

Council Agenda

May 3, 2010, 6:30 p.m., Council Chamber

PLEASE NOTE: There will be a **Committee of the Whole** beginning at **4:00 p.m. in the Council Chamber**. Darnell Earley, City Manager, will present the recommended 2010-11 Proposed Budget; State of Economic Outlook by Dr. Eric Scorsone, Senior Economist for the Senate Fiscal Agency; Chief Gerald Cliff will give an overview of the Police Department's budget, and Chief Dean Holland will give an overview of the Fire Department's budget.

PRAYER AND PLEDGE OF ALLEGIANCE

ROLL CALL

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

April 5, 2019 amended minutes and April 19, 2010 regular council meeting.

ANNOUNCEMENTS:

Cheryl N. Popielarz, Saginaw County Health Department, to accept proclamation designating May as "Are U In? Action Leads to Change for Healthier, Safer Community Living" campaign month.

PUBLIC HEARINGS:

1. Request from CIGNYS/Saginaw Products Corp. for an Industrial Facilities Exemption Certificate at 68 Williamson St., Saginaw, Michigan.
2. Amendment to the CDBG-R.

PERSONAL APPEARANCES:

REMARKS OF COUNCIL:

PETITIONS:

10-08 from Tim Hausbeck, President, Hausbeck Pickle Company, 1626 Hess Ave., requesting to create an Industrial Development District for future PA 198 Personal Property Tax Abatement Request.

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

REPORTS FROM MANAGER:

Management Update:

General Government Budget Reviews:

- City Manager's Office
- Employee Services Office (including Worker's Compensation & Police and Fire Pension
- City Clerk / Elections
- Attorney's Office

Phil Karwat, City Engineer, will review the First Contract Amendment with Lois Kay Contracting Company, (item no. 9).

Recommended Actions:

1. Recommending the consolidation of Precincts 1 and 2, and dividing Precinct 16 to become Precinct 16 and Precinct 22, and renumbering several other precincts.
2. Recommending that the Public Safety Service Agreement with St. Paul Saginaw 2009 LDHA Limited Partnership be approved. The City of Saginaw has negotiated a PILOT ordinance with St. Paul Saginaw 2009 LDHA Limited Partnership, applicable to a renovation project at the existing St. Paul Townhomes. This Public Safety Service Agreement would provide an additional payment directly to the City of Saginaw to compensate it for the costs associated with providing police and fire service. The amount would vary between \$7,500.00 and \$15,000.00 depending upon the number of calls for service each year.
3. Recommending approval of the Agreement between the City of Saginaw and Part D Advisors to perform additional Medicare Part D subsidy reimbursement services. Further recommend that the Director of Employee Services be authorized to execute said agreement and other related documents on behalf of the City. Funding for this Agreement is made from the subsidy reimbursement in the Retiree Health/Operating Services Account, No. 101 8510 771 8005.
4. Recommending that the City of Saginaw accept the donation of a 14 foot enclosed trailer from the Dow Foundation. This trailer will be utilized to move equipment and materials for positive neighborhood improvement initiatives such as neighborhood clean-up activities and arson watch.
5. Recommending acceptance of the low bid and issuance of a purchase order to Winter Equipment Company in the amount of \$3,485.04 for the purchase of nine

- (9) sets of wear guards for the City's plow truck. Funds are budgeted in the Motor Pool Operation Motor Vehicle Supplies Account, No. 661 4480 841 7312.
6. Recommending that a purchase order be approved and issued to HESCO in the amount of \$3,709.00 for repair of the pressure valve at the Gratiot station. HESCO is the sole-source supplier for repairs to the Golden Anderson valves. Funds are available in the Water Operation and Maintenance General Repairs Account, No. 591 4730 861 8040.
 7. Recommending acceptance of the quote and issuance of a purchase order to Emerson Process Management in the amount of \$7,980.75 for the purchase of two flow transmitters and four remote seals for use at the Wastewater Treatment Plant. Funds are budgeted in the Sewer Operation and Maintenance Surplus Repairs and Replacements Account, No. 590 4840 881 9720.
 8. Recommending issuance of a purchase order to Walker Process Equipment, sole supplier, in the amount of \$37,471.00 for the supply and delivery of replacement main chain for the sludge collection system in the Water Treatment Plant's Sedimentation Basins. These parts are normal maintenance items required for the sludge collection and removal system. Funds are budgeted in the Water Surplus Repairs and Replacements Account, No. 591 4740 881 9720.
 9. Recommending that the First Contract Amendment with Lois Kay Contracting Company be approved. The amount of the amendment is \$635,600.00. On October 26, 2009, City Council approved the original contract with Lois Kay in the amount of \$278,000.00 for resurfacing/reconstruction of over .5 miles of city streets. The City Engineering Department recently received an additional \$357,600.00 in Community Development Block Grant Recovery Funds (CDBG-R) to be used towards resurfacing city streets that meet the CDBG requirements. Additional milling and street resurfacing will be added to the Amendment at the unit prices bid to bring the total amount to \$635,600.00, which is the current amount of CDBG-R funds available for this project. Funds are available in the Community Development Block Grant (CDBG-R) Street Resurfacing Fund Account, No. 275 6511 761 8046. (\$357,600.00)

INTRODUCTION OF ORDINANCES:

1. An Ordinance to add "Low Income Housing Tax Exemption for St. Paul Saginaw 2009 LDHA Limited Partnership," to the Table of Special Ordinances, VIII.
2. An Ordinance to amend Paragraph (L) "Penalties and Remedies", Of §110.35 "General Business License," of Chapter 110, "General Provisions" of Title XI "Business Regulations" of the Saginaw Code of Ordinances O-1.

3. An Ordinance to amend §34.01, "Designation of Boundaries of Voting Precincts," Of Chapter 34, "Elections" of Title III, "Administration" of the City of Saginaw Code of Ordinances, O-1.

