

**Council Agenda**

**August 13, 2007, 6:30 p.m., Council Chamber**

ROLL CALL:

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

ANNOUNCEMENTS:

PUBLIC HEARINGS:

PERSONAL APPEARANCES:

*(A list will be provided on Monday)*

REMARKS OF COUNCIL:

PETITIONS:

07-14 Requesting that the area noted in the attached map be rated/restricted as R-1 for planning and zoning purposes.

07-16 From Tom Miller, Jr., Saginaw Future, requesting that the City of Saginaw establish two Neighborhood Enterprise Zones for the proposed projects per the attached map.

07-17 From Pamela D. Brazil, Circle of Love, requesting that the City of Saginaw establish a Neighborhood Enterprise Zone in the Old Skivington Park located in District 5 and between W. Michigan Ave., S. Wheeler St., Ring St. and Maple St.

07-20 From Sherry Holley, 5470 Davis Rd., requesting permission to erect a banner in the 300 block of South Michigan from November 1, 2007 through November 30, 2007 for the purpose of promoting the Girl Scout cookie sale.

07-21 From Mark Schwager, 403 South Mason, requesting the property abutting the alley bounded by South Mason, South Woodbridge, Van Buren and Mackinaw be vacated.

REPORTS FROM BOARDS AND COMMISSIONS AND COMMITTEES:

APPOINTMENT OF BOARDS AND COMMISSIONS MEMBERS:

1. Consideration of appointing John A. Berg to the Riverfront Development Commission with a term to expire August 13, 2010.
2. Consideration of appointing Jocelyn E. Connell to the Saginaw Arts and Enrichment Commission with a term to expire August 13, 2010.

REPORTS FROM MANAGER:

Management Update:

Bill Stannard, of Raftelis Financial Consultants, will discuss the City's annual water rate update.

Recommended Actions:

1. Recommending that payment be made to Creditron Corporation in the amount of \$7,612.50 for the renewal of annual software maintenance and \$2,733.00 for the renewal of annual hardware maintenance for a total payment of \$10,345.50. The maintenance covers the Creditron system which processes and images payments and checks received by the Fiscal Services Department, Treasury Division. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted and available in the Information Services Operating Services Account No. 658 1720 711 8005.
2. Recommending approval of the retroactive increase in insurance coverage with its insurance carrier, the Chubb Group, in order to provide coverage for a loss, and that the City Manager or his designee be authorized to execute any necessary documents. The amount of additional premiums would be less than \$1,000.00 and the amount paid for this one recovery would be over \$10,000.00.
3. Recommending approval of an Act 425 agreement between the City of Saginaw and Birch Run Township for the provision of treated water to Birch Run Township and for revenue sharing between the two communities. This Agreement has been approved by the City Manager as to substance and the City Attorney as to form.
4. Recommending approval of the Agreement for Professional Legal Services with attorney Peter Letzmann and that the City Manager or his designee be authorized to execute the documents involved. The hourly rate will be \$225.00, and is not expected to involve more than ten hours of work. The expenses will be paid for from the City Attorney's Office outside counsel account.

5. Recommending that Council grant The Saginaw News' Freedom of Information Act ("FOIA") appeal and provide the requested document.
6. Recommending that Council deny The Saginaw News' Freedom of Information Act ("FOIA") appeal and not provide the requested document.
7. Recommending approval of the Settlement and Release Agreement in the amount of \$80,000.00 to resolve a pending lawsuit against City police officers filed by Gregory Willis. This Agreement has been approved by the City Manager as to substance and the City Attorney as to form.
8. Recommending that payment be made to the Joseph Day Company in the amount of \$3,462.42 for emergency repairs to the boiler at the Merrill Park Recreation Center. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Parks and Facilities Maintenance Account No. 101 7575 821 8040.
9. Recommending approval of an Agreement with Bentley Systems, Inc. for the purchase of water GEMS software in the amount of \$27,659.00. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water Surplus, Repairs and Replacement Fund Account No. 577 4740 881 9720.
10. Recommending acceptance of the low bid from Karbowski Oil and issuance of a purchase order to them in the amount of \$67,526.81 for the purchase of bulk fluids for use in the Municipal Garage. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Motor Pool Operations Motor Vehicle Supplies Account No. 661 4480 841 7312.
11. Recommending that a purchase order be approved and issued to R+R Redi-Mix, Inc. in the amount of \$120,000.00 for fiscal year of 2007-08 for the purchase of redi-mix concrete to be used by the Right of Way Division in replacing utility cuts. Funds are available in Major Streets Account No. 202 4651 841 7340, Local Streets Account No. 203 4651 841 7340, Water Operations Account No. 591 4721 861 7340 and Sewer Operations Account No. 590 4821 861 7340.
12. Recommending that a purchase order be approved and issued to Berger Chevrolet ("Berger"), Grand Rapids, MI, in the amount of \$191,747.68 for the purchase of eight (8) fully equipped 2008 Chevy Impalas police package patrol vehicles. Berger was awarded the state bid to provide all police agencies in the State of Michigan vehicles. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Motor Pool Operations/Capital Outlay/Vehicles Account No. 661 4480 841 9770.

