 759-1480.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Non-Owner Occupied Housing Facility Fees Ordinance Amendment

Manager's Recommendation:

I recommend approval of the ordinance introduced under the regular order of business, that adds § 151.099, "Local Agent Required," to "Non-Owner Occupied Housing Facility Fees," of Chapter 151, "Housing Regulations," of Title XV, "Land Usage," of the City of Saginaw Code of Ordinances, O-1.

Justification:

Over the past few years the number of property owners with non-owner occupied dwellings that live outside the County of Saginaw has greatly increased. Many of these property owners live outside the State of Michigan and some even out of country. This has made it difficult for 24-hour emergency contact information and to notify the owner when there are violations against the property. This is particularly problematic when a notification is sent where the owner must take corrective action within 48-hours. In this instance, the owner may not receive the notice until the 48 hours has lapsed, often incurring a fee or fine for failure to take corrective action within the time specified. Establishing a local agent for 24-hour contact and receipt of notices will assist the City when there are issues with the property. There is no fee for establishing a local agent, however, with the March non-owner occupied license renewals, all licensees will be given a copy of the local agent requirement and must complete a new registration form.

Council Action:

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

COUNCIL COMMUNICATION

Council _____ introduced an ordinance entitled and reading as follows:

AN ORDINANCE TO ADD §151.099 "LOCAL AGENT REQUIRED," TO "NON-OWNER OCCUPIED HOUSING FACILITY FEES," OF CHAPTER 151 "HOUSING REGULATIONS," OF TITLE XV, "LAND USAGE," OF THE CITY OF SAGINAW CODE OF ORDINANCES O-1.

Laid over under the Charter provision.

COUNCIL COMMUNICATION

Council _____ moved that an ordinance introduced on February 7, 2011, entitled and reading as follows, be taken up and enacted:

AN ORDINANCE TO ADD §151.099 “LOCAL AGENT REQUIRED,” TO “NON-OWNER OCCUPIED HOUSING FACILITY FEES,” OF CHAPTER 151 “HOUSING REGULATIONS,” OF TITLE XV, “LAND USAGE,” OF THE CITY OF SAGINAW CODE OF ORDINANCES O-1.

The City of Saginaw ordains:

Section 1. §151.099, “Local Agent Required,” is hereby added to “Non-Owner Occupied Housing Facility Fees,” of Chapter 151, “Housing Regulations”, of Title XV “Land Usage” of the City of Saginaw Code of Ordinances O-1, and shall read as follows:

§ 151.099 LOCAL AGENT REQUIRED.

Whenever any non-owner occupied license is required, and neither the owner or operator is a person/business domiciled within the County of Saginaw, the owner shall appoint a person whose business is located within the County of Saginaw to serve as the local agent of the owner/operator for 24-hour emergency contact information and for services of notices. Notices given to the local agent shall be sufficient to satisfy any requirement of notice to the owner/operator. The owner/operator shall notify the City Clerk of any change of local agent within fifteen (15) days of such change.

Section 2. This Ordinance shall become effective March 3, 2011.

Enacted: February 21, 2011.

COUNCIL COMMUNICATION

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

INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE FOR CIGNYS/SAGINAW PRODUCTS CORP., 68 WILLIAMSON

Council _____ offered and moved adoption of the following resolution:

WHEREAS, CIGNYS/Saginaw Products Corp., did on December 30, 2010, file its application for an Industrial Facilities Tax Exemption Certificate as provided by Act 198, P.A. of 1974, as amended, hereinafter referred to as the Act, receipt of said application having been reported to City Council on January 10, 2011, and said application being on file in City Clerk's File 10-31; and

WHEREAS, the Council has carefully considered said application and all information pertinent thereto; now

THEREFORE, BE IT RESOLVED, that the Council hereby finds and determines as follows:

1. The Council of the City of Saginaw on June 18, 2001 on the petition of Saginaw Products Corporation did lawfully establish in the City of Saginaw, an Industrial Development District pursuant to the Act, said district comprising that certain piece or parcel of land in the State of Michigan, County of Saginaw and City of Saginaw under the City of Saginaw Tax Roll No. 11 0006 00000 commonly known as 68 Williamson, Saginaw, Michigan.
2. Upon receipt of the above-mentioned application for an Industrial Facilities Tax Exemption Certificate from CIGNYS/Saginaw Products Corp, the City

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Clerk did notify in writing the Assessor of the City of Saginaw and the legislative body of each taxing unit which levies ad valorem property taxes in the City of Saginaw, this being the governmental unit in which the facility for an Industrial Facilities Tax Exemption Certificate is sought to be located, said taxing units being the Public Libraries of Saginaw, Delta College, Saginaw Intermediate School District, Saginaw Board of Education, Saginaw County Board of Commissioners and Saginaw Transit Authority Regional Services, enclosing a copy of the above-described application for Industrial Facilities Tax Exemption Certificate and notifying each that it would be given an opportunity to be heard on this matter by the Council at its regular meeting on Monday, February 7, 2011 at 6:30 p.m. in the City Hall Council Chamber, 1315 S. Washington, Saginaw, Michigan.

3. The Council has on this date and earlier in this meeting afforded CIGNYS/Saginaw Products Corp., the Assessor of the City of Saginaw, and a representative of each affected taxing unit an opportunity for a hearing on the above-mentioned application for Industrial Facilities Tax Exemption Certificate, and the Council has given due consideration to all information presented at said hearing.
4. The City Assessor has heretofore determined and furnished to the Council the value of the property to which the above-mentioned application pertains, the aggregate state equalized valuation of real and personal property which would be exempt from ad valorem taxes under the Act in

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the City of Saginaw after granting the above-petitioned Industrial Facilities Tax Exemption Certificate and the sum of the state equalized valuation of the City of Saginaw and the aggregate state equalized valuation of real and personal property exempt from ad valorem taxes under the Act in the City of Saginaw.

5. Construction of the facility or installation of machine and equipment, which is the subject of the above-mentioned application, was not begun earlier than six (6) months before the filing of the application for the Industrial Facilities Tax Exemption Certificate.
6. The application filed for the certificate indicates no new jobs will be created, however thirty-five (35) current jobs will be retained, in the City of Saginaw, this being the community in which the facility is situated.
7. The aggregate state equalized valuation of real and/or personal property exempt from ad valorem taxes under the Act in the City of Saginaw after granting the Industrial Facilities Tax Exemption Certificate applied for will not exceed 5 percent of an amount equal to the sum of the state equalized valuation of real and/or personal property exempt from ad valorem taxes under the Act in the City of Saginaw.
8. Granting of the Industrial Facilities Tax Exemption Certificate considered with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act. No. 255 of the Public Acts of 1978 shall not have the effect of substantially impeding the operation of local government or impairing the financial soundness of

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any unit of local government.

9. The aforementioned application complies in all respects with the applicable provisions of the Act, and all actions and proceedings necessary for the approval of said application by the Council of the City of Saginaw have been accomplished as required by said public act.
10. As part of the aforementioned application, CIGNYS/Saginaw Products Corp has entered into an Industrial Facilities Tax Abatement Agreement with the City of Saginaw setting forth the terms and requirements of the company as part of the City's approval of the certificate.

BE IT FURTHER RESOLVED, that the Council of the City of Saginaw does hereby approve the above-described application of CIGNYS/Saginaw Products Corp., 68 Williamson, Saginaw, Michigan, for an Industrial Facilities Tax Exemption Certificate for a period of 12 years.

