

## COUNCIL AGENDA

For

February 19, 2007, 6:30 p.m., Council Chamber

### ROLL CALL:

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

October 9, 2006, October 23, 2006, November 6, 2006, November 20, 2006, December 4, 2006, December 18, 2006, December 27, 2007 and January 8, 2007 regular Council meetings.

### ANNOUNCEMENTS:

### PUBLIC HEARINGS:

1. Brownfield Single Business Tax Credit for the Downtown Area Development LLC III project located at 901 S. Washington
2. Request of CMI-Schneible for an Industrial Facilities Tax Exemption Certificate at 2220 Veterans Memorial Parkway
3. Single Lot Assessment Tax Roll

### PERSONAL APPEARANCES:

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

### REMARKS OF COUNCIL:

### PETITIONS:

### REPORTS FROM BOARDS AND COMMISSIONS AND COMMITTEES:

#### From the Brownfield Redevelopment Authority:

1. Explaining Resolution No. 1 listed under the regular order of business that amends the Brownfield Plan for Downtown Area Development, LLC, III 901 S. Washington Avenue.

APPOINTMENT OF BOARDS AND COMMISSIONS MEMBERS:

REPORTS FROM MANAGER:

Management Update:

Recommended Actions:

1. Recommending approval of the mid-year personnel complement changes.
2. Recommending that payment be made to Service Express, Inc. in the amount of \$2,220.00 as the second annual payment for a three-year hardware maintenance/support agreement. This three-year agreement was approved by Council on May 1, 2006 and covers the City's email and Naviline servers. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Information Services Operating Services Account No. 658 1720 711 8005.
3. Recommending acceptance of the low bid and issuance of a purchase order to TBF Graphics in the amount of \$10,675.00 for fiscal year 2007 and \$11,395.00 for fiscal year 2008 for the printing and mailing of 2007 and 2008 Change Notice of Assessment forms. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Assessor's Postage/Freight Account No. 101 1744 711 8015 and the Printing Account No. 101 1744 711 8030.
4. Recommending that a purchase order be approved and issued to AY Consulting in the amount of \$10,000.00 for the development of a customized coagulation computer model to assist the Water Treatment Plant in controlling coagulant chemical feed rates. This agreement will cover one year for technical support. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Water Treatment and Pumping Supplies/Computer Software Account No. 591 4730 861 7325.
5. Recommending that a purchase order be approved and issued to CPS Human Resource Services in the amount of \$3,657.50 for materials for entry-level firefighter testing. This vendor is the sole source for our testing materials for the fire department and meets all requirements of the contract compliance provisions. Funds are budgeted in the Fire Department Suppression Account No. 101 3751 751 80 71.
6. Recommending approval of a permanent easement agreement between the City of Saginaw d/b/a Oakwood Cemetery and the City's Public Services Department. As part of the Gratiot Road Pump Station Upgrades and Hemlock Semi-

Conductor Expansion, the City will be installing a 20-inch watermain along Gratiot Avenue from Center Street to the Gratiot Road pump station. The 20-inch watermain must be installed in the northeast corner of Gratiot and Midland Roads, under Oakwood Cemetery, which is owned by the City.

7. Recommending that the original purchase order issued to AmeriGas be increased from \$1,900.00 to \$4,500.00 for the supply of propane gas for the balance of this fiscal year. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Municipal Streets Routine Maintenance Account Nos. 202 4651 841 7330 (\$1,300.00) and 203 4651 841 7330 (\$1,300.00).
8. Recommending acceptance of the low bid and issuance of a purchase order to Kessler Environmental Excavating in the amount of \$3,370.00 for the cleaning of underground storage tanks. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Sewer Operation and Maintenance Account No. 590 4830 861 8005.
9. Recommending acceptance of the low bids and issuance of purchase order to Red Holman Pontiac in the amount of \$30,418.00 for the purchase of a cargo van (\$15,281.00) and a 1500 pickup truck (\$15,137.00) and to Champion Chevrolet in the amount of \$25,938.88 for the purchase of a 2500 pickup truck to be used by the Wastewater Treatment Division. These vendors meet all requirements of the contract compliance provisions. Funds are available in the Sewer Operation and Maintenance Account Nos. 590 4830 861 9770 (\$15,281.00) and 590 4835 861 9770 (\$41,072.88).
10. Recommending acceptance of the low bid and issuance of a purchase order to Bell Equipment Co. in the amount of \$135,900.00 for the purchase of a three-wheel broom street sweeper with belt conveyor to be used by the Streets Division in the daily street maintenance operations. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Sewer Surplus Fund Account No. 576 4840 881 9720.
11. Recommending acceptance of the low bid and issuance of a purchase order to Diesel Truck Sales in the amount of \$252,393.00 for the purchase of three Tandem Axle Dump trucks to be used by the Sewer and Maintenance Division. Funds are budgeted in the Sewer Surplus Fund Account No. 576 4840 881 9720 (\$126,196.60) and the Water Surplus Fund No. 577 4740 881 9720 (\$126,196.50).
12. Recommending approval of the MDOT Cost Agreement for the Johnson Street Reconstruction and Streetscaping Project. The total project is estimated to cost \$3,487,200.00. The City's estimated share is \$854,800.00. Funds for the City's share will be made available in the Sewer Surplus Fund Account No. 576 4840

