

Council Agenda

March 8, 2010, 6:30 p.m. Council Chamber

PRAYER AND PLEDGE OF ALLEGIANCE

Swearing in of William Scharffe

ROLL CALL

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

February 22, 2009 regular Council meeting.

ANNOUNCEMENTS:

PUBLIC HEARINGS:

Request from U. S. Graphite, Inc. for an Industrial Facilities Exemption Certificate at 1510 E. Holland, Saginaw, Michigan.

PERSONAL APPEARANCES:

REMARKS OF COUNCIL:

PETITIONS:

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

REPORTS FROM MANAGER:

Management Update:

Reinventing government in Saginaw:

- City Attorney
- Police
- Fire
- City Hall Facilities

Recommended Actions:

1. Recommending that the Third Amended Development Agreement between the City of Saginaw and Great Lakes Crossroad L.L.C. be approved and that the City Manager or his designee be authorized to execute all documents necessary.
2. Recommending that a purchase order be approved and issued to Service Express, Inc. in the amount of \$2,628.00 as annual payment for hardware maintenance and support services. This support service covers three servers. Funds are budgeted and available 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 Carahsoft Technology Corp. in the amount of \$3,637.20 for the purchase of Symantec Antivirus Software for Lotus Notes to be used for scanning of incoming and outgoing mail for viruses. Funds are budgeted in the Information Services Operating Services Account, No. 658 1720 711 8005.
4. Recommending that a purchase order be approved and issued to DLT Solutions, Inc. in the amount of \$10,082.03 for the annual subscription renewal of engineering software for the Engineering Division. Funds are budgeted in the Information Services Software Account, No. 658 172 711 7325.
5. Recommending that Purchase Order No. 40113 issued to D.C. Byers Company be increased by \$3,873.00, from \$13,295.00 to \$17,168.00 to cover additional costs incurred by the contractor when repairing the north clarifier at the Water Treatment Plant. Funds are budgeted in the Water Treatment's General Repairs Account, No. 591 4730 861 8040.
6. Recommending acceptance of the State bid and issuance of a purchase order to 3M of St. Paul, MN in the amount of \$53,069.10 for the purchase of materials needed to upgrade approximately 10,000 – 15,000 street signs. Funds are available in the Traffic Engineering Major Streets Parts and Supplies Account, Nos. 202 4621 791 7330 (\$20,433.60) and 202 4621 791 7350 (\$32,635.50).

INTRODUCTION OF ORDINANCES:

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Approving the Industrial Facilities Tax Exemption Certificate for U. S. Graphite, Inc., 1510. E. Holland.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley
City Manager

COUNCIL COMMUNICATION

From: The City Manager

Subject: Service Express Hardware Maintenance Renewal

Manager's Recommendation:

I recommend that a purchase order be issued to Service Express, Inc. in the amount of \$2,628.00 as annual payment for hardware maintenance and support services. This support service covers three servers.

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

Funds for this service is budgeted and available in the Information Services Operating Services Account, No. 658-1720-711.80-05.

Justification:

This annual renewal with Service Express, Inc. covers the City for the period of March 1, 2010 thru February 28, 2011 with hardware maintenance and support services for several City servers.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Engineering Software Subscription Renewal

Manager's Recommendation:

I recommend that a purchase order be approved and issued to DLT Solutions, Inc. in the amount of \$10,082.03 for the annual subscription renewal of engineering software for the Engineering Division.

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

Funds for this purchase are budgeted and available in the Information Services Software Account, No. 658-1720-711.73-25.

Justification:

The Engineering Division uses several specialized engineering software tools. This request renews the subscriptions for AutoCAD, Viz, and Civil 3D and allows their usage for an additional year. The sealed bid process was waived because the unit prices for these subscription renewals are covered under a GSA contract.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Symantec Antivirus Software for Lotus Notes

Manager's Recommendation:

I recommend acceptance of the low bid and issuance of a purchase order to Carahsoft Technology Corp. in the amount of \$3,637.20 for the purchase of Symantec Antivirus Software for Lotus Notes to be used for the scanning of incoming and outgoing mail for viruses.

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

Funds for this purchase are budgeted and available in the Information Services Operating Services Account, No. 658-1720-711.80-05.

Justification:

On February 16, 2010, the City received bids for the purchase of Symantec Antivirus Software for Lotus Notes to be used for the scanning of incoming and outgoing mail for viruses. Please note the preference for local bidders calculation was applied but the original results did not change. Following is a tabulation of the bids received:

	<u>Totals</u>
Carahsoft Technology Reston, VA	\$3,637.20
Computer Management Technology Saginaw, (in-City)	\$3,780.00
Software Express Charlotte, NC	\$3,864.00

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Yeo & Yeo Consulting Saginaw, (in-City)	\$3,990.00
C D Gospel Houston, TX	\$4,146.00

The annual subscription provides support, updates and license coverage.