INTRODUCTION OF ORDINANCES:

1. An Ordinance to amend §52.33, "Charge for premises within City," and §52.34, "Charge for premises outside City" of Chapter 52, "Water" of Title V, "Public Works," of the Saginaw Code of Ordinances, O-1.

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Approving Evolution Eateries, Inc.'s request to transfer ownership of a 2006 Class C Licensed Business with Dance-Entertainment Permit, located at 118 N. Michigan Avenue, from Someplace Else of Saginaw, Inc., to Evolution Eateries, Inc.
2. Approving the request of Evolution Eateries, Inc., 188 N. Michigan, for an official permit for extended hours of operation for food from 2:30 a.m. to 7:00 a.m. weekdays and 2:30 a.m. to 12:00 p.m. on Sundays.
3. Approving Integrity Property Investments, Inc.'s request to transfer ownership of a 2006 Class C Licensed Business with Dance-Entertainment Permit located at 410 Mackinaw, from Keene and Keene, Inc.
4. Approving the proposed ballot language for renewal of the millage of 3 mills for Saginaw Transit Authority Regional Services (STARS).

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS:

Darnell Earley  
City Manager

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Redi-Mix Concrete (annual purchase)

**Manager's Recommendation:**

I recommend that a purchase order be approved and issued to R+R Redi-Mix Inc. in the amount of \$120,000.00 for FY 2007/2008 for the purchase of Redi-mix concrete.

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

Funds for this purchase are available in Major Streets Account No. 202-4651-841-7340, Local Streets Account No. 203-4651-841-7340, Water Operations Account No. 591-4721-861-7340 and Sewer Operations Account No. 590-4821-861-7340.

**Justification:**

The Right of Way Division's original vendor for Redi-Mix concrete could not honor its contract due to labor issues. Due to the start of the construction season and the lack of timeliness of the original contractor to notify the City, a quote covering the time period of the original bid for Redi-Mix concrete was obtained from R+R Redi-Mix Inc., to allow City crews to begin replacing the past year's utility cuts with permanent pavement patches as quickly as possible and without undue delay. R+R was chosen because it has a plant located near the City (Zilwaukee) and its fleet is capable of meeting our demands for concrete delivery.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Approval of Act 425 Agreement with Birch Run Township

**Manager's Recommendation:**

I recommend Council approve an Act 425 agreement between the City of Saginaw and Birch Run Township for the provision of treated water to Birch Run Township and for revenue sharing between the two communities. 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 water treatment and transmission facilities that it uses to supply potable water services to various wholesale customers, including Birch Run Township. Birch Run Township requires a secure source of water service into the future to assist development in its municipality. The City of Saginaw and Birch Run Township have negotiated an agreement, pursuant to 1984 PA 425; MCL 124.21, et seq. to provide water services and share in the revenue produced by the economic development created by those water services.

The additional revenue to be paid the City for additional water services in economic development projects includes payment of Income Tax within the economic development projects, with the revenue shared by the City of Saginaw and Birch Run Township.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Bentley Systems Inc. Agreement

**Manager's Recommendation:**

I recommend approval of an Agreement with Bentley Systems Inc. ("Bentley") for the purchase of water GEMS software in the amount of \$27,659.00. This Agreement has been approved by me as to substance and by the City Attorney as to form.

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

Funds for this purchase are available in the Water Surplus, Repairs and Replacement Fund, Account No. 577-4740-881 9720.

**Justification:**

On April 1, 2007, Greeley and Hansen, the creators of the City's master water plan, recommended that the City purchase Water GEMS hydraulic modeling software from Bentley as part of the City's water system master plan. Hydraulic modeling software provides capabilities ranging from analysis and design, to management functions, such as fire flow assessment, pump scheduling, water quality improvement, emergency planning, leakage reduction and security enhancement.