COUNCIL COMMUNICATION

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

ESTABLISHING OBSOLETE PROPERTY REHABILITATION DISTRICT AT 625 OWEN STREET

Council _____ offered and moved adoption of the following resolution:

WHEREAS, under P.A. 146 of 2000 the City of Saginaw is authorized to form Obsolete Property Rehabilitation Districts; and

WHEREAS, the property at 625 Owen Street, TAX ID #07 0455 00100, has been deemed functionally obsolete by the City of Saginaw; and

WHEREAS, the owner of the property has met guidelines established by the City of Saginaw and plans to submit an application for an Obsolete Property Exemption Certificate; and

WHEREAS, the owner of the property has been notified by certified mail and a public meeting was held February 7, 2011 in accordance with P.A. 146 of 2000; now

THEREFORE, BE IT RESOLVED that the City of Saginaw hereby approves the formation of an Obsolete Property Rehabilitation District pursuant to Public Act 146 of 2000, as amended, for the eligible property legally described as:

625 OWEN STREET

ASSESSOR'S FILE #: 07 0455 00100

E 90 FT OF LOT 11 & E 90 FT OF THAT PART OF LOT 12, BLK 72, HOYT'S PLAT OF THE CITY OF EAST SAGINAW, NOW A PART OF THE CITY OF SAGINAW, LYING N OF A LINE DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 48.91 FT N FROM S LINE OF LOT 12, ALONG E LINE OF SAID LOT & RUNNING THENCE WLY & NEARLY PARALLEL WITH THE S LINE OF SAID LOT, 90 FT TO A POINT 51.7 FT NLY OF & AT RIGHT ANGLES TO THE S LINE OF SAID LOT

COUNCIL COMMUNICATION

From: The City Manager

Subject: Loader Tires for 76-0870 & 76-0868 Emergency Purchase

Manager's Recommendation:

I recommend that the low bid from Meekhof Tire Sales be accepted and a purchase order be approved and issued to them in the amount of \$8,440.00 for the purchase of eight (8) replacement tires for two loaders.

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 purchase are available in the Motor Pool Operations Fund – Motor Vehicle Supplies Account, No. 661-4480-841.73-12.

Justification:

The Municipal Garage received quotes from three vendors for eight (8) replacement tires for Loaders 76-0870 & 76-0868. These loaders are used for daily operations at the Compost Facility and by the Streets Department for loading salt, snow removal, and other various tasks. The emergency purchase is required due to the tires on the loaders being worn and past their usable tread.

Following below is a tabulation of the bids received:

Meekhof Tire Saginaw, MI	\$ 8,440.00
Millar's Tireman Bay City, MI	\$ 9,586.72
Triple M Tire Saginaw, MI	\$10,099.76

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Pipe Cutting Equipment

Manager's Recommendation:

I recommend a purchase order be approved and issued to Ace Cutting Equipment and Supply, Novi, MI in the amount of \$5,034.00 for the purchase of two (2) ICS water-fed utility gasoline powered pipe cutting saws for water mains.

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 purchase are budgeted in the Water Operations and Maintenance Fund - Maintenance and Service Division's Parts and Supplies Account, No. 591-4721-861-73-30.

Justification:

The City received a sole source quote from Ace Cutting Equipment for two ICS water fed utility gasoline powered pipe cutting saws for water mains. Ace Cutting Equipment is the only authorized Michigan Dealer for ICS. These saws are configured as a chain saw, and have a specialized saw chain to cut ductile iron pipe, cast iron pipe, PVC pipe, HDPE pipe, insituform pipe, and concrete. This equipment is different from a (DISC) type of abrasive saw whereby it allows the utility person to cut up to 16" from one side of the pipe without having to change blades for different materials. The City will save on labor, material to excavate both sides of a repair trench, the pipe is accessible to cut, and it can plunge cut concrete pavement. The equipment does not have

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the centrifugal force effect like a traditional disc saw; therefore, operator fatigue is less of a factor. Two saws were quoted so as to have a backup should one need service.

Following below is a breakdown of the quote:

1. Two 6.4 hp Power Heads	\$3,300.00
2. Two 16" chain Bars	\$ 432.00
3. Two Power Grit Diamond Chains For Cutting Ductile Iron Pipe	\$ 722.00
4. One Diamond Chain For Cutting Concrete	<u>\$ 580.00</u>
Total	\$5,034.00

Council _____ moved to approve the Recommendation of the City Manager.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Annual Supply of Crack Sealing Material

Manager's Recommendation:

I recommend acceptance of the low bid and issuance of a purchase order to National Highway Maintenance Systems in the amount of \$10,432.00 for the purchase of crack-filling material.