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:

INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE FOR U.S. GRAPHITE, INC., 1510 E. HOLLAND

Council _____ offered and moved adoption of the following resolution:

WHEREAS, U.S. Graphite, Inc., did on December 11, 2009, 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 December 21, 2009, and said application being on file in City Clerk's File 09-25; 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 February 22, 2010 on the petition of U.S. Graphite, Inc. 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. 09 0013 00000 commonly known as 1510 E. Holland Avenue, Saginaw, Michigan.

2. Upon receipt of the above-mentioned application for an Industrial Facilities Tax Exemption Certificate from U.S. Graphite, Inc., the City 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

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Council at its regular meeting on Monday, March 8, 2010 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 U.S. Graphite, Inc., 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) 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 forty-six (46) 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

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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.

10. As part of the aforementioned application, U.S. Graphite, Inc., 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 U.S. Graphite, Inc., 1510 E. Holland, Saginaw, Michigan, for an Industrial Facilities Tax Exemption Certificate for a period of 12 years.

COUNCIL COMMUNICATION

From: The City Manager

Subject: WTP Emergency Repairs to North Clarifier

Manager's Recommendation:

I recommend that an adjustment be made in the purchase order made to D.C. Byers Company, Detroit, Michigan. The original emergency purchase order #40113 was "for up to the amount of \$13,295.00." I recommend the original amount be increased by \$3,873.00 to \$17,168.00.

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 Treatment General Repairs Account, No. 591-4730-861.80-40.

Justification:

On December 29, 2009, an emergency purchase order was issued to D.C. Byers Company, Detroit, Michigan, in the amount of \$13,295.00. The work was for sealing cracks in the walls and concrete repair of the north clarifier at the Water Treatment Plant. The clarifier is filled with water year round and water has been leaking through the cracks. Because of the leaks, the brick on the exterior of these walls was deteriorating. The clarifiers are drained once a year for inspection and cleaning so the work needed to be done at this time. D.C. Byers Company was chosen based on their experience and the recommendation from Greeley and Hansen; the engineering firm hired by the City of Saginaw for Master Planning.

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After completion of the original work and upon refilling of the clarifier, additional leaking was noted in an area where none was observed before. There was a minor crack noted when pictures were reviewed adjacent to the area of the leak. The clarifier was drained again and the contractor was asked to come back to effect the additional repairs necessary to correct the leak. The repair took two days and required significant additional product. The increase is necessary to cover the additional costs incurred by the contractor. The repairs are completed and appear to have corrected the problem.

Council Action:

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

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From: The City Manager

Subject: Traffic Engineering, Reflective sheeting

Manager's Recommendation:

I recommend that the State bid from 3M be accepted and a purchase order be approved and issued to them in the amount of \$53,069.10 for the purchase of reflective sheeting and pavement marking tape.

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

Funds for this purchase are available in the Traffic Engineering Major Streets Parts and Supplies Account Nos. 202-4621-791.73-30 (\$20,433.60) and 202-4621-791.73-50 (\$32,635.50).

Justification:

The State of Michigan awarded the bid for reflective sheeting and pavement marking tape to 3M of St. Paul, MN, per contract #071B8200201.

The Traffic Engineering Division is required to maintain and replace, when necessary, approximately 25,000 street signs within the City of Saginaw. Per the Federal Highway Administration and the 2003 Michigan Manual of Uniform Traffic Control Devices, maintaining agencies have until January 2012, to establish and implement a sign assessment or management method to maintain minimum levels of retro reflectivity. The compliance date for regulatory, warning and ground mounted guide signs is January 2015. The City of Saginaw will need to upgrade approximately 10,000 to 15,000 signs to meet these new requirements. This purchase is for the materials needed to begin making these upgrades.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Great Lakes Crossroad L.L.C.

Manager's Recommendation:

I recommend that the Third Amended Development Agreement between the City of Saginaw and Great Lakes Crossroad, L.L.C. be approved and that the City Manager or his designee be authorized to execute all documents necessary. This Third Amended Development Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification:

The City of Saginaw, Abraham Allen and Great Lakes Crossroad, L.L.C. entered into a development agreement on April 16, 2002 with regard to the building at 234 S. Water Street, commonly known as the "Armory". The parties executed an amended development agreement on June 19, 2006, extending the completion date of the proposed elevator until June 30, 2008. The City of Saginaw and Great Lakes Crossroads, L.L.C. entered into a Second Amended Development Agreement on March 23, 2009, extending the completion date until February 28, 2010.

Great Lakes Crossroad L.L.C. has requested an extension of that completion date of the passenger elevator until February 28, 2011. The time extension is required due to general economic conditions that have delayed the completion of this development.

Council Action:

Council _____ moved that the communication from the City Manager be approved.