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Appointment of the Receiving Boards for the August 3, 2010 Primary and November 2, 2010 General Elections.
2. Approving the Industrial Facilities Tax Exemption Certificate for CIGNYS/Saginaw Products Corporation, 68 Williamson.
3. Creating Neighborhood Enterprise Zone #11.
4. Authorizing the sale of alcoholic beverages in the 300 North Hamilton Street blocks through 300 South Hamilton Street blocks and the 400 block of Court Street on July 16, 2010 and July 17, 2010.
5. Authorizing the sale of alcoholic beverages at the Children's Zoo at Celebration Square during the "Brew at the Zoo" annual fundraiser to be held on June 17, 2010 from 6:00 p.m. – 9:00 p.m.
6. Authorizing the use of amplifying equipment during the Old Town Motorfest to be held July 16, 2010 and July 17, 2010 in the 300 South Hamilton Street blocks and the 400 block of Court Street.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley
City Manager

COUNCIL COMMUNICATION

From: The City Manager

Subject: Public Safety Service Agreement

Manager's Recommendation:

I recommend that the Public Safety Service Agreement with St. Paul Saginaw 2009 LDHA Limited Partnership be approved. This Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification:

The City of Saginaw has negotiated a PILOT ordinance with St. Paul Saginaw 2009 LDHA Limited Partnership, applicable to a renovation project at the existing St. Paul Townhomes. That PILOT ordinance is being considered at the same time as this Public Safety Service Agreement. The PILOT ordinance provides for a service fee of 6% of the shelter rents, the proceeds of which would be distributed to all taxing entities. This Public Safety Service Agreement would provide an additional payment directly to the City of Saginaw to compensate it for the costs associated with providing police and fire service. This amount would be retained by the City, and not distributed to the other taxing entities. The amount would vary between \$7,500 and \$15,000 depending upon the number of calls for service in each year.

Council Action:

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

COUNCIL COMMUNICATION

Council _____ introduced an amended ordinance entitled and reading
as follows:

AN ORDINANCE TO ADD "LOW INCOME HOUSING TAX
EXEMPTION FOR ST. PAUL SAGINAW 2009 LDHA LIMITED
PARTNERSHIP," TO THE TABLE OF SPECIAL ORDINANCES,
VIII.

Laid over under the Charter provision.

COUNCIL COMMUNICATION

Council _____ moved that an ordinance introduced May 3, 2010, entitled and reading as follows, be taken up and enacted:

AN ORDINANCE TO ADD "LOW INCOME HOUSING TAX EXEMPTION FOR ST. PAUL SAGINAW 2009 LDHA LIMITED PARTNERSHIP," TO THE TABLE OF SPECIAL ORDINANCES, VIII.

The City of Saginaw ordains:

Section 1. "Low Income Housing Tax Exemption for St. Paul Saginaw 2009 LDHA Limited Partnership," is hereby added to the Table of Special Ordinances VIII, of the City Of Saginaw Code Of Ordinances, O-1, and shall read as follows:

LOW INCOME HOUSING TAX EXEMPTION

This ordinance shall provide for a service charge in lieu of taxes for an existing multiple-family dwelling project for persons of low income to be financed or assisted pursuant to the provisions of the State Housing Development Authority Act of 1966, as amended.

(A) Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its citizens of low income and to encourage the development of such housing by providing for a service charge to be paid in lieu of property taxes in accordance with the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL Section 125.1401 et seq.). The City is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for persons of low income is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose; further, that the continuance of the provisions of this Ordinance for tax exemption and the service charge in lieu of taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of housing

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developments which are constructed or renovated and financed in reliance on such tax exemption.

The City acknowledges that St. Paul Saginaw 2009 LDHA Limited Partnership (“Sponsor”) has offered, subject to receipt of a Mortgage Loan from the Michigan State Housing Development Authority, to repair and renovate, and to acquire, own and operate a housing development to be identified as Bridgton Place Townhomes on certain property located in the City of Saginaw, County of Saginaw, State of Michigan described on Exhibit A which is kept on file with the City Clerk, the keeper of records for the City of Saginaw, and is incorporated herein by reference to serve persons of low income; and Sponsor has offered to pay the City on account of this housing development an annual service charge for public services in lieu of all taxes.

(B) *Definitions.*

(1) Act means the State Housing Development Authority Act, being Public Act 346 of 1966 of the State of Michigan, as amended.

(2) Annual Shelter Rents means the total collections during an agreed annual period from or paid on behalf of all occupants of a Housing Development representing rent or occupancy charges, exclusive of charges for gas, electricity, water and sanitary sewer service, or other utilities furnished to the occupants.

(3) Authority means the Michigan State Housing Development Authority.

(4) Contract Rents are as defined by the U. S. Department of Housing and Urban Development in regulations promulgated pursuant to the U. S. Housing Act of 1937, as amended.

(5) Housing Development means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, industrial, communal, and educational facilities as the Authority determines improve the quality of the development as it relates to housing for persons of low Income.

(6) Mortgage Loan means a loan to be made by the Authority to the Sponsor for the acquisition, renovation and/or permanent financing of the Housing Development.

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(7) Sponsor means person(s) or entities, which have applied to the Authority for a Mortgage Loan to finance a Housing Development.

(8) Utilities mean fuel, water, sanitary sewer service and/or electrical service which are paid by the Housing Development.

(C) *Class of Housing Developments.*

It is determined that the class of Housing Development to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such real taxes pursuant to this Ordinance shall be multiple family units, which are financed or assisted pursuant to the Act. It is further determined that Bridgton Place Townhomes is of this class.