Bentley forwarded an Agreement to the City. It contains terms that are not favorable to the City as it limits Bentley's liability. In addition, Bentley included a limited warranty in the Agreement which disclaims all warranties, implied and express of merchantability and fitness for a particular purpose. Also, Bentley provides limited remedies to the City. Specifically, the City's remedies are limited to either repair or replacement of the product or the City can return the defective product to Bentley and receive a refund in the amount of the purchase price. The sealed bid process was waived because Bentley is the sole source provider for the software as it is proprietary to the City's GIS water system model.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Agreement to Increase Insurance Coverage

**Manager's Recommendation:**

I recommend that the City Council approve the retroactive increase in insurance coverage with its insurance carrier, the Chubb Group, in order to provide coverage for a loss, and that the City Manager or his designee be authorized to execute any necessary documents.

**Justification:**

The City suffered a break-in and theft of tools and equipment from its Cemeteries Divisions facilities. The amount of the loss, while significant, was still less than the deductible on the relevant insurance policy. The City was not entitled to any insurance recovery. Because of the good relationship the City has with its carrier and its very good loss history, Mr. Ewend of Saginaw Bay Underwriters was able to negotiate on behalf of the City a favorable resolution. The insurance carrier was willing to extend "miscellaneous tool" coverage retroactively to February 1, 2007 and then pay retroactively for the loss.

The amount of additional premiums would be less than \$1,000 and the amount paid for this one recovery would be over \$10,000. This courtesy would be on a one-time basis and would impose no obligations on the insurance carrier in the future to retroactively adjust coverage. It was provided in recognition of the excellent loss history that the City has with this property insurer.

**Council Action:**

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



# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Settlement of Police Claim

**Manager's Recommendation:**

I recommend approval of the Settlement and Release Agreement in the amount of \$80,000 to resolve a pending lawsuit against City police officers filed by Gregory Willis. This Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

**Justification:**

Mr. Willis was arrested after an incident at Rally's on South Michigan. He was temporarily lodged in jail as a result of criminal charges that were later dismissed. He also claims that he suffered a shoulder injury during the arrest process. In order to avoid the expense and uncertainties of litigation and resolve this matter, the City has negotiated a payment of \$80,000. The claimant has provided a full and complete release of liability.

**Council Action:**

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

# COUNCIL COMMUNICATION

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

## STARS MILLAGE RENEWAL

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

WHEREAS, the Saginaw Transit Authority Regional Services (STARS) was created pursuant to Public Act No. 196 of 1986, as amended, to operate a transit system; and

WHEREAS, Public Act No. 196 of 1986, as amended, provides that a tax may be levied by said authority to provide for public transportation if approved by the voters; and

WHEREAS, at an election held on February 8, 2005, voters approved a millage of up to three mills, being \$3.00 per \$1,000 of State equalized valuation on all taxable property within the City of Saginaw for a period of three (3) years; and

WHEREAS, said 3-year period expires in November, 2007; and

WHEREAS, STARS requires the levy of a tax pursuant to Public Act No. 196 of 1986, as amended, to continue providing the City of Saginaw with public transportation services; and

WHEREAS, at its meeting on June 25, 2007, STARS resolved that the following question be placed on the ballot for consideration by the electorate at an election to be held November 6, 2007, and that it shall be substantially in the following form:

# COUNCIL COMMUNICATION

## SAGINAW TRANSIT AUTHORITY REGIONAL SERVICES MILLAGE RENEWAL

SHALL THE PREVIOUSLY APPROVED LEVY OF THREE (3) MILLS (\$3.00 PER \$1,000.00 OF TAXABLE VALUE) AGAINST ALL TAXABLE PROPERTY WITHIN THE CITY OF SAGINAW BE RENEWED BY THE SAGINAW TRANSIT AUTHORITY REGIONAL SERVICES FOR A PERIOD OF THREE (3) YEARS, FROM 2008 THROUGH 2010, INCLUSIVE, FOR THE PURPOSE OF OPERATIONS TO PROVIDE PUBLIC TRANSPORTATION, WHICH LEVY WOULD COLLECT ESTIMATED REVENUES OF \$2,105,067, IN THE FIRST YEAR LEVIED, IF APPROVED AND LEVIED?