881 9720) (\$260,000.00), Water Bond Construction Projects Fund Account No. 598 4741 881 8047 (\$436,400.00) and Major Streets Construction Projects Account No. 202 4614 781 8047 (\$158,400.00).

INTRODUCTION OF ORDINANCES:

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Amending the Brownfield Plan for the City of Saginaw to include Downtown Area Development, LLC, III, 901 S. Washington Avenue, in compliance with the provisions of Public Act 381 of 1996, as amended by Public Act 145 of 2000.
2. Supporting the proposed expansion of operations of HSC operations in Thomas Township and to enter into agreements similar to those involved in the prior 2005 expansion as needed and useful for a future expansion.
3. Approving the Industrial Facilities Tax Exemption Certificate for CMI-Schneible Company, 2220 Veterans Memorial Parkway.
4. Authorizing participation in the reconstruction and streetscape work along Johnson Street from Washington Avenue to Sixth Avenue.
5. Accepting the grant award from the Michigan State Housing Development Authority in the amount of \$250,000 for blight removal and demolition of buildings in the Neighborhood Revitalization Area.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley  
City Manager

# COUNCIL COMMUNICATION

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

**INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE  
FOR CMI-SCHNEIBLE COMPANY, 2220 VETERANS MEMORIAL PARKWAY**

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

WHEREAS, CMI-Schneible Company on January 18, 2007, 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 February 1, 2007, and said application being on file in City Clerk's File 07-03; 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 August 1, 1977, on the petition of Chevrolet Motor Division, General Motors 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. 21 4333 00400 commonly known as 2220 Veterans Memorial Parkway, Saginaw, Michigan.

2. Upon receipt of the above-mentioned application for an Industrial Facilities Tax Exemption Certificate from CMI-Schneible Company the City Clerk did notify in writing the Assessor of the City of Saginaw and the legislative body of each taxing unit

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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 Intermediate School District, the School District of the City of Saginaw, the County of Saginaw, Saginaw Public Libraries, Delta College 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 19, 2007.

3. The Council has on this date and earlier in this meeting afforded CMI-Schneible Company, 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 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)

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months before the filing of the application for the Industrial Facilities Tax Exemption Certificate.

6. The application filed for the certificate indicates seven (7) new jobs will be created and forty-four (44) 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 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. Irrespective of the findings in paragraph 7 above, 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 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.

BE IT FURTHER RESOLVED, that the Council of the City of Saginaw does hereby approve the above-described application of CMI-Schneible Company for an Industrial Facilities Tax Exemption Certificate for a period of 12 years.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** MDOT Cost Agreement for Johnson Street Reconstruction and Streetscaping Agreement

**Manager's Recommendation:**

I recommend that the MDOT Cost Agreement (No. 06-5656) for the Johnson Street Reconstruction and Streetscaping Project be approved. 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 Agreement appears under the regular order of business for your consideration.