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 Major Street Fund - Routine Maintenance Division's Street and Road Materials Account, No. 202-4651-841.73-40.

Justification:

On October 19, 2010, the City received bids for an annual supply of crack sealing material (34,560 pounds) for the Right of Way Division, Streets Section use in the maintenance of City streets. In recent years, pavement preservation has become a main goal of preventative maintenance work on streets for the City of Saginaw. By using asphalt-rubber repair techniques, the City will be able to add life to the existing pavement and expect to save money on future repairs and labor. Preservation activities, such as crack sealing, usually takes place on roads that are between five and ten years old. Crack sealing is a key component of the Department of Public Services Asset Management Plan to preserve the City's local and major roadways. Following is a tabulation of the bids received.

National Highway Mtce. Systems Akron, OH	\$10,432.00
Barnsco Walled Lake, MI	\$17,712.00

Council Action

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

COUNCIL COMMUNICATION

COUNCIL COMMUNICATION

From: The City Manager

Subject: Call Center Software and Hardware

Manager's Recommendation:

I recommend that the quote from the City's current digital and Voice Over IP phone system maintenance and support vendor I.T.I Inc. be accepted and that a purchase order be issued to I.T.I Inc. in the amount of \$10,488.00 for the purchase of necessary software, hardware and IP phones to equip the new Call Center.

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 available in the Department Technical Services - GIS Call Center Division's Operating Services Account, No. 650-1739-781.80-05.

Justification:

The City is currently implementing a Call Center that will centralize all incoming citizen requests and complaint calls. The goal of the call center is to provide citizens with an easier way to connect with their local government, which will improve the City's effectiveness and efficiency in providing direct access to information and requests. The City will utilize its recently implemented Voice Over IP (VOIP) phone system to structure the Call Center.

This technology request for the Call Center is an extension of our current Voice Over IP (VOIP) phone system and is to be provided by I.T.I our phone support and maintenance vendor. This is a sole-source vendor due to the existing phone infrastructure, and our existing phone support and maintenance contract with I.T.I. This purchase will include the necessary software, hardware and IP phones to equip the new Call Center.

Council Action

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

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From: The City Manager

Subject: ROW Emergency Purchase, Applied Technologies

Manager's Recommendation:

I recommend that an emergency purchase order be issued to Applied Technologies, Saginaw, MI in the amount of \$2,592.40 for the purchase of fabricated gears.

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 Purchase are budgeted in the Water Operations and Maintenance Fund - Maintenance and Service Division's Parts and Supplies Account, No. 591-4721-861-73-30.

Justification:

Ongoing Maintenance of the City's Water Distribution and Transmission system has crews exercising the main line valves to ensure their operation and to guarantee access and operability when needed. When attempting to operate main line valves on a 20" transmission main, some of the external spur gears had deteriorated and crumbled to pieces, requiring immediate repair or replacement of the valves. In an effort to save the City of Saginaw a substantial amount of money and in lieu of purchasing new valves for replacement, the City of Saginaw has worked with Applied Technologies in the past to manufacture replacement parts including gears and has had great success. Applied Technologies can fabricate these gears for us on an immediate basis and have them here so the valves can be made operational in a short amount of downtime.

Below is a breakdown of the cost.

4 Spur Gears at	\$2,463.65
Shipping	<u>\$ 128.75</u>
Total	\$2,592.40

Council Action:

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

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From: The City Manager

Subject: Replacement Backhoes and Hydraulic Hammers

Manager's Recommendation:

I recommend acceptance of the State bid and issuance of a purchase order to AIS Construction Equipment in the amount of \$184,013.00, for the purchase of a new backhoe and a previously owned backhoe to replace two (2) ten year old backhoes.

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 purchase are budgeted in the Water Operation and Maintenance Fund – Surplus Division's Maintenance Equipment Account, No. 591-4740-881.97-41, (\$92,006.50) and the Sewer Operation and Maintenance Fund – Surplus Division's Maintenance Equipment Account, No. 590-4840-881.97-41, (\$92,006.50).