(D) *Establishment of Annual Service Charge.*

The Housing Development identified as Bridgton Place Townhomes and the property on which it has been constructed shall be exempt from all property taxes from and after the date hereof. The City, acknowledging that the Sponsor and the Authority have established the economic feasibility of the Housing Development in reliance upon the enactment and continuing effect of this Ordinance and the qualification of the Housing Development for exemption from all property taxes and a payment in lieu of taxes as established in this Ordinance, and in consideration of the Sponsor's offer, subject to receipt of a Mortgage Loan from the Authority to acquire, renovate, own, and operate the Housing Development, hereby agrees to accept payment of an annual service charge for public services in lieu of all property taxes. The annual service charge shall be equal to six (6%) percent of the difference between the Annual Shelter Rents actually collected and Utilities.

(E) *Limitation on the Payment of Annual Service Charge.*

Notwithstanding Section D, the service charge to be paid each year in lieu of taxes for the part of the Housing Development which is tax exempt and which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the Housing Development if the Housing Development were not tax exempt.

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The term “low income persons or families” as used herein shall be the same meaning as found in 15(a)(7) of the Act.

(F) *Contractual Effect of Ordinance.*

Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, a contract between the City and the Sponsor with the Authority as a third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes as previously described, is effectuated by enactment of this Ordinance.

(G) *Payment of Service Charge.*

The annual service charge in lieu of taxes as determined under the Ordinance shall be payable in the same manner as general property taxes are payable to the City except that the annual payment shall be paid on or before the first (1st) day of August of each year. Such annual service charge shall be first payable on or before August 1, 2012 based upon the Annual Shelter rents and Utilities for the 2011 calendar year.

(H) *Duration.*

This Ordinance shall remain in effect and shall not terminate so long as the Mortgage Loan remains outstanding and unpaid or the Authority has any interest in the property; provided that if renovation of the Housing Development commences within eighteen months from the effective date of this Ordinance.

(I) *Severability.*

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of the Ordinance as a whole or any section or provision of this Ordinance other than the section or provision so declared to be unconstitutional or invalid.

Section 2. This ordinance shall become effective June 3, 2010.

Enacted: May 24, 2010.

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Manager's Recommendation: Approval of the resolution as follows

APPOINTMENT OF RECEIVING BOARDS FOR THE AUGUST 3, 2010 PRIMARY AND NOVEMBER 2, 2010 GENERAL ELECTIONS

Council _____ offered and moved adoption of the following resolution:

WHEREAS, a Primary Election will be held in the City of Saginaw on Tuesday, August 3, 2010; and

WHEREAS, a General Election will be held in the City of Saginaw on Tuesday, November 2, 2010; and

WHEREAS, each of the City's twenty-two (22) precincts at the close of the polls, prepare the necessary paperwork to be sealed in specified envelopes, seal the ballots in the ballot box, and deliver the materials to the City Clerk's Office; and

WHEREAS, under Michigan law (MCL 168.679a), the legislative body of a City, by resolution, can authorize the Election Commissioners of the City to appoint receiving boards to accept and open the sealed envelopes and containers for review and verification.

NOW, THEREFORE, BE IT RESOLVED that the Election Commissioners for the City of Saginaw (consisting of the Chief of Police, City Attorney and City Clerk) are hereby authorized to appoint the necessary receiving boards to receive the materials (ballot boxes, poll books, and statement of votes) from the precincts at the close of the polls on Tuesday, August 3, 2010 and Tuesday, November 2, 2010.

BE IT FURTHER RESOLVED that in accordance with MCL 168.679a, each board will consist of an equal number (or as near as possible) of inspectors from each

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major political party.

BE IT FURTHER RESOLVED that the receiving boards will be authorized to open the sealed envelopes and ballot boxes to verify: (1) that the number of ballots issued equals the number of voters in the poll book and statement of votes; (2) confirm that the ballot box has been properly sealed and that nothing other than ballots are contained within; and (3) verify that all necessary documents and have been properly signed by the election inspectors of each precinct.

BE IT FURTHER RESOLVED that the receiving board, with the election inspectors, shall together take the necessary steps to correct any discrepancies, making notation of such correction in the poll book and shall notify the clerk of the board of canvassers of the corrective action taken. Upon review and correction, if necessary, the receiving board shall properly reseal the ballot boxes and envelopes.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Consolidating Precincts 1 and 2, Dividing Precinct 16 and Renumbering Several Other Precincts

Manager's Recommendation:

I recommend Precinct 1 (St. Joseph Education Center) and Precinct 2 (Arthur Eddy Academy) be consolidated into one Precinct to be entitled Precinct 1 and be located at St. Joseph Education Center, 936 N. Sixth. Further recommend that Precinct 4A (Central Fire Station) be renumbered to Precinct 2, Precinct 4B (Maplewood Manor) be renumber to Precinct 4, Precinct 18A (Rosien Towers) be renumbered to Precinct 18 and Precinct 18B (Butman-Fish Library) be renumbered to Precinct 21. Further recommend the City divide Precinct 16 to become Precinct 16 and Precinct 22, both precincts to be located at Handley Elementary, 224 N. Elm, and to be entitled Handley School A and Handley School B.

Justification:

The City Clerk's Office regularly reviews its precincts as to the number of registered voters, easy access, parking, etc. to better accommodate the voters. In May 2008, because the number of registered voters allowed in a precinct by Election Law was approaching the capacity in two of the City's precincts, the City divided Precinct 4 and Precinct 18 and numbered the precincts, 4A, 4B, 18A and 18B. The City Clerk was recently advised by the State of Michigan, Bureau of Elections, that due to recent software upgrades used for programming ballots, letters from the alphabet could no longer be used when numbering precincts. As such, it is necessary for the City to renumber these precincts.

In addition, Precinct 1, St. Joseph Education Center currently has 927 registered voters and Precinct 2, Arthur Eddy Academy, has 1,138 registered voters for a combined total of 2,065, which is still less than many other City precincts. These precincts also have a history of low voter turnout. It is being recommended that these precincts be combined into one precinct, to be known as Precinct #1 and be located at St. Joseph Education Center, 936 N. Sixth.