**Justification:**

Transmitted herewith is a proposed Cost Agreement (City Clerk's File No. \_\_\_\_\_) with the Michigan Department of Transportation (MDOT) for the purpose of establishing the rights and obligations of the parties agreeing to the reconstruction and streetscape work along Johnson Street from Washington Avenue to Sixth Avenue. The work will include Hot Mix Asphalt (HMA) paving, concrete pavement, traffic and pedestrian signal upgrades, decorative sidewalk, crosswalks, streetlights, fencing, decorative walls, landscaping, watermain replacement, concrete curb and gutter, ADA sidewalk ramps and any additional and necessary related work.

The total project is estimated to cost \$3,487,200.00. Federal Hazard Elimination (Safety) funds will pay \$164,900.00, Federal Surface Transportation Urban (STPU) funds will pay \$1,200,000.00, Federal Transportation Enhancement Activities (TEA) funds will pay \$926,300.00, State Transportation Economic Development Category F (TEDF) funds will pay \$341,200.00 and the City's estimated share is \$854,800.00. The City of Saginaw



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is responsible for any cost overruns in excess of \$3,487,200.00.

Funds for the City's share will be made available in the Sewer Surplus Fund Account No. 576-4840-881-9720 (\$260,000.00), Water Bond Construction Projects Fund Account No. 598-4741-881-8047 (\$436,400.00) and Major Streets Construction Projects Account No. 202-4614-781-8047 (\$158,400.00). The Project Number is ST 0690.

**Council Action:**

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

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

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

WHEREAS, a Cost Agreement, Number 06-5656, 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 reconstruction and streetscape work along Johnson Street from Washington Avenue to Sixth Avenue. The work will include Hot Mix Asphalt (HMA) Paving, concrete pavement, traffic and pedestrian signal upgrades, decorative sidewalks, crosswalks, streetlights, fencing, decorative walls, landscaping, watermain replacement, concrete curb and gutter, ADA sidewalk ramps and any additional and 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 the proper City Officials be authorized to execute said Agreement on behalf of the City of Saginaw.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Permanent Easement Agreement

**Manager’s Recommendation:**

Transmitted herewith for Council approval is a permanent easement agreement between the City of Saginaw (“City”) d/b/a Oakwood Cemetery and the City’s Public Services Department. I recommend the approval of the permanent easement and that the Mayor and City Manager be designated as the persons to sign the agreement. The agreement has been approved by the City Manager as to substance and the City Attorney as to form.

**Justification:**

As part of the Gratiot Road Pump Station Upgrades and Hemlock Semi-Conductor Expansion, the City will be installing a 20-inch watermain along Gratiot Avenue from Center Street to the Gratiot Road pump station. Property constraints are such that easements are required along Gratiot Avenue to place the proposed watermain. The 20-inch watermain must be installed in the northeast corner of Gratiot and Midland Roads, under Oakwood Cemetery, which is owned by the City. The permanent easement is necessary to retain the rights to the property over the proposed watermain in the event that the City of Saginaw ever relinquishes its ownership of the property.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Service Express Hardware maintenance renewal

**Manager's Recommendation:**

I recommend that payment be made to Service Express, Inc. in the amount of \$2,220.00 as the second annual payment for a three-year hardware maintenance/support agreement. This three year agreement was approved by Council on May 1, 2006, and covers the City's email and NaviLine servers.

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 payment were budgeted and are available in the Information Services Operating Services Account No. 658-1720-711.80-05.

**Justification:**

This payment covers the second year of a three-year agreement with Service Express, Inc. for hardware maintenance/support for the City's email and NaviLine servers. By entering into a three-year agreement in 2006, the City was able to realize a decrease in cost from previous years, while maintaining the necessary level of support coverage.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Wastewater Replacement Vehicles

**Manager's Recommendation:**

I recommend that the bids received from Red Holman Pontiac and Champion Chevrolet be accepted and that purchase orders be issued to them in the following amounts: Red Holman Pontiac, \$30,418.00 for the purchase of a cargo van (\$15,281.00) and a 1500 pickup truck (\$15,137.00) and Champion Chevrolet, \$25,935.88 for the purchase of a 2500 pickup truck.