Justification:

The Maintenance and Service Division has budgeted to replace two ten-year-old backhoes that have a combined total at 14,000 hours accumulated work time. These tractors have been used primarily as hydraulic breaker tractors for field crews and the pavement replacement crew. These applications are used in a severe duty environment year round.

We are utilizing the State of Michigan by soliciting prices from the State Bid Vendor (AIS Bridgeport) for a new backhoe and a previously owned backhoe that has a total of 200 hours and will be covered by a one-year warranty. The salesperson for AIS has secured an additional 9% discount on the new tractor price. This amounts to a total

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new tractor discount of 25% for the City of Saginaw. The used backhoe is offered to the City at less than the discounted price of a new tractor. Below is a breakdown of costs:

With State of Michigan and Manufacturers Discount	\$ 84,654.00
Hydraulic Hammer	<u>\$ 10,700.00</u>
Final Cost to City	\$ 95,354.00
Offer price of used Machine with 200 hours	\$ 68,000.00
Options for Hydraulics and Bucket/Quik Tatch/Breaker	<u>\$ 20,659.00</u>
Final Cost to City	\$ 88,659.00
Total for Two Backhoes	\$184,013.00

Council Action

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Saginaw Fire Department Vehicle Emissions Exhaust System

Manager's Recommendation:

I recommend that a purchase order be approved and issued to Hastings Air (Hastings) in the amount of \$67,255.00 for the purchase of a Vehicle Emissions Exhaust System (VEES) for each of the City's fire stations. A grant allocation through FEMA's Assistance to Firefighter Grant Act will require the City of Saginaw to match twenty percent (\$11,051.00) of the purchase price, which is the maximum budget impact.

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 purchase will be available in the Maintenance Equipment Account, No. 101-3751-751.97-41.

Justification:

A Vehicle Exhaust Emissions System's major function is to carry diesel exhaust emissions from the apparatus to outside of the building. This system improves health conditions for employees, diminishes facility maintenance and repair, and is an OSHA and MIOSHA requirement.

On September 7, 2010, three vendors submitted bids. The following is a tabulation of the bids received and reviewed by the Purchasing Committee:

Nederman, Inc. (Nederman) Westland, MI	\$66,875.00
Hastings Air (Plymovent) Farmington, MI	\$67,255.00
Rossmann Enterprises, Inc. (MagneGrip) Cincinnati, OH	\$70,207.00

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In reviewing the bid proposals, Nederman, Inc. did not meet the specifications in its entirety. Hastings and Rossman Enterprises, Inc., met specifications, but Hastings Air best serves the fire department as the bid meets the intent of the prepared specifications. The fire department currently has a Plymovent VEES, the system being proposed by Hastings. The Plymovent system is used on a national level, is highly dependable, and meets or exceeds the needs of the Saginaw Fire Department.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Hydraulic Hose for Municipal Garage

Manager's Recommendation:

I recommend that the low bid from Ritter Technology be accepted and a purchase order be approved and issued to them in the amount of \$2,361.35.

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 purchase are available in the Motor Pool Operation Fund - Motor Vehicle Supplies Account, No. 661-4480-841.73-12.

Justification:

The Municipal Garage received bids from nine (9) vendors for hydraulic hose that will be placed in inventory for future repairs to the hydraulic systems on the City's fleet of vehicles and equipment.

Following below is a tabulation of the local bids submitted:

Ritter Technology Saginaw, MI	\$2,361.35
Exotic Automation Freeland, MI	\$2,385.50
AM-DYN-IC Fluid Power Inc. Chesterfield, MI	\$2,596.00
JH Bennett & Co. Inc. Novi, MI	\$2,862.50
Applied Industrial Technologies Saginaw, MI	\$2,980.25

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Cougar Sales & Rental Inc. Novi, MI	\$3,379.50
Kirks Automotive Inc. Detroit, MI	\$3,495.00
Barnes Distribution Cleveland, OH	\$3,649.00
Border Construction Specialties Phoenix, AZ	\$3,853.00

Council Action:

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