YES \_\_\_\_\_

NO \_\_\_\_\_

NOW THEREFORE BE IT RESOLVED, that the proposed ballot language for a renewal of the millage of 3 mills for Saginaw Transit Authority Regional Services (STARS) be approved.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Peter Letzmann Agreement.

**Manager's Recommendation:**

I recommend approval of the Agreement for Professional Legal Services with attorney Peter Letzmann, and that the City Manager or his designee be authorized to execute the documents involved. The Agreement has been approved by me as to substance and the City Attorney as to form.

**Justification:**

The City is reviewing an appeal from the Saginaw News of a Freedom of Information Act denial. The issue involves application of a statutory exemption that has received recent attention from the Michigan Supreme Court in a case decided this year. The exemption involves complicated analysis and is likely to set a precedent in the manner in which the City responds to requests for internal documents. Mr. Letzmann is a well-recognized expert in the Open Meetings Act and the Freedom of Information Act and regularly conducts training in this area for municipal attorneys and other officials.

The hourly rate will be \$225.00, and it is not expected to involve more than ten hours of work. This expense will be paid for from the City Attorney's Office outside counsel account.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Saginaw News Freedom of Information Act Appeal

**Manager's Recommendation:**

I recommend that the City Council deny the Saginaw News' Freedom of Information Act ("FOIA") appeal and not provide the requested document.

**Justification:**

On May 18, 2007, the City Attorney's Office received a Freedom of Information Act (FOIA) request from the Saginaw News requesting: "A memo of 16 or so pages from City staff to Councilman Larry Coulouris dated on or about May 4 and dealing with the issue of rubbish service." On May 29, 2007, a denial letter was sent to the Saginaw News stating its request was denied pursuant to MCL 15.243(1)(m), the "frank communications" exemption. On July 24, 2007, the City received an appeal from Joe Snapper, on behalf of the Saginaw News, pursuant to MCL 15.240(a). The Saginaw News contended that its appeal should be granted because the public has a compelling interest in its public services including the issue of rubbish removal.

Due to the complex nature of the relevant exemption, the Council extended the time to respond by ten days and the matter was referred to outside counsel to research the issue and provide an independent opinion. For the reasons explained in that analysis, the appeal should be denied and the document not provided.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Saginaw News Freedom of Information Act Appeal

**Manager's Recommendation:**

I recommend that the City Council grant The Saginaw News' Freedom of Information Act ("FOIA") appeal and provide the requested document.

**Justification:**

On May 18, 2007, the City Attorney's Office received a Freedom of Information Act (FOIA) request from the Saginaw News requesting: "A memo of 16 or so pages from City staff to Councilman Larry Coulouris dated on or about May 4 and dealing with the issue of rubbish service." On May 29, 2007, a denial letter was sent to the Saginaw News stating its request was denied pursuant to MCL 15.243(1)(m), the "frank communications" exemption. On July 24, 2007, the City received an appeal from Joe Snapper, on behalf of the Saginaw News, pursuant to MCL 15.240(a). The Saginaw News contended that its appeal should be granted because the public has a compelling interest in its public services including the issue of rubbish removal.

Due to the complex nature of the relevant exemption, the Council extended the time to respond by ten days and the matter was referred to outside counsel to research the issue and provide an independent opinion. For the reasons explained in that analysis, the appeal should be granted and the document provided.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Liquor License for 410 Mackinaw

**Manager's Recommendation:**

I recommend approval of Integrity Property Investments, Inc.'s request to transfer ownership of 2006 Class C Licensed Business with Dance-Entertainment Permit located at 410 Mackinaw, Saginaw, MI 48602, Saginaw County from Keene and Keene, Inc.

**Justification:**

On or about December 8, 2006, the City received notice from the Michigan Liquor Control Commission of Integrity Property Investments, Inc.'s request to transfer ownership of 2006 Class C Licensed Business with Dance-Entertainment Permit located at 410 Mackinaw, Saginaw, MI 48602, Saginaw County from Keene and Keene, Inc.

The Saginaw County Health Department, City of Saginaw Fire Prevention and the City Building Inspections Division completed the necessary inspections and have approved 410 Mackinaw for the license transfer as required by Chapter 110, "General Provisions," of Title XI, "Business Regulations" of the Saginaw Code of Ordinances. Under Chapter 111, "Alcoholic Beverages," §111.11, "Application for License," wherein the City Manager is to review all applications and departmental reports and give his recommendation to City Council of his approval or disapproval of the license. Since the necessary requirements have been met by Integrity Property Investments, Inc., I hereby recommend approval of the license transfer for 410 Mackinaw.

