

# Council Agenda

July 9, 2012 6:30 p.m.  
Council Chamber

## PRAYER AND PLEDGE OF ALLEGIANCE

## ROLL CALL

## CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

June 25, 2012 regular council meeting and closed session minutes

## ANNOUNCEMENTS:

## PUBLIC HEARINGS:

1. Request from General Motors LLC – Saginaw Metal Casting Operation for an Industrial Facilities Exemption Certificate at 1629 N. Washington Avenue.

## PERSONAL APPEARANCES:

*(A list will be provided on Monday after 1:00 p.m.)*

## REMARKS OF COUNCIL:

## PETITIONS:

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

### From the Council Boards and Commissions Committee:

1. Consideration of appointing David H. Tagget to the City Planning Commission with a term to expire July 11, 2015.

## REPORTS FROM MANAGER:

### Management Update:

1. Cost service analysis for the City of Saginaw's water system by William Stannard and Thomas Beckley of Raftelis.
2. First Ward Community Center Update by Sheilda Braddock.
3. Rules of Order, Consent Agenda by Janet Santos, City Clerk.
4. SunSteer Tracking System presentation by Nexteer representatives.

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## Recommended Actions:

1. Approval of the Customer List Confidentiality Agreement with ADT Security Services and that the City Manager and/or his designee be authorized to sign the agreement.
2. That the City request a proposal for the transition of fire marshal services to include fire inspections to the Bridgeport Township Fire Department.
3. That the City request a proposal for the transition of police services to the Saginaw County Sheriff and a request to have the Sheriff provide assistance to traffic enforcement within the City with the secondary road patrol unit.
4. Issue a purchase order to Time Emergency Equipment, low bidder, of Roscommon, MI in the amount of \$2,570.80 for the purchase of attack fire hose.
5. Issue a blanket purchase to Huntington Cleaners, low bidder, of Burton, MI in the amount of \$7,500 for annual dry cleaning services for the Community Public Safety fire personnel for fiscal years 2013 and 2014 respectively.
6. Issue a purchase order to Douglass Safety Systems, LLC, of Sanford, MI, in the amount of \$15,000 for the purchase of protective clothing and equipment for fiscal year 2013 to be used by the Department of Community Public Safety fire personnel. They are the sole provider for this clothing and equipment.
7. Accept the sole bid and issue purchase orders to Cintas Corporation in the amount of \$35,685.00 for fiscal years 2012-2013, and 2014-2015 totaling \$107,055 for uniform rental services to be used by various city departments.
8. That the City of Saginaw enter into an agreement with Complus Data Innovations, Inc. of Tarrytown, NY, to provide services pertaining to parking administration, enforcement, and collections relative to the City's parking regulations ordinance.
9. Approve the Amendment to the First Ward Community Center's Year-Round Recreation Program Agreement. The amount of the Amendment is \$50,000 and has been approved by the City Manager as to substance and the City Attorney as to form.
10. Accept the bid and issue a purchase order to Nichols Paper and Supply Co., Muskegon, MI, in the amount of \$2,905.40 for the purchase of traffic barrels and bases to be used by the Public Services Department – Right of Way Division.

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11. Approve the contract modification from Interstate Gas Supply, Inc. to adjust the start date to providing natural gas to the City of Saginaw, reflecting a service date beginning in July 2012 and ending in March 2013.
12. A purchase order be approved and issued to Nexteer Automotive of Saginaw, MI, a sole source vendor, in the amount of \$5,810 for a two-axis solar tracking actuator manufactured by SunSteer, a division of Nexteer Automotive.
13. Accept the low bid and issue a purchase order to Suniva, Inc., of Norcross, GA in the amount of \$26,950 for photovoltaic solar panels.
14. Accept the low bid and issue a purchase order to Michigan Pipe and Valve, Zilwaukee, MI, in the amount of \$83,870 for an annual supply of catch basin and manhole castings used in the construction of the sewage collection system.
15. Accept the low bid and issue a purchase order to Waste Management of Michigan, Inc., of Lennon, MI in the amount of \$107,775 for the hauling and disposal of 4,500 cubic yards of debris in fiscal year 2013.
16. Accept the low bid and that a contract be awarded to Green Panel, Inc., of Brighton, MI in the amount of \$104,558 for the installation of a 24-kilowatt photovoltaic solar array generator. Further recommend that a budget adjustment be completed to increase the General Fund Federal Grants Energy Efficiency Conservation Block Grant Revenue Account, No. 101 0000 513 5840 from \$0 to \$39,885.