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To accommodate the new software, former Precinct 4-A (Central Fire Station) would be renumbered to Precinct 2 and Precinct 4-B (Maplewood Manor) would become Precinct 4 because it was known as Precinct 4 before the 2008 split.

Moreover former Precinct 18-A (Rosien Towers) would become Precinct 18 because that's what it was before the 2008 split and Precinct 18-B (Butman Fish) would become Precinct 21.

Another issue to address is the number of registered voters at Handley School. Election Law (MCL 168.661(1) states, "When the registration in a precinct using voting machines exceeds 2,999, the precinct shall be divided or rearranged." Presently Precinct 16, Handley School, has 2,742 registered voters and has a history of a high voter turnout. As a result, this precinct has difficulty accommodating the number of voters with regard to room space.

With the assistance of the City's Geographical Information System, Precinct 16 was divided with Thurman, Birney and Jackson Streets as the bisecting line. This division would split the number of registered voters as equally as possible for the two precincts. Both precincts will be located within Handley School, which will be less confusing to voters as they will vote at the same location, yet will better accommodate voters because they will vote in a separate location within the building. The two precincts will be known as Precinct 16, Handley School A and Precinct 22, Handley School B.

Overall, the City's precincts would be numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 and 22, with 10 precincts being located on the City's Eastside and 12 being on the Westside.

On April 14, 2010, the Election Commission (established by City Charter, consisting of the Chief of Police, City Attorney and City Clerk) met and adopted a resolution approving the above changes.

These changes are being made in accordance with Election Law and as required, proper notices will be posted. Any voters who are affected by a change in their precinct will receive a new voter identification card as required by law.

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Given the foregoing, the following lists the proposed precincts and polling locations:

CITY OF SAGINAW PRECINCTS

#	PRECINCT	ADDRESS
1	ST. JOSEPH EDUCATION CENTER	936 N. Sixth
2	CENTRAL FIRE STATION	801 Federal
3	HEAVENRICH SCHOOL	2435 Perkins
4	MAPLEWOOD MANOR	535 S. Warren
5	RUBEN DANIELS MIDDLE SCHOOL	1010 Hoyt
6	SAGINAW HIGH SCHOOL A	3100 Webber
7	ST. GEORGE CHURCH	3121 Sheridan
8	SAGINAW HIGH SCHOOL B	3100 Webber
9	YMCA	1915 Fordney
10	NEW MOUNT CALVARY MISSIONARY BAPTIST CHURCH	3610 Russell
11	THOMPSON MIDDLE SCHOOL	3021 Court
12	KEMPTON SCHOOL	3040 Davenport
13	SAGINAW CAREER COMPLEX	2101 Weiss
14	SAGINAW ART MUSEUM	1126 N. Michigan
15	HERIG ELEMENTARY SCHOOL	1905 Houghton
16	HANDLEY SCHOOL A	224 N. Elm
17	ST. STEPHEN'S SCHOOL	1300 Malzahn
18	ROSIEN TOWERS	310 S. Harrison
19	JEROME SCHOOL	1515 Sweet
20	MERRILL PARK SCHOOL	1800 Grout
21	BUTMAN-FISH LIBRARY	1716 Hancock
22	HANDLEY SCHOOL B	224 N. Elm

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Ordinance to Amend Designation of Boundaries of Voting Precincts

Manager's Recommendation:

It is recommended that §34.01, "Designation of Boundaries of Voting Precincts," of Chapter 34, "Elections," of Title III, "Administration," of the City of Saginaw Code of Ordinances, O-1, be amended. An Ordinance has been prepared and appears under the regular order of business.

Justification:

In 2008, because the number of registered voters allowed in a precinct by Election law was approaching the capacity in two of the City's precincts, the City divided Precinct 4 and Precinct 18 and numbered the precincts, 4A, 4B, 18A and 18B. The City Clerk was recently advised by the State of Michigan, Bureau of Election, that due to recent software upgrades used for programming ballots, letters from the alphabet could no longer be used to identify precincts. As such, it is necessary for the City to renumber its precincts. Any voters who are affected by a change in the number of their precinct will receive a new voter identification card as required by law.

Council Action:

This communication is being submitted to explain the ordinance to be introduced in a subsequent portion of the agenda.

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Council _____ introduced an ordinance entitled and reading as

follows:

AN ORDINANCE TO AMEND §34.01, "DESIGNATION OF BOUNDARIES OF VOTING PRECINCTS," OF CHAPTER 34, "ELECTIONS" OF TITLE III, "ADMINISTRATION" OF THE CITY OF SAGINAW CODE OF ORDINANCES, O-1.

Laid over under the Charter provision.

COUNCIL COMMUNICATION

Council _____ moved that an ordinance introduced May 3, 2010, entitled and reading as follows, be taken up and enacted:

AN ORDINANCE TO AMEND §34.01, "DESIGNATION OF BOUNDARIES OF VOTING PRECINCTS," OF CHAPTER 34, "ELECTIONS" OF TITLE III, "ADMINISTRATION" OF THE CITY OF SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw ordains:

Section 1. §34.01, "Designation of Boundaries of Voting Precincts," of Chapter 34, "Elections," of Title III, "Administration," of the City of Saginaw Code of Ordinances, O-1, is hereby amended and shall read as follows:

§ 34.01 DESIGNATION OF BOUNDARIES OF VOTING PRECINCTS.

(A) The territory comprising the one (1) ward of the City shall be divided into twenty-two (22) voting precincts numbered as follows:

<u>Precinct</u>	<u>Precinct</u>
1	12
2	13
3	14
4	15
5	16
6	17
7	18
8	19
9	20
10	21
11	22

(B) The boundaries of the precincts numerated in division (A) are as described on the true copy of the official map on file in the City Clerk's Office.