These vendors meet 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 Nos. 590-~~4830-8611~~-97-70 (\$15,281.00) and 590-4835-861.97-70 (\$41,072.88).~~05-5311-711-8005~~

**Justification:**

On December 19, 2006, the City received bids for the purchase of three vehicles; two pickup trucks and one cargo van. The cargo van is a replacement for a 1988 van, which was deemed unsafe by City Garage staff. This vehicle is used by the environmental compliance staff for collecting water samples from industrial facilities that have discharges to the Wastewater Treatment Plant. The trucks are replacement vehicles for use at the Retention Treatment Basins for plowing snow and transportation to the Remote Facilities. Maintenance and repair costs have become excessive on the original trucks. Following is a tabulation of the bids:

<u>Cargo Van</u>	<u>2500 Truck</u>	<u>1500 Truck</u>
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Red Holman Pontiac Westland, MI	\$15,281.00	\$26,007.00	\$15,137.00
Champion Chevrolet Howell, MI	\$18,728.60	\$25,935.88	\$15,650.73
Graff Chevrolet Bay City, MI	\$18,103.70	No Bid	\$17,522.83
Suski Birch Run, MI	\$18,250.00	\$27,590.00	\$17,499.00
Zehnder Chevrolet Frankenmuth, MI	\$18,702.00	\$27,330.00	\$17,373.83

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Cleaning of Underground Storage Tanks

**Manager's Recommendation:**

I recommend that the low bid received from Kessler Environmental Excavating be accepted and that a purchase order be issued to them in the amount of \$3,370.00 for the cleaning of underground storage tanks.

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 are available in the Sewer Operation and Maintenance Account No. ~~590-4830-8614~~.80-05.~~05-5311-711-8005~~

**Justification:**

On January 16, 2007, the City received bids for cleaning of the two ferrous sulfate (waste acid) storage tanks. Ferrous sulfate is used to remove phosphorus from the wastewater as required by the Wastewater Treatment Plant's National Pollutant Discharge Elimination System (NPDES) Permit. Over several years, sediment has built up in the 30,000 gallon in-ground storage tanks. Professional cleaning of the tanks is required as the tanks are underground and ferrous sulfate is acidic. Following is a tabulation of the bids:

Kessler Environmental Excavating Saginaw, MI	\$3,370.00
Inland Waters Pollution Control Mt. Morris, MI	\$3,762.00
K & D Industries Midland, MI	\$5,140.00

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EQ Industrial Services Birch Run, MI	\$8,039.66
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Clean Harbor Environmental Sterling Heights, MI	\$9,992.92
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**Council Action:**

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



# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** 2007 Change Notice of Assessments for Assessor's Office

**Manager's Recommendation:**

I recommend acceptance of the low bid and issuance of a purchase order to TBF Graphics for printing and mailing 2007 and 2008 Change Notice of Assessment forms in the amount of \$10,675.00 for 2007 and \$11,395.00 for 2008 totaling \$22,070.00.

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 General Fund Assessor's Postage/Freight Account No. 101-1744-711-8015 and the Printing Account No. 101-1744-711-8030.

**Justification:**

State of Michigan law requires that notice be given by mail to all parcels with value changes. The mailing deadline is March 1<sup>st</sup> of each year. Bids were solicited for printing and mailing of Change Notice of Assessment forms for the years 2007 and 2008. Below is a tabulation of the bids received:

TBF Graphics Saginaw, MI	\$22,070.00
360 Services, Inc. Livonia, MI	\$22,633.72
FP Horak Bay City, MI	\$24,065.00

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** AY Consulting Agreement

**Manager's Recommendation:**

I recommend the approval of an agreement for the development of a customized coagulation computer model with AY Consulting in the amount of \$10,000.00 and that a purchase order be issued to them for this amount. The agreement will cover one year for technical support. The agreement has been approved by the City Manager as to substance and 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 purchase are budgeted in the Water Treatment and Pumping Supplies/Computer Software Account No. 591-4730-861.73-25.

**Justification:**

On January 10, 2007, the City received a proposal for the development of a customized computer model to assist the Water Treatment Plant in controlling coagulant chemical feed rates. Since this is a customized model created specifically for our treatment plant source waters and associated processes, this is a sole source item.

This company has produced similar modeling software in other locations. The models, which are site-specific, have proven effective in a number of water treatment plants. They have been successfully operated at eight water treatment plants in Michigan and Indiana, with several more being implemented in the near future. In addition, the models have also helped detect and rectify various plants operational challenges, optimized process operations, identified plants optimal coagulation practices and increased operator's awareness of the factors that affected their plants process performances.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Propane

**Manager's Recommendation:**

I recommend that the original purchase order issued to AmeriGas be increased from \$1,900.00 to \$4,500.00 (an increase of \$2,600.00) for supplying propane gas for the balance of fiscal year 2007.