## INTRODUCTION OF ORDINANCES:

## CONSIDERATION AND PASSING OF ORDINANCES:

## RESOLUTIONS:

1. Approving the Facilities Tax Exemption Certificate for General Motors – Saginaw Metal Casting Operation, located at 1629 N. Washington Avenue.

## UNFINISHED BUSINESS:

## MOTIONS AND MISCELLANEOUS BUSINESS:

# **Council Agenda**

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1. Motion to schedule a Public Hearing for July 23, 2012 at 6:30 p.m. on the request from Crop Productions Services, Inc. for an Industrial Development District at 1753 N. 6<sup>th</sup> Street, Saginaw, Michigan.
2. Motion to go into closed session to discuss pending litigation in one personal injury case and one discrimination case, per MCL 15.268.
3. Motion to go into closed session to discuss the Tentative Agreement with the IAFF Union, Local 102, per MCL 15.268.
4. Return to regular session.

Darnell Earley  
City Manager

**From:** Darnell Earley, City Manager  
**Subject:** ADT Customer List Confidentiality Agreement  
**Prepared by:** Janet Santos, City Clerk

**Manager's Recommendation:**

I recommend approval of the Customer List Confidentiality Agreement with ADT Security Services. Further recommend that the City Manager and/or his designee be authorized to sign the agreement. The agreement is approved by the City Manager as to substance and the City Attorney as to form.

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.

**Justification:**

On or about January 10, 2011, City Council approved a contract with Alarm Tracking and Billing Services, (now PMAM Corporation as ATB's successor) to act as a third party administrator to register, maintain and collect fees relative to the City's False Alarm Ordinance. As part of that service, ADT Security Services, Inc. ("ADT") provides information to the PMAM with regard to its current and new alarm customers which information is utilized to enforce the City's False Alarm Ordinance. The ordinance requires that, any and all alarms installed within the City, must obtain a permit.

ADT is requesting the City enter into a Confidentiality Agreement to indemnify, defend and hold it harmless for releasing information from its customer lists to the City and/or PMAM. ADT accepts and understands that ADT information may be utilized by the City in the production of certain public records that may require disclosure under FOIA. The Confidentiality Agreement shall cover all written, electronic and other information disclosed or otherwise made available to the City or the City's representative. ADT may terminate the Confidentiality Agreement at any time, with cause, upon written notice to the City.

**Council Action:**

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

**From:** Darnell Earley, City Manager

**Subject:** Council request for a proposal from the Bridgeport Township Fire Department providing Fire Marshal services on a contractual basis

**Prepared by:** Phillip A. Ludos, Assistant City Manager-Public Safety

**Manager's Recommendation:**

I recommend that the City request a proposal for the transition of fire marshal services to include fire inspections to the Bridgeport Township Fire Department.

**Justification:**

In an effort to determine the best method to continue providing public safety services within the City, having diminishing revenues, and fewer personnel, it is important to examine all possible avenues to provide the citizens with cost effective public safety services, including certain aspects of fire department services.

**Council Action:**

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

**From:** Darnell Earley, City Manager

**Subject:** Council request for a proposal from the Saginaw County Sheriff for a proposal for police services and secondary road patrols

**Prepared by:** Phillip A. Ludos, Assistant City Manager-Public Safety

**Manager's Recommendation:**

I recommend that the City request a proposal for the transition of police services to the Saginaw County Sheriff and that a request to have the Sheriff provide assistance to traffic enforcement within the City with the secondary road patrol unit (416).