Section 2. This ordinance shall become effective May 27, 2010.

Enacted: May 17, 2010.

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

RESOLUTION CREATING NEIGHBORHOOD ENTERPRISE ZONE #11

Council _____ offered and moved adoption of the following resolution:

WHEREAS, Public Act 147 of 1992 was created to enable cities in Michigan to encourage new residential construction and the rehabilitation of existing structures; and

WHEREAS, creation of this Neighborhood Enterprise Zone is determined to be consistent with the Master Plan adopted by the City of Saginaw; and

WHEREAS, the City of Saginaw maintains a statement of its goals, objectives and policies relative to the maintenance, preservation, improvement and development of housing all its citizens as part of Title IX and Title XV of the Saginaw Code of Ordinances; and

WHEREAS, the City hereby requires that housing units granted certificates of tax abatement as part of this Neighborhood Enterprise Zone shall be inspected to insure compliance with construction and safety codes before a sale of said property may be finalized; and

WHEREAS, proper notification of parties pursuant to P.A. 147 has occurred; and

WHEREAS, creation of this zone will not cause the total accumulated acreage of all Neighborhood Enterprise Zones located within the City to exceed statutory limitations of PA 147 of 1992.

NOW, THEREFORE, BE IT RESOLVED that property encompassing 42.7 acres, henceforth to be known as City of Saginaw Neighborhood Enterprise Zone #11, is

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created pursuant to Michigan Public Act 147 of 1992 and this Council Resolution and the zone may be described more fully as:

A parcel of land in the State of Michigan, County of Saginaw, City of Saginaw further described as: Blocks 5, 7, 12, 13 and 14 City of Saginaw In Division South of Cass Street Plat including North ½ of vacated Mackinaw Street adjacent to Block 13, vacated Van Buren Street between Blocks 7 and 14 and the Southeast ½ of vacated Cass Street adjacent to Block 7 all in the City of Saginaw In Division South of Cass Street Plat. Also Blocks 3, 5, 8, 9, 10, 13, 14, 15, 18, 19, 20, 23, 24, 25, 28, 29 and 30 City of Saginaw In Division North of Cass Street Plat including Northwest ½ of vacated Cass Street adjacent to Block 5, vacated Adams Street between Blocks 5 and 10 and vacated Cleveland Street between Blocks 24 and 29 and Blocks 25 and 30 all in the City of Saginaw In Division North of Cass Street Plat.

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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 March 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 April 19, 2010, and said application being on file in City Clerk's File 10-07; 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 Clerk did notify in writing the Assessor of the City of Saginaw and the legislative body of each

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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, May 3, 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 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 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.

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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 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

COUNCIL COMMUNICATION

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

From: The City Manager

Subject: General Business License Ordinance Amendment

Manager's Recommendation:

It is recommended that Paragraph (L), "Penalties and Remedies" of §110.35, "General Business License," of Chapter 110, "General Provisions", of Title XI, "Business Regulations" of the City of Saginaw Code of Ordinances, O-1, be amended. An Ordinance has been prepared and appears under the regular order of business.

Justification:

In the past year, certain issues have arose wherein a business begins operations without any notification to the City and thereafter fails to obtain a General Business License. The current ordinance allows the City Clerk to charge a 50% late fee for any business which fails to obtain or renew its license. However, further review and discussion by City staff has determined that more stringent penalties and actions should be taken against those businesses which refuse to obtain or renew a license or declare there is no business in operation at their commercial establishment, although thousands of gallons of water are being utilized each month. This revision to the General Business License would allow the City Clerk to use whatever means necessary to cause a business to cease operations at its location, including having persons vacate the premises, padlocking the premises and/or terminating water service. Any costs incurred by the City to effectuate these procedures would be charged to the business owner.

Council Action:

This Council Communication is being submitted to explain the ordinance to be introduced in a subsequent portion of the agenda.

COUNCIL COMMUNICATION

Council _____ introduced an ordinance entitled and reading as

follows:

AN ORDINANCE TO AMEND PARAGRAPH (L) "PENALTIES AND REMEDIES, " OF §110.35 "GENERAL BUSINESS LICENSE," OF CHAPTER 110, "GENERAL PROVISIONS" OF TITLE XI "BUSINESS REGULATIONS" OF THE SAGINAW CODE OF ORDINANCES O-1.

Laid over under the Charter provision.

COUNCIL COMMUNICATION

Council _____ moved that an ordinance introduced, May 3, 2010, entitled and reading as follows, be taken up and enacted:

AN ORDINANCE TO AMEND PARAGRAPH (L) "PENALTIES AND REMEDIES," OF §110.35 "GENERAL BUSINESS LICENSE," OF CHAPTER 110, "GENERAL PROVISIONS" OF TITLE XI "BUSINESS REGULATIONS" OF THE SAGINAW CODE OF ORDINANCES O-1.

The City of Saginaw Ordains:

Section 1. Paragraph (L), "Penalties and Remedies" of §110.35, "General Business License," of Chapter 110, "General Provisions", of Title XI, "Business Regulations" of the City of Saginaw Code of Ordinances, O-1, is hereby amended to read as follows:

§ 110.35 GENERAL BUSINESS LICENSE.

(L) *Penalties and Remedies.* In addition to any other penalty or remedy provided for in this code, or other City ordinances, the City Clerk shall have the authority to take the following actions against any business, which fails to obtain or renew a business license:

(1) Cause to be issued a Class C Civil Infraction Citation. A separate offense shall be deemed committed for each day that a violation occurs.

(2) Use whatever means necessary to cause said business to cease operations at its location, including, but not limited to, having persons vacate the premises, padlocking said premises, or terminating water service to said premises, with reasonable costs charged to the business owner.

Section 2. That this Ordinance shall take effect on May 27, 2010.