**Council Action:**

This Council Communication is for explanation purposes only of the Resolution to be adopted.

# COUNCIL COMMUNICATION

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

## **RESOLUTION TRANSFERRING 2006 CLASS C LIQUOR LICENSE WITH DANCE ENTERTAINMENT PERMIT AT 410 MACKINAW**

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

WHEREAS, on or about December 8, 2006 the City Clerk's Office received a Local Approval Notice from the State of Michigan Liquor Control Commission; and

WHEREAS, said notice advised that Integrity Property Investments, Inc. requests to transfer ownership of 2006 Class C Licensed Business with Dance-Entertainment Permit located at 410 Mackinaw, Saginaw, MI 48602, Saginaw County from Keene and Keene, Inc.

WHEREAS, the Saginaw County Health Department, City of Saginaw Fire Prevention and the City Building Inspections Division have approved 410 Mackinaw for this transfer.

NOW, THEREFORE, BE IT RESOLVED, request to transfer ownership 2006 Class C Licensed Business with Dance-Entertainment Permit located at 410 Mackinaw, Saginaw, MI 48602, Saginaw County from Keene and Keene, Inc to Integrity Property Investments, Inc. be considered for approval.

It is the consensus of this legislative body that the application be recommended for issuance.



# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Liquor License for 118 N. Michigan

**Manager's Recommendation:**

I recommend approval of the attached resolution that approves Evolution Eateries, Inc.'s request to transfer ownership of a 2006 Class C Licensed Business with Dance-Entertainment Permit, located at 118 N. Michigan Ave, Saginaw, MI 48602, Saginaw County, from Someplace Else of Saginaw, Inc. I further recommend Evolution Eateries, Inc.'s request for an Official Permit for extended hours of operation for food service for the hours of 2:30 a.m. to 7:00 a.m. weekdays and 2:30 a.m. to 12:00 p.m. on Sundays.

**Justification:**

On or about May 8, 2007, the City received notice from the Michigan Liquor Control Commission of Evolution Eateries, Inc.'s request to transfer ownership of a 2006 Class C Licensed Business with Dance-Entertainment Permit, located at 118 N. Michigan Ave, Saginaw, MI 48602, Saginaw County, from Someplace Else of Saginaw, Inc. A separate request was simultaneously submitted requesting an Official Permit for extended hours of operation for food service for the hours of 2:30 a.m. to 7:00 a.m. weekdays and 2:30 a.m. to 12:00 p.m. on Sundays.

The Saginaw County Health Department, City of Saginaw Fire Prevention and the City Building Inspections Division completed the necessary inspections and have approved 118 N. Michigan for the license transfer as required by Chapter 110, "General Provisions," of Title XI, "Business Regulations" of the Saginaw Code of Ordinances. Under Chapter 111, "Alcoholic Beverages," §111.11, "Application for License," wherein

# COUNCIL COMMUNICATION

the City Manager is to review all applications and departmental reports and give his recommendation to City Council of his approval or disapproval of the license. Since the necessary requirements have been met by Evolution Eateries, Inc., I hereby recommend approval of the 2006 Class C License transfer with Dance-Entertainment permit for 118 N. Michigan Avenue to be held in conjunction with an Official Permit for extended hours of operation.

**Council Action:**

This Council Communication is for explanation purposes only of the Resolution to be adopted.

# COUNCIL COMMUNICATION

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

## **RESOLUTION TRANSFERRING 2006 CLASS C LIQUOR LICENSE WITH DANCE ENTERTAINMENT PERMIT AT 118 N. MICHIGAN**

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

WHEREAS, on or about May 8, 2007 the City Clerk's Office received a Local Approval Notice from the State of Michigan Liquor Control Commission; and

WHEREAS, said notice requests transfer of ownership of 2006 Class C Licensed Business with Dance-Entertainment Permit, located at 118 N. Michigan Ave, Saginaw, MI 48602, Saginaw County, from Someplace Else of Saginaw, Inc. to Evolution Eateries, Inc.

WHEREAS, the Saginaw County Health Department, City of Saginaw Fire Prevention and the City Building Inspections Division have approved 118 N. Michigan for this transfer.