**Justification:**

In an effort to determine the best method to continue providing police services within the City, having diminishing revenues, and fewer personnel, it is important to examine all possible avenues to provide the citizens with cost effective public safety services.

The Sheriff, in order to utilize his secondary road vehicle (416) within the City, must have a formal request by the governing body in order to meet the terms of the secondary road requirements.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Attack Fire Hose  
**Prepared by:** Sienna Rendon, Community Public Safety – Fire

**Manager’s Recommendation:**

I recommend that a purchase order be approved and issued to Time Emergency Equipment of Roscommon, MI, in the amount of \$2,570.80 for thirty (30) sections of 1 ¾” double jacketed attack fire hose.

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

Funds for this purchase are available in the Community Pubic Safety – Fire Operations Parts and Supplies account no. 101-3551-751.73-30.

**Justification:**

On May 29, 2012, eleven (11) qualified vendors submitted bids in response to the City of Saginaw’s request for Proposal 1046-12 for thirty (30) sections of 1 ¾” double jacketed attack fire hose. Replacement hose is necessary for worn, torn, and lost fire hose.

The following is a tabulation of the bids received:

Time Emergency Equipment Roscommon, MI	\$2,570.80
W.S. Darley, Melrose Park, IL	\$2,672.50
Apex Pinnacle Port Crane, NY	\$2,758.50
Douglass Safety Systems Sanford, MI	\$2,820.00
Alert Emergency Equipment Portland, MI	\$2,837.50
HD Edwards & Company Detroit, MI	\$2,860.00



Apollo Fire Equipment Romeo, MI	\$3,045.00
JGB Enterprise Liverpool, NY	\$3,114.00
Circle K Service Midland, MI	\$3,239.10
Argus Hazco Chesterfield, MI	\$3,255.00
Firefighter Tool & Supply Spring, TX	\$3,330.00

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Huntington Cleaners - Uniform Dry Cleaning  
**Prepared by:** Sienna Rendon, Community Public Safety - Fire

**Manager’s Recommendation:**

I recommend that a blanket purchase order be approved and issued to Huntington Cleaners of Burton, MI in the amount of \$7,500.00 for annual dry cleaning services for Community Public Safety – Fire personnel for fiscal years 2013 & 2014 respectively. A purchase order was issued on October 27, 2012, in the amount of \$5,500 for the remainder of the 2012 fiscal year.

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

Funds for this purchase are available in the Community Public Safety – Fire Operating Services Account No. 101-3551-751.80-05.

**Justification:**

On August 16, 2011, two (2) qualified vendors submitted bids in response to the City of Saginaw’s request for Proposal #P973-11 for annual dry cleaning services for Community Public Safety – Fire personnel for a three-year period. Since annual quantities and usage could not be accurately determined for this service, each bidder was given the number of personnel located in the Fire Department and required to submit their bid based on a quantity of (1) for each required item. The amount requested for council approval is the annual estimated cleaning cost expected.

The following is a tabulation of the bids received:

Huntington Cleaners (Burton, MI)	\$114.00 (out of 8 items)
Warwick Cleaners (Saginaw, MI)	\$131.75 (out of 8 items)

Uniform Dry Cleaning Service is required by the labor agreement between I.A.F.F. Local Union 102 and the City of Saginaw for command staff personnel. Huntington Cleaners has submitted a bid that is the lowest and best offer.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Douglass Safety, Turnout Gear  
**Prepared by:** Sienna Rendon, Community Public Safety - Fire

**Manager’s Recommendation:**

I recommend that a purchase order be approved and issued to Douglass Safety Systems, LLC, in Sanford, MI, in the amount of \$15,000.00 for the purchase of protective clothing and equipment for fiscal year 2013.

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

Funds for this purchase are available in the Community Public Safety - Fire Technical Services Clothing Supplies Account, No. 101-3552-751.73-03.