Enacted: May 17, 2010.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Rosemount Flow Transmitters

Manager's Recommendation:

I recommend that the quote from Emerson Process Management be accepted and that a purchase order be issued to them in the amount of \$7,980.75 for the purchase of two flow transmitters and four remote seals.

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 Sewer Operation and Maintenance Surplus Repairs and Replacements Account No. 590-4840-881.97-20.

Justification:

Rosemount flow meters are used at the Wastewater Treatment Plant to measure flow and control pumping rates and chlorine feed. The plant has two of these meters and one of them has been behaving erratically which indicates the transmitter is failing. The meters are thirty-five years old and critical to plant operations. One transmitter will be used immediately and the other will be kept in inventory. Emerson Process Management is the manufacturer's representative and, therefore, the sole source for replacement parts for Rosemont flow meters.

Council Action

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: SCENIC Trailer

Manager's Recommendation:

I recommend that the City of Saginaw receive the donation of a 14' enclosed trailer from the Dow Foundation.

Justification:

In October 2009, the City of Saginaw received a donation from the Dow Foundation for the purchase of an enclosed utility trailer for use by the inspections division in facilitation of the Saginaw Code Enforcement Neighborhood Improvement Cooperative. This trailer will be utilized to move equipment and materials for positive neighborhood improvement initiatives such as neighborhood clean-up activities and arson watch. This trailer should be recorded as an asset of the City of Saginaw with a value of \$5,000.00 for accounting purposes.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Gratiot Station PRV Repair

Manager's Recommendation:

I recommend that a purchase order be approved and issued to HESCO in the amount of \$3,709.00 for the repair of the pressure valve at the Gratiot Station.

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 item are available in the Water Operation and Maintenance General Repairs Account No. 591-4730-861.80-40.

Justification:

One of the two pressure reducing valves at the Gratiot station is leaking past the liner seals. HESCO has agreed to repair the valve by replacing the liner and seal kit, without the normal Field Service fee. This is based on a previous inspection of the valve by HESCO to determine the reason the valve is leaking. The cost is for the liner and seal kit. The PRV is a protection device that opens to relieve high discharge pressure from the pumps to protect the distribution piping and minimize main breaks. HESCO is the sole-source supplier for repairs to Golden Anderson valves.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Water Treatment Plant Settling Basin Replacement Chain

Manager's Recommendation:

I recommend issuance of a purchase order to Walker Process Equipment in the amount of \$37,471.00 for the supply and delivery of replacement main chain for the sludge collection system for use by the Water Treatment Plant.

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 Surplus Repairs and Replacements Account No. 591-4740-881.97-20.

Justification:

On April 14, 2010, the City received a quote from Walker Process Equipment, sole supplier, for the supply and delivery of replacement main chain for the sludge collection system in the Water Treatment Plant's Sedimentation Basins. The sludge collection system is an integral component of the water treatment process. These parts are normal maintenance items required for the sludge collection and removal system. Parts for this system were last ordered in 2003. The cost quoted represents a 280% increase when comparing prices of similar parts purchased in 2003. This significant increase can be attributed to changes in the steel and stainless market, loss of demand for components and the time lapsed since the last purchase.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Lois Kay Contracting Company First Contract Amendment

Manager's Recommendation:

I recommend that the First Contract Amendment ("Amendment") with Lois Kay Contracting Company ("Lois Kay") be approved. The amount of the amendment is \$635,600.00. I have approved the Amendment as to substance and the City Attorney as to form.

Funds for this contract are available in the Community Development Block Grant (CDBG-R) Street Resurfacing Fund, Account No. 275-6511-761.80-46 (\$357,600.00). The American Recovery and Reinvestment Act has made these funds available to the City of Saginaw.

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.

Justification:

On October 26, 2009, City Council approved the original contract with Lois Kay in the amount of \$278,000.00 for resurfacing/reconstruction of over .5 miles of City streets. The City Engineering Division recently received an additional \$357,600.00 in Community Development Block Grant Recovery Funds (CDBG-R) to be used towards resurfacing City Streets that meet the CDBG requirements. The Engineering Division proposes to amend the original contract and add an additional 1.1 miles of street resurfacing and ADA upgrades on City eligible streets. A list of proposed streets has been received and approved by the Department of Development. The additional work

COUNCIL COMMUNICATION

includes milling and street resurfacing on Atwater Street; Howard Street to Sheridan Avenue and Warren Avenue; Holland Avenue to Hoyt Street and on Houghton Avenue; Harrison Street to Woodbridge Street; and the installation of ADA compliant sidewalk ramps/domes at specified locations in the project areas. Additional milling and street resurfacing will be added to the Amendment at the unit prices bid, to bring the total amount to \$635,600.00, which is the current amount of CDBG-R funds available for this project.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Wear Guard for Scraper Blades

Manager's Recommendation:

I recommend acceptance of the low bid and issuance of a purchase order to Winter Equipment Company in the amount of \$3,485.04 for the purchase of nine (9) sets of wear guards.

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 Motor Pool Operation Motor Vehicle Supplies, Account No. 661-4480-841.73-12.

Justification:

Bids were received from Winter Equipment Company and Truck and Trailer Specialties for nine (9) sets of wear guards. Wear guards were placed on the five newest plow trucks and evaluated this year for longevity of the guard and the scraper blades. Only one scraper blade needed to be replaced during the entire season. Using a standard blade with no guards, the blades had to be changed at each shift. With the addition of the guards, the longevity of the scraper blade is greatly improved, keeping the trucks on the road longer. Following is a tabulation of bids received.

Winter Equipment Company Willoughby, OH	\$3,485.04
Truck and Trailer Specialties Boyne Falls, MI	\$4,493.00

Council Action

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Authorization to Allow Old Town Motorfest Group to Use Amplifying Equipment

Manager's Recommendation:

I recommend approval of a Resolution authorizing the use of the amplifying equipment for a special event sponsored by the Old Town Motorfest group in the 300 North Hamilton Street through 300 South Hamilton Street blocks and the 400 block of Court Street, which is publicly owned property, on July 16, 2010 through July 17, 2010.