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 material are available in the Municipal Streets Routine Maintenance Account Nos. 202-4651-841.73-30 (\$1,300.00) and 203-4651-841.73-30 (\$1,300.00).

**Justification:**

The City Streets Division has a \$1,900.00 purchase order with AmeriGas for propane gas, which is needed to heat asphalt patching material and joint sealant material used to maintain the city streets. Due to increased usage and continual increases in propane prices, the Streets Division has nearly depleted the dollar amount of the purchase order. Based on current usage, the Streets Division estimates that it will use an additional \$2,600.00 worth of propane gas through June 30, 2007.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Three Tandem Axle Dump Trucks for Water Shop

**Manager's Recommendation:**

I recommend acceptance of the low bid from Diesel Truck Sales and issuance of a purchase order to them in the amount of \$252,393.00 based on the Saginaw Based In-City Business calculation as noted below.

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 are budgeted in the Sewer Surplus Fund Account No. 576-4840-881-9720 (\$126,196.50) and the Water Surplus Fund No. 577-4740-881-9720 (\$126,196.50).

**Justification:**

On November 28, 2006, the City received three bids for the replacement of three Tandem Axle Dump Trucks. They will be replacing two 1996 single axle dump truck and one tandem axle dump truck that are scheduled for replacement due to the wear and tear they receive each year. Given the fact that these dump trucks are used year round for hauling, the mileage/year is not indicative of the condition of the vehicle and its equipment.

Following is a tabulation of the bids received and reviewed by the Purchasing Committee:

Diesel Truck Sales Saginaw, (in-city)		\$252,393.00
Wieland International & Idealease Bay City, MI		\$247,302.33
	2% of 1 <sup>st</sup> \$2000	40.00
	3% of \$245,302.33	<u>7,359.07</u>
In-City calculation		\$254,701.40
Graff Truck Center Saginaw, (out-city)		\$274,737.00

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Firefighter Testing Materials

**Manager's Recommendation:**

I recommend that a purchase order be approved and issued to CPS Human Resource Services in the amount of \$3,657.50 for materials for Entry-Level Firefighter testing. This vendor is the sole source for our testing materials for the Saginaw Fire Department.

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

Funds for this purchase are budgeted for and available in the Saginaw Fire Department Suppression Account No. 101-3751-751.80-71 (Other Services – Recruitment Expense).

**Justification:**

The Saginaw Fire Department recently had to administer entry-level firefighter testing to create a list of eligible candidates in anticipation of upcoming retirements in the department. It was not known how many applicants we would have to test prior to ordering the testing materials. The original amount of the materials ordered totaled \$3,972.50 so a \$315.00 credit has been applied to the amount requested for materials that were not used and have been returned.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Adoption of Resolution In Support of Hemlock Semiconductor Expansion

**Manager's Recommendation:**

I recommend adoption of the attached Resolution In Support of Hemlock Semiconductor Corporation Expansion.

**Justification:**

A resolution is listed under the regular order of business which expresses support for the proposed expansion of the Hemlock Semiconductor Corporation ("HSC") operations in Thomas Township.

In 2005, HSC expanded its manufacturing operations in Thomas Township, creating additional jobs and providing additional revenue to Thomas Township and the City of Saginaw. This was possible after a series of agreements were reached with the three parties providing:

1. Additional, reliable water service to Thomas Township and HSC;
2. The conditional transfer of land, pursuant to Public Act 425 from Thomas Township to the City of Saginaw;
3. An exemption for HSC for new personal property pursuant to Public Act 328; and
4. Revenue sharing among the three parties.

This project is considered a success by all the parties involved. HSC is now considering a further expansion of its physical plant, machinery and manufacturing activities, creating yet more jobs. It proposes a similar set of agreements with Thomas Township and the City of Saginaw, involving water supply, conditional transfer of land, tax abatements and revenue sharing. In order to adequately analyze the viability of the proposed expansion, HSC requests that the City of Saginaw indicate its willingness to enter into similar agreements if the expansion occurs.