**Justification:**

The Department of Community Public Safety – Fire purchases personal protective equipment annually for firefighters to replace old and/or damaged gear. Douglass Safety has been the sole provider of turnout gear since 2006. The firefighting turnout gear industry has in the last three years increased their product price 5% per year on average. In 2007, Douglass Safety agreed to hold established prices for turnout gear with the City of Saginaw for a minimum of 5 years. Douglass Safety Systems, LLC is a sole source provider. Our annual purchase order has been reissued on the basis of this agreement.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** City Wide Uniform Rental Service  
**Prepared by:** Jim Nichols, Purchasing

**Manager's Recommendation:**

I recommend acceptance of the sole bid received from Cintas Corporation and issuance of purchase orders for each respective departments in the amount of \$35,685.00 for fiscal years 2012-13, 2013-14 and 2014-15, totaling \$107,055.00.

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 service are available in the following accounts: Water Operation and Maintenance Fund, Treatment & Pumping Division's Operating Services Account Nos. 591-4730-861-8005 (\$3,705.00), Sewer Operation and Maintenance Fund Treatment & Pumping & Remote Facilities Division's Operating Services Account Nos. 590-4830-861-8005 (\$6,370.00) and 590-4835-861-8005 (\$6,370.00), Major Street Fund, Routine Maintenance Divisions Operating Services Account No. 202-4651-841-8005 (\$4,368.00), Motor Pool Operation Fund's, Operating Service Account No. 661-4480-841-8005 (\$2,093.00), Water & Sewer Operation and Maintenance Fund Maintenance & Service Division's, Operating Services Account Nos. 590-4821-861-8005 (\$4,049.50) and 591-4721-861-8005 (\$4,049.50), General Fund Facilities Division, Operating Service Account No. 101-7575-821-8005 (\$3,900.00), and General Fund, Cemeteries Division, Operating Service Account No. 101-1747-821-8005 (\$780.00).

**Justification:**

Bids for Uniform Rental Services for use by various city departments were opened on Tuesday, June 19, 2012. These costs represent a 38% increase over the last three-year agreement, which was bid out in 2009.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Complus Data Innovations, Inc. Parking Ticket Service Agreement  
**Prepared by:** Jeff Klopccic, Technical Services Director

**Manager's Recommendation:**

I recommend that the City of Saginaw enter into an agreement with Complus Data Innovations, Inc. Tarrytown NY, to provide services pertaining to parking administration, enforcement, and collections relative to the City's parking regulations ordinance. 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 §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.

The vendor shall receive payment exclusively from the revenues generated by the services relative to the City's parking regulations ordinance.

**Justification:**

Complus Data Innovations, Inc. was selected by the Parking Reform Task Force, staffed by representatives from the Department of Developments Division of Parking Operations and Maintenance, Community Public Safety's Police; Budget Office, and Department of Technical Services.

Complus Data Innovations, Inc. will provide all hardware and software and will be responsible for all hardware and software maintenance, hardware repairs, replacement, licensing, training, and support.

Complus Data Innovations, Inc. will process tickets, generate notices, track ticket history, obtain nationwide Department of Motor Vehicle information, participate and cooperate with the Michigan Secretary of State's Driver's License Hold program, process payments and collect citation fees relative to the City's parking regulations ordinance.

The Parking regulations ordinance was amended to clarify and simplify the procedure for processing parking violation notices and citations. It was also designed to assist in the implementation process for working with Complus Data Innovations, Inc. for parking ticket management. Their entire parking management solution provides comprehensive customer service, administration and dedicated compliance for the enforcement of the City's parking ordinance, accounts receivables, and collections of delinquent amounts.

There are no upfront system software, hardware, training, support or maintenance costs. The revenue sharing schedule is based on revenue collected, parking fees, fines and other charges applicable to parking violation citations including delinquent amounts. The City's revenue percentages are as follows:

84.0% of all paid parking ticket revenue up to \$200,000 annually.

87.5% of all paid parking ticket revenue up to \$300,000 annually.