Justification:

On July 16, 2010 through July 17, 2010, the Old Town Motorfest group will sponsor a car show and a wing cook in the 300 North Hamilton Street through 300 South Hamilton Street blocks and the 400 block of Court Street, which is publicly owned property, on July 16, 2010 through July 17, 2010. The Old Town Motorfest group has requested pursuant to a Block Party Permit that the City allow it to use amplifying equipment during the two day event. Furthermore, per the Block Party Permit, the event sponsor obtained neighbors' signatures granting permission to close the streets only on July 17, 2010.

Council Action:

This communication is for explanation of the resolution and requires no separate approval.

COUNCIL COMMUNICATION

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

**RESOLUTION TO AUTHORIZE OLD TOWN MOTORFEST GROUP TO USE
AMPLIFYING EQUIPMENT IN THE 300 NORTH HAMILTON STREET THROUGH 300
SOUTH HAMILTON STREET BLOCKS AND THE 400 BLOCK OF COURT STREET**

Council _____ offered and moved adoption of the following resolution:

WHEREAS, the Old Town Motorfest group plans to host a car show and wing cook off in the in the 300 North Hamilton Street through 300 South Hamilton Street blocks and the 400 block of Court Street on July 16, 2010 and July 17, 2010; and

WHEREAS, the Old Town Motorfest group has requested that it be allowed to use amplifying equipment during the car show and wing cook off; and

WHEREAS, the Old Town Motorfest group obtained the signatures of residents and local businesses; and

WHEREAS, City Council can provide authorization for the use of amplifying equipment on public property.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Saginaw hereby authorizes the use of amplifying equipment on public property during the car show and wing cook off to be held on July 16, 2010 and July 17, 2010, in the 300 North Hamilton Street through 300 South Hamilton Street blocks and the 400 block of Court Street.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Authorization to Allow the Sale of Alcoholic Beverages in the 300 North Hamilton Street through 300 South Hamilton Street blocks and the 400 block of Court Street

Manager's Recommendation:

I recommend approval of the attached resolution authorizing the sale of alcoholic beverages in the 300 North Hamilton Street through 300 South Hamilton Street blocks and the 400 block of Court Street, which is public property, during the Old Town Motorfest Car Show/Wing Cook Off, to be held on July 16, 2010 through July 17, 2010.

Justification:

On July 16, 2010 and July 17, 2010, Old Town Motorfest will sponsor its annual car show and a wing cook off in the 300 North Hamilton Street through 300 South Hamilton Street blocks and the 400 block of Court Street. Old Town Motorfest has requested that the City allow it to provide alcoholic beverages to its guests for sale during this special event. Title XIII, Section 132.01(C) of the Saginaw Code of Ordinances states that City Council can authorize the consumption of alcoholic beverages on public property if the vendor provides the following to the City:

- (1) The precise location where said beverages are to be sold and consumed;
- (2) The dates and times for said activities;
- (3) A proper state license for the sale and consumption of alcoholic beverages at the place and times listed in subsection (1) and (2) above;
- (4) Adequate public liability and property damage insurance for the benefit of the City with a company licensed to sell insurance by the state;
- (5) Such other insurance as the City Council deems adequate for the benefit of the City;

COUNCIL COMMUNICATION

- (6) Adequate personnel to control the premises where the alcoholic beverages are to be sold and consumed; and
- (7) Such other reasonable requirements as said City Council deems appropriate.

Old Town Motorfest will provide the proper documents to the City by June 18, 2010. If it fails to provide the documentation by the date specified, the event sponsor will not be allowed to sell alcoholic beverages in the 300 North Hamilton Street through 300 South Hamilton Street blocks and the 400 block of Court Street on July 16, 2010 and July 17, 2010. The City has set insurance requirements and all insurance certificates must be reviewed and approved by the City Attorney prior to the event.

Council Action:

This communication is for explanation of the resolution and requires no separate approval.

COUNCIL COMMUNICATION

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

**RESOLUTION TO PERMIT THE SALE OF ALCOHOLIC BEVERAGES
IN THE 300 NORTH HAMILTON THROUGH 300 SOUTH HAMILTON STREET AND
THE 400 BLOCK OF COURT STREET**

Council _____ offered and moved adoption of the following resolution:

WHEREAS, the Old Town Motorfest plans to hold car show and wing cook off in the 300 North Hamilton through 300 South Hamilton Street and the 400 block of Court Street on July 16, 2010 and July 17, 2010; and

WHEREAS, Old Town Motorfest requested that it be allowed to sell alcoholic beverages to participants on public property; and

WHEREAS, City Council can provide authorization for the sale of alcoholic beverages on public property; and

WHEREAS, Old Town Motorfest must provide certain documents prior to the event.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Saginaw hereby authorizes the sale of alcoholic beverages on public property during the Old Town Motorfest Car Show and Wing Cook Off to be held on July 16, 2010 through July 17, 2010, in the 300 North Hamilton Street through 300 South Hamilton Street blocks and the 400 block of Court Street, provided that Old Town Motorfest provides the mandatory information listed in Title XIII, Section 132.01(C) of the Saginaw Code of Ordinances no later than June 18, 2010, to the proper City officials.

COUNCIL COMMUNICATION

BE IT FURTHER RESOLVED, if Old Town Motorfest does not provide the documents by the stated date, it will not be allowed to sell alcoholic beverages during the event on July 16, 2010 and July 17, 2010.