This resolution is not binding on the City of Saginaw, although it would prove useful to HSC for its current planning. If the expansion does occur, this matter will be brought back to City Council for review and approval of the various agreements and applications involved.

# COUNCIL COMMUNICATION

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

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

WHEREAS, The City of Saginaw and Thomas Township in 2005 entered into an agreement to provide additional water service to assist Hemlock Semiconductor Corporation ("HSC") in its expansion plans; and

WHEREAS, The City of Saginaw and Thomas Township in 2005 entered into an agreement for the conditional transfer of property pursuant to Public Act 425 of 1984, as amended ("Public Act 425"), for a parcel containing the manufacturing facility of HSC; and

WHEREAS, the City of Saginaw approved an application from HSC in 2005 for exemption of new personal property pursuant to Public Act 328 of 1998, as amended ("Public Act 328"); and

WHEREAS, the execution of these agreements was critical to HSC's ability to expand its operations and provide additional jobs and revenue sharing with Thomas Township and the City of Saginaw; and

WHEREAS, HSC is investigating the potential for a second significant expansion of its manufacturing facilities in Thomas Township, and wishes to enter into a similar set of agreements with Thomas Township and the City of Saginaw; and

WHEREAS, HSC seeks expressions of support from Thomas Township and the City of Saginaw to assist it in its analysis and business proposals for this property;

NOW, THEREFORE, BE IT RESOLVED that the City of Saginaw hereby expresses its support for the proposed expansion of operations of HSC operations in Thomas Township and states its willingness to enter into agreements similar to those involved in the prior 2005 expansion as are needed and useful for a future expansion.

# COUNCIL COMMUNICATION

**From:** The Brownfield Redevelopment Authority

**Subject:** Brownfield Plan Amendment, Downtown Area Development, LLC, III, 901 S. Washington Avenue (Brownfield Plan Project No. 1-2007)

**Brownfield Redevelopment Authority Recommendation:**

Recommending that City Council adopt the attached resolution approving the Brownfield Plan amendment for Downtown Area Development, LLC, III, 901 S. Washington Avenue, which is listed under the regular order of business.

**Justification:**

On January 19, 2007, the Brownfield Redevelopment Authority approved an amendment to the Brownfield Plan to include the Brownfield Plan Project No. 1-2007, Downtown Area Development, LLC, III, 901 S. Washington Avenue. The Developer is seeking a State of Michigan Brownfield Redevelopment Single Business Tax (SBT) Credit only for the proposed investment.

The original Brownfield Plan was adopted by City Council on May 17, 1999 in compliance with Public Act 381 of 1996. The purpose of Brownfield legislation is to assist in development of vacant and/or underutilized sites. Public Act 381 of 1996 requires that City Council approve amendments to the plan and adopt a resolution after a duly advertised public hearing. The public hearing on the proposed amendment is also on the Council Agenda for this meeting. A notice was published in The Saginaw News.

Subject to any compelling reasons to the contrary which may develop after the public hearing, it is recommended that City Council adopt the resolution approving the Brownfield Plan amendment for Downtown Area Development, LLC, III, 901 S. Washington Avenue.

**Council Action:**

Council\_\_\_\_\_ moved that this communication be received and filed.



# COUNCIL COMMUNICATION

**Brownfield Redevelopment Authority Recommendation:** Approval of the resolution as follows:

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

A RESOLUTION TO AMEND THE BROWNFIELD PLAN FOR THE CITY OF SAGINAW, MICHIGAN TO INCLUDE DOWNTOWN AREA DEVELOPMENT, LLC, III, 901 S. WASHINGTON AVENUE, IN COMPLIANCE WITH THE PROVISIONS OF PUBLIC ACT 381 OF 1996, AS AMENDED BY PUBLIC ACT 145 OF 2000.