88.5% of all paid parking ticket revenue up to \$400,000 annually.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** First Ward Community Center Year Round Recreation Program Agreement Amendment  
**Prepared by:** Phillip Karwat, Director of Public Services

**Manager's Recommendation:**

I recommend that the Amendment to the First Ward Community Center's Year Round Recreation Program Agreement be approved. The amount of the Amendment is Twenty-Five Thousand Dollars and 00/100 (\$25,000.00). This Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

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 amendment are budgeted for in the General Fund - Recreation Division's, Professional Services Account No. 101-7550-831.80-01.

**Justification:**

On August 22, 2011, City Council approved a Year Round Recreation Program Agreement with the First Ward Community Center ("FWCC"). The term of the Agreement was for September 1, 2011 through August 31, 2013. The Agreement is being amended to include the following: add additional funding amounts for the 2012 summer recreation activities portion of the Year Round Recreation Program. The City will provide funding in the amount of Twenty-Five Thousand Dollars and 00/100 (\$25,000.00) for summer recreation activities for fiscal year 2013: modify the use of the Civitan Recreation Center for year round activities and to allow activities at the Civitan Center from June 1 through August 31 of calendar years 2012 and 2013 for summer recreation programs: modify wording in the agreement that states First Ward agrees to pay the cost of utilities to state that the City will pay for cost of utilities for summer recreation program at the Civitan Recreation Center. The cost of utilities annually for the three month program are estimated at \$3000.

The summer recreation activities include an eight-week day camp program at the Mark Neumeier Youth Center located in the Warren Avenue Presbyterian Church. The day camp is for grades K-8 and will run Monday through Friday. Students will participate in a variety of activities including basketball, soccer, table tennis, billiards, board games, health and fitness activities, art and cultural classes, drug and violence prevention classes, Boy Scouts, Girl Scouts, summer reading programs and library and field trips. In addition, students will receive a daily free lunch and snack.



The Civitan summer recreation program will focus on a multi-gender basketball development league for youth in 9<sup>th</sup>- 12<sup>th</sup> grades, 14-18 years of age. There will be six teams in each league; eight leagues for a total of 48 teams with a schedule, which consist of two (2) games per week for each team, and then the playoffs. These activities will provide summer recreation for at least 500 youth. Each participant will be encouraged to attend the "Hoop Talk Series" enrichment educational classes during the eight-week program. This combination of educational and athletic programming provides structure, fun, teamwork, competition, opportunities to learn new skills, and teaches personal responsibilities.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Traffic Barrels – ROW Division  
**Prepared by:** Beth D. London, Public Services Department

**Manager’s Recommendation:**

I recommend that the bid from Nichols Paper and Supply Co., Muskegon, MI for 70 traffic barrels and bases be accepted and that a purchase order be approved and issued to them in the amount of \$2,905.40 for FY 2012.

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 Local Streets Fund - Traffic Engineering Division’s Parts and Supplies Account No. 203-4621-791.73-30.

**Justification:**

On March 20, 2012, bids were received for 70 traffic barrels and bases to be used for detours and traffic control within the City of Saginaw. On April 23, 2012, City Council approved the low bid from State Barricades in the amount of \$2,792.00. However, State Barricades informed the Purchasing Department that they would be unable to deliver the bid items within the requested time period and asked that we award the bid to the next lowest bidder. The second low bidder, Nichols, was contacted and stated they could deliver the items within the time period requested. Using the second low bid increased the cost by \$113.40.

These traffic barrels will be used to replace existing barrels that are worn, damaged or no longer meet retroreflectivity requirements. The following is a tabulation of the original bids received on March 20, 2012:

State Barricades Warren, MI	\$ 2,792.00
Nichols Paper and Supply Co. Muskegon, MI	\$ 2,905.40
Applied Industrial Technologies Saginaw, MI (out city)	\$ 3,192.70
Airgas Saginaw, MI (out city)	\$ 3,224.30

Accurate Safety Dist. Inc.  
Freeland, MI

\$ 3,626.00

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Natural Gas Choice Program Agreement Modification  
**Prepared by:** Phil Karwat, PE, Director of Public Services

**Revision to Agreement:**

On May 7, 2012, City Council approved a contract between Interstate Gas Supply, Inc., (IGS) and the City of Saginaw (City) to provide natural gas from June 2012 through March 2013 at a fixed rate of \$3.25 per thousand cubic feet (Mcf) and \$3.74 per Mcf from April 2013 through March 2014. The contract lowers the rate per Mcf for natural gas service accounts at 45 city facilities.