BE IT FURTHER RESOLVED, that the City has set all insurance requirements and all insurance certificates must be reviewed and approved by the City Attorney.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Authorization to Allow the Sale of Alcoholic Beverages at the Children's Zoo at Celebration Square

Manager's Recommendation:

I recommend approval of the attached resolution authorizing the sale of alcoholic beverages at the Children's Zoo ("Zoo") at Celebration Square during the "Brew at the Zoo" event, an annual fundraiser, to be held on June 17, 2010 from 6:00 p.m. – 9:00 p.m.

Justification:

On June 17, 2010, the Zoo is hosting a fundraiser event. The Zoo has requested that the City allow it to sell alcoholic beverages to its guests for consumption during the special event. Title XIII, Section 132.01(C) of the Saginaw Code of Ordinances, states that City Council can authorize the sale of alcoholic beverages on public property if the vendor provides the following to the City:

- (1) The precise location where said beverages are to be sold and consumed;
- (2) The dates and times for said activities;
- (3) A proper state license for the sale and consumption of alcoholic beverages at the place and times listed in subsections (1) and (2) above;
- (4) Adequate public liability and property damage insurance for the benefit of the City with a company licensed to sell insurance by the state;
- (5) Such other insurance as the City Council deems adequate for the benefit of the City;
- (6) Adequate personnel to control the premises where the alcoholic beverages are to be sold and consumed; and
- (7) Such other reasonable requirements as City Council deems appropriate.

COUNCIL COMMUNICATION

The Saginaw Valley Zoological Society (“Society”) will be providing the alcoholic beverages at the “Brew at the Zoo” fundraiser. The Society will provide the proper documents to the City by June 1, 2010. If the Society fails to provide the documentation, it will not be allowed to sell alcoholic beverages at the Zoo on June 17, 2010. The City will set insurance requirements and all insurance certificates must be reviewed and approved by the City Attorney.

Council Action:

This Council Communication is for explanation of the resolution and requires no separate approval.

COUNCIL COMMUNICATION

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

RESOLUTION TO PERMIT THE SALE OF ALCOHOLIC BEVERAGES ON PUBLIC PROPERTY

Council _____ offered and moved adoption of the following resolution:

WHEREAS, the Children's Zoo ("Zoo") at Celebration Square plans to host a fundraiser;

WHEREAS, the Zoo has requested that it be allowed to sell alcoholic beverages to its guests during the fundraiser;

WHEREAS, City Council can provide authorization for the sale of alcoholic beverages on public property; and

WHEREAS, the Zoo must provide certain documents prior to the event.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Saginaw hereby authorizes the sale of alcoholic beverages on public property during the "Brew at the Zoo" fundraiser to be held on June 17, 2010 at the Zoo, provided that it submits the mandatory information listed in Title XIII, Section 132.01(C) of the Saginaw Code of Ordinances, no later than June 1, 2010 to the proper City officials.

BE IT FURTHER RESOLVED, if the Zoo does not provide the documents by the stated date, it will not be allowed to sale alcoholic beverages during the event on June 17, 2010.

BE IT FURTHER RESOLVED, that the City will set all insurance requirements and all insurance certificates must be reviewed and approved by the City Attorney.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Enactment of Ordinance for Housing Tax Exemption

Manager's Recommendation:

I recommend that the ordinance for Low Income Housing Tax Exemption be enacted for the St. Paul Townhomes. This will create a new PILOT to assist in renovation of the apartment complex.

Justification:

This project concerns the purchase and renovation of a multi-family complex currently known as St. Paul Townhomes and will later be called Bridgton Place Townhomes. KMG Prestige, Inc. has created a limited partnership known as St. Paul Saginaw 2009 LDHA Limited Partnership to acquire and operate these units for low-income families. It also seeks funding through the Michigan State Housing Development Authority ("MSHDA"). In order for the developer to obtain that funding, the municipality must enact a Payment in Lieu of Taxes ("PILOT") ordinance, and the MSHDA guidelines provide that the related service charge be no more than 6% of shelter rents. However, the same guidelines allow the municipality to enter into a separate agreement for the reimbursement for public safety services.

The City and the developer are entering into a separate agreement for the payment to the City of a service fee for public safety service calls. The initial, and maximum, fee will be \$15,000 per year. That amount may decrease to a minimum of \$7,500, if the calls for service drop to 50% or less of the base year. This fee would be paid entirely to the City, and would not be divided among the other taxing jurisdictions, unlike the PILOT service fee.

Enacting a Payment in Lieu of Taxes ("PILOT") ordinance would reduce the tax burden on the properties, allow for the purchase and renovation of these properties and make the program economically viable. The duration of the PILOT will be for the duration of the MSHDA loan, and the service fee will be 6% of shelter rents.

Council Action:

This Council Communication is for explanation of the ordinance and requires no separate approval.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Part D Advisors Agreement (Addendum)

Manager's Recommendation:

I recommend approval of the Agreement between the City of Saginaw ("City") and Part D Advisors (PDA) to perform additional Medicare Part D subsidy reimbursement services. The Agreement has been approved by the City Manager as to substance and the City Attorney as to form. Furthermore, it is recommended that City Council authorize the Director of Employee Services to execute said agreement and other related documents on behalf of the City.

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.

Funding for this Agreement is made from the subside reimbursement in the Retiree Healthcare / Operating Services Account, No. 101-8510-771.80-05.

Justification:

Currently the City receives subsidies from the federal government for the retiree Medicare Part D drug program (65 and older retirees). PDA assists the City in the recovery of all eligible subsidies through a complete oversight of the claims management, the regulatory compliance, the actuarial valuation, the filing requirements and the notification requirements.

The New Healthcare Reform Bill has expanded the eligibility criteria to include pre Medicare retirees (age 55-65). This Addendum to the original Agreement (approved April 16, 2007) will allow Part D Advisors to adjudicate claims for this group of retirees.

For services as described in the Agreement Addendum, Part D Advisor's fee schedule shall remain the same as the current agreement with PDA.

Council Action:

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