WHEREAS, the Saginaw City Council approved a resolution on September 29, 1997 creating a Brownfield Redevelopment Authority and designated the boundaries of the Brownfield Redevelopment Zone; and

WHEREAS, the Saginaw City Council approved a resolution on May 17, 1999 adopting a development plan for the Brownfield Redevelopment Zone which complies with the provisions of Public Act 381 of 1996; and

WHEREAS, on January 19, 2007, the Brownfield Redevelopment Authority approved an amendment to the Brownfield Redevelopment Zone Development Plan to include Brownfield Plan Project No. 1-2007 – Downtown Area Development, LLC, III, 901 S. Washington Avenue, which complies with the provisions of Public Act 381 of 1996, as amended by Public Act 145 of 2000; and

WHEREAS, a public hearing notice on the proposed amendment was published in The Saginaw News and all taxing jurisdictions were notified of the hearing on the plan amendment; and

WHEREAS, the amended Brownfield Plan constitutes a public purpose and eligible activities provided in the amended plan are feasible and the cost of the eligible activities is reasonable to carry out the purposes of the Act.

NOW, THEREFORE, BE IT RESOLVED, that the Saginaw City Council does hereby approve the amendment for Plan No. 1-2007 to the Development Plan for the City of Saginaw Brownfield Redevelopment Zone to include Brownfield Plan Project No. 1-2007, Downtown Area Development, LLC, III, 901 S. Washington Avenue.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Purchase Of A Three-Wheel Broom Street Sweeper With Belt Conveyor.

**Manager's Recommendation:**

I recommend approval of the purchase of a three-wheel broom street sweeper with belt conveyor and that a purchase order be approved and issued to Bell Equipment Co. in the amount of \$135,900.00.

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 Sewer Surplus Fund Account No. 576-4840-881.97-20.

**Justification:**

On December 19, 2006, the City received bids for the purchase of a three-wheel broom street sweeper with belt conveyor. The equipment will be used by the Streets Division to replace old equipment. The sweeper will be used in the daily street maintenance operations. The following is a tabulation of the bids received:

<u>Vendor</u>	<u>Bid</u>
Bell Equipment Co. Lake Orion, MI	\$135,900.00
AIS Bridgeport, MI No option selections bid DOES NOT MEET SPECIFICATIONS	\$125,450.00

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Mid-Year Complement Changes for FY 07

**Manager's Recommendation:**

I recommend approval of mid-year personnel complement changes per the attached sheets. Such changes stem from departmental efforts to restructure employee job duties and responsibilities to better accomplish the work of the City. Full time changes consist of Additions and Deletions of positions along with Reallocations of pay grades. Part-time changes reflect recent changes to federal minimum wage rates. I recommend that these personnel complement changes be approved.

**Justification:**

In recent years, the City has attempted to address its budget situation through elimination of positions. It has now reached a point where further downsizing is difficult. However job duties continue to evolve as departments strive to do more with less staff. As remaining employees take on additional duties, the need arises to reevaluate their pay grades. Monies saved through elimination of positions covers the cost of any additions or reallocations to staff. These changes result in a reduction in General Fund salaries of \$7,859 and a reduction in Non-General Fund salaries of \$14,924.

In October of 2006, the Federal Minimum Wage increased from \$5.15 to \$6.95 an hour. Minimum wage increases again to \$7.15 in July of 2007. Some part-time ranges fall below the new minimum wage rates, thus requiring changes to current part-time salary ranges. The cost to adjust these ranges results in an increase in General Fund salaries of \$10,287 and an increase in Non-General Fund salaries of \$843.46.

**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, the City of Saginaw has established a Neighborhood Revitalization Area which was designated as a priority by the State of Michigan Cities of Promise Initiative; and

WHEREAS, the City of Saginaw was provided an opportunity to and has applied for a grant from the Michigan State Housing Development Authority for demolition activities in the Neighborhood Revitalization Area; and

WHEREAS, the City of Saginaw has received notification from the Michigan State Housing Development Authority that the City of Saginaw was successful in securing an award for these activities in the amount of \$250,000.00; and

WHEREAS, this grant provides substantial funding for the City of Saginaw to continue its blight removal activities and demolish up to thirty blighted structures; and

WHEREAS, the City of Saginaw acknowledges the commitment of the State of Michigan and the Michigan State Housing Development Authority to the City of Saginaw and its neighborhood revitalization efforts, now

THEREFORE, BE IT RESOLVED, that the City of Saginaw hereby accepts this grant award.

BE IT FURTHER RESOLVED, that the City Manager or Mayor is authorized to execute any and all documents or agreements necessary to receive these funds for demolition purposes.

# COUNCIL COMMUNICATION