The Michigan Public Service Commission and Consumers Energy allow natural gas customers to select third party gas suppliers in lieu of Consumers Energy as a gas provider. The Natural Gas Choice program will allow customers to select a licensed gas supplier in Consumers Energy's service territory to purchase natural gas and utilize Consumers Energy's infrastructure and metering system to deliver and meter natural gas. Delivery and meter billing charges assessed by Consumers Energy still apply.

Due to the timing of the agreement and the service cutoff notification deadline requiring approximately three weeks notice to terminate natural gas service from Consumers Energy, IGS was unable to initiate the contract beginning with June 2012 gas flows. Therefore, in accordance with the terms of the agreement and with the City Attorney's approval, IGS has received a contract modification to adjust the start date for the June 2012 through March 2013 contract. The City has agreed to allow the contract to be modified to reflect a service date beginning in July 2012 and ending in March 2013. The second contract from April 2013 to March 2014 remains unaffected and no other aspects of the contracts will be modified.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** SunSteer Sole Source Product  
**Prepared by:** Richard LaBombard, Public Services Department

**Manager's Recommendation:**

I recommend a purchase order be approved and issued to Nexteer Automotive of Saginaw, MI, a sole source vendor, in the amount of \$5,810 for a two-axis solar tracking actuator manufactured by SunSteer, a division of Nexteer Automotive.

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

Funds are available in Clean Energy Coalition Fund – Clean Energy Coalition Division's Construction Projects Account No. 230-1795-701.80-47.

**Justification:**

The Public Services Department is requesting approval from the City Council to procure as a sole source product a two-axis solar tracking system actuator for the construction and operation of a portion of the PV solar array to be installed at 1435 S. Washington Avenue in accordance with the terms of Consumers Energy's Experimental Advanced Renewable Program (EARP). As a selected participant of the EARP program, the City is allowed to construct up to a 24 kilowatt nameplate PV array and will be paid a rate of \$0.229 per kilowatt hour for all energy produced by the PV array. The two-axis tracking system actuator will be utilized to increase the efficiency of 5 kilowatts of solar panels attached to a tracking system that will follow the course of the sun's travel throughout the day. Tests indicate a 45 percent increase in the efficiency of solar panels with the use of a two-axis tracking system when compared to solar panels locked in a fixed position.

A solar tracking steering device called SunSteer has been developed, tested and manufactured by local manufacturer Nexteer Automotive. SunSteer is manufactured in Saginaw County and contains material and technology developed from the automotive steering market. The product was developed by Nexteer as a new market technology to diversify the company's product line. SunSteer is used to create a two-axis movement to steer the device and orient the solar panels to achieve optimal solar gain throughout the course of the day. As a new market technology, SunSteer is partnering with the City to use the City's PV array as a beta test site for the technology to compare fixed arrays versus tracking arrays. As a beta test site, the City agrees to share power generation data collected from the fixed and tracking systems. One SunSteer device will be

required to mount 5 kilowatts of solar panels to create a tracking PV array. A SunSteer tracker is being offered to the City for \$7,100 with a credit in the amount of \$1,290. In addition, set-up and installation assistance will be provided at no additional charge.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Photovoltaic Solar Panels  
**Prepared by:** Richard LaBombard, Public Services Department

**Manager's Recommendation:**

I recommend that the low bid from Suniva, Inc., of Norcross, Georgia be accepted and that a purchase order be approved and issued to them in the amount of \$26,950.00.

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 Clean Energy Coalition Fund - Clean Energy Coalition Division's Construction Projects Account No. 230-1795-701.80-47.

**Justification:**

On March 5, 2012, City Council approved the City's participation in Consumers Energy's Experimental Advanced Renewable Program (EARP) that will purchase all energy produced from a 24 kilowatt nameplate capacity PV solar generator constructed at 1435 S. Washington Avenue. As a selected participant of the EARP program, the City will be paid a rate of \$0.229 per kilowatt hour for all energy produced by the PV array for 15 years.

Suniva, Inc. was the low bidder for PV solar panels at a cost of \$0.98 per watt. The City will purchase the equivalent of 27,500 watts or 110 units of the Optimus Series 250-watt 60 cell modules at a cost of \$26,950 including free on-site delivery. The Optimus panel has a 10-year limited product warranty and a 25-year limited service warranty.

To receive the best pricing possible on the panels, the key component of the system, the City opted to bid the solar panels separately rather than bid the procurement of the panels through the solar panel construction project. Bidding the panels separately allowed the City to specify a product that contains silicone manufactured locally at Hemlock Semiconductor. Suniva has expressed interest in constructing an assembly facility in Saginaw County, which would boost the local economy and benefit the City with additional water sales and income tax revenue.

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

Suniva, Inc. Norcross, GA	\$0.98 per Watt
Coffman Electrical Equipment Grand Rapids, MI	\$1.19 per Watt
J. Ranck Electric, Inc. - Alt. Bid #1 Center Line, MI	\$1.26 per Watt
Kyocera Solar, Inc. Scottsdale, AZ	\$1.28 per Watt
J. Ranck Electric, Inc Center Line, MI	\$1.37 per Watt

### **Council Action**

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



**From:** Darnell Earley, City Manager  
**Subject:** Annual Supply of Catch Basin and Manholes Covers and Castings  
**Prepared by:** John Premo, Public Services Department

**Manager’s Recommendation:**

I recommend that the low bid from Michigan Pipe and Valve, Zilwaukee, MI be accepted and a purchase order issued to them in the amount of \$83,870.00 for an annual supply of catch basin and manhole covers and castings.

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 the Sewer Operations and Maintenance Fund, Maintenance and Service Division’s Parts and Supplies Account No. 590-4821-861.73-30, and will be accounted for in the Water Operations and Maintenance Fund, Maintenance and Service Division’s Water Inventory Account No. 591-0000-171.73-30 as material is installed.

**Justification:**

On June 5, 2012, bids were received for an annual supply of catch basin and manhole castings used in the maintenance and construction of the Sewage Collection System throughout the City. A cost comparison shows a trend of the sewer castings costing on average 10 percent less than last years bid.

Following is a tabulation of the bids received.

Michigan Pipe and Valve Zilwaukee, Michigan	\$83,870.00
EJ USA East Jordan, Michigan	\$97,379.90

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Hauling and Disposal of Street Sweeping Debris – ROW Division  
**Prepared by:** Beth D. London, Public Services Department

**Manager’s Recommendation:**

I recommend that the low bid for hauling and disposal of street sweeping debris from Waste Management of Michigan, Inc., of Lennon, Michigan be accepted and that a purchase order be approved and issued to them in the amount of \$107,775 for the hauling and disposal of 4,500 cubic yards of debris in fiscal year 2013.

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 budgeted in the Sewer Operations and Maintenance Fund – Catch Basin Cleaning Division’s Operating Services Account No. 590-4822-861.80-05 for fiscal year 2013 and will be budgeted in the same account for fiscal year 2014.

**Justification:**

Sealed bids were opened on June 19, 2012, for the hauling and disposal of street sweeping debris. Waste Management of Michigan, Inc., was the low bidder with a bid of \$23.95 per cubic yard. This bid represents a decrease of \$0.95 per cubic yard from the fiscal year 2012 low bid of \$24.90 and a decrease of \$0.05 per cubic yard from the fiscal year 2011 bid of \$24.00. The following is a tabulation of the bids received:

Waste Management of MI, Inc.	FY 2013	\$23.95 / CYD	\$107,775
Lennon, MI	FY 2014	\$24.50 / CYD	\$110,250
Trinity Environmental Solutions	FY 2013	\$27.50 / CYD	\$123,750
Troy, MI	FY 2014	\$27.95 / CYD	\$125,775

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** 24-Kilowatt Photovoltaic Solar Array Generator Installation  
**Prepared by:** Richard LaBombard, Public Services Department

**Manager's Recommendation:**

I recommend that the low bid from the Green Panel, Inc. of Brighton, Michigan, be accepted and a contract awarded to them in the amount of \$104,558.00. The contract is subject to approval by me as to substance and the City Attorney as to form.

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.

It is also recommended that a budget adjustment be completed to increase the General Fund Federal Grants Energy Efficiency Conservation Block Grant Revenue Account No. 101-0000-513-5840 from \$0.00 to \$39,885.00. This increase in revenue will be offset by an increase in the General Fund - Energy Efficiency Conservation Block Grant Division's Construction Projects Account No. 101-1790-701-8047 by \$39,885.00.

Funds for this contract are available in the General Fund - Energy Efficiency Conservation Block Grant Division's Construction Projects Account No. 101-1790-831.80-47 (\$39,885.00), and Clean Energy Coalition Fund – Clean Energy Coalition Division's Construction Projects Account No. 230-1795-701.80-47 (\$64,673.00) for Fiscal Year 2013.

**Justification:**

On June 26, 2012, the City received bids for the installation of a 24-kilowatt photovoltaic solar array generator. The selected bidder will furnish labor, tools, equipment and materials (except for "SunSteer" tracking system and solar panels which will be procured by the City) necessary for the construction of a two part (fixed and tracking) photovoltaic solar array to be located at 1435 S. Washington Avenue.

As a participant of Consumer's Energy's Experimental Advanced Renewable Program (EARP), the City will be paid at a rate of \$0.229 per kilowatt hour for all energy produced by the 24 kilowatt nameplate capacity photovoltaic solar generator. The program will pay for a period of 15 years.

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

The Green Panel Brighton, Michigan	\$104,558.00
J. Ranck Electric Centerline, Michigan	\$123,800.00

**Council Action:**

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

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

**INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE FOR  
GENERAL MOTORS – SAGINAW METAL CASTING OPERATION**

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

**WHEREAS**, General Motors – Saginaw Metal Casting Operation did on June 1, 2012, submit an 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 June 25, 2012, and said application being on file in City Clerk's File 12-17; 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 25, 2012, on the request of General Motors- Saginaw Metal Casting Operation and on the initiative by the City Council of the City of Saginaw did lawfully establish in the City of Saginaw, a Plant Rehabilitation District pursuant to the Act, said district comprising that certain parcels of land in the State of Michigan, County of Saginaw and City of Saginaw of which is on file in the City Clerk’s Office.

2. Upon receipt of the above-mentioned application for an Industrial Facilities Tax Exemption Certificate from General Motors – Saginaw Metal Casting Operation, 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 Council at its regular meeting on Monday, July 9, 2012 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 General Motors – Saginaw Metal Casting Operation, 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. Improvements and/or 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 that zero new jobs will be created, and 275 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, General Motors – Saginaw Metal Casting Operation 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 General Motors – Saginaw Metal Casting Operation, 1629 N. Washington Avenue, Saginaw, Michigan, for an Industrial Facilities Tax Exemption Certificate for a period of 12 years.

# ***CITY OF SAGINAW***

## **NOTICE OF PUBLIC HEARING**

In compliance with requirements of Act 168, P.A. 1974, the following notice is posted:

Notice is hereby given that the Saginaw City Council has scheduled a public hearing on the request from Crop Production Services, Inc. to an Industrial Development District at 1753 N. 6<sup>th</sup> Street, Saginaw, Michigan.

The public hearing will be held Monday, July 23, 2012, at 6:30 p.m. in the Council Chamber of the City Hall, 1315 S. Washington Ave., Saginaw, MI. The application and legal description of the property is on file in the Office of the City Clerk.

All interested persons are invited to attend this public hearing.

Janet Santos, CMC/MMC  
City Clerk

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

Posted: July 10, 2012  
By: \_\_\_\_\_