NOW, THEREFORE, BE IT RESOLVED, that request to transfer ownership of 2006 Class C Licensed Business with Dance-Entertainment Permit, located at 118 N. Michigan Ave, Saginaw, MI 48602, Saginaw County, from Someplace Else of Saginaw, Inc. to Evolution Eateries, Inc. be considered for approval.

It is the consensus of this legislative body that the application be recommended for issuance.

# COUNCIL COMMUNICATION

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

## **RESOLUTION EXTENDING HOURS OF OPERATION AT 118 N. MICHIGAN**

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

WHEREAS, on or about May 8, 2007 the City Police Department received a Local Approval Notice from the State of Michigan Liquor Control Commission; and

WHEREAS, said notice indicates a request from Evolution Eateries, Inc. for an official permit for extended hours of operation for food from 2:30 a.m. to 7:00 a.m. weekdays and 2:30 a.m. to 12:00 p.m. on Sundays.

WHEREAS, the Michigan Liquor Control Commission only requires the approval of Local Law Enforcement for this permit, which approval has been given.

NOW, THEREFORE, BE IT RESOLVED, that the City Council for the City of Saginaw by this Resolution does hereby approve the request of Evolution Eateries, Inc. for an official permit for extended hours of operation for food from 2:30 a.m. to 7:00 a.m. weekdays and 2:30 a.m. to 12:00 p.m. on Sundays.

It is the consensus of this legislative body that the application be recommended for issuance.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Annual Creditron Corporation Software and Hardware maintenance renewal payment

**Manager's Recommendation:**

I recommend that payment be made to Creditron Corporation in the amount of \$7,612.50 for the renewal of annual software maintenance and \$2,733.00 for the renewal of annual hardware maintenance for a total payment of \$10,345.50. The maintenance covers the Creditron system which processes and images payments and checks received by the Fiscal Services Department, Treasurer's Division.

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

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

**Justification:**

The City annually renews our maintenance fees for the Creditron system. This annual renewal of maintenance fees is for a 12-month period and did not increase from last year.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Boiler Repair at Merrill Park Recreation Center

**Manager's Recommendation:**

I recommend that a payment of \$3,462.42 be made to the Joseph Day Company for emergency repairs to the boiler at the Merrill Park recreation Center.

This vendor meets all the requirements of the Contract Compliance Provisions, Title 1, Chapter 19, §14.35-14.44, of the Saginaw Code of Ordinances.

Funds are available in the Parks and Facilities Maintenance Account No. 101- 7575-821-80.40.

**Justification:**

In November, 2006, the City of Saginaw hired the Joseph Day Company to do emergency repairs to the boiler at the Merrill Park Recreation Center. The boiler was in need of repairs after being mothballed prior to the lease with the Boys and Girls Club. After several discussions, it has been determined that the City of Saginaw is responsible for the cost of the repairs.

**Council Action:**

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

# COUNCIL COMMUNICATION

Council \_\_\_\_\_ introduced an ordinance entitled and reading as follows:

AN ORDINANCE TO AMEND §52.33, "CHARGE FOR PREMISES WITHIN CITY," AND §52.34, "CHARGE FOR PREMISES OUTSIDE CITY" OF CHAPTER 52, "WATER" OF TITLE V, "PUBLIC WORKS," OF THE SAGINAW CODE OF ORDINANCES, O-1.

Laid over under the Charter provision.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Amendment to Title V, Public Works, Chapter 52, Water, §52.33, Charge for Premises Within City and §52.34, Charge for Premises Outside City, of the Saginaw Code of Ordinances

**Manager's Recommendation:**

It is recommended that Title V, Public Works, Chapter 52, Water, §52.33, Charge for Premises Within City and §52.34, Charge for Premises Outside City, of the Saginaw Code of Ordinances be amended.

**Justification:**

This amendment is intended to amend Subsection A and B of §52.33, "Charge for Premises Within City" of the Saginaw Code of Ordinances. The amendments to §52.33(A)(1) and (2), and §52.33(B)(1), are intended to change water rates for premises within the City. The overall increase to inside City customers is 7.88%.

Also, the amendment is intended to amend Subsection A and B of §52.34, "Charge for Premises Outside City" of the Saginaw Code of Ordinances. The amendment to §52.34(A)(2) is intended to raise the commodity charge to retail customers outside the City. The amendments to §52.34(B)(1) and (2) are intended to change the rates charged to all wholesale water customers. The overall increase to the total outside City customers is 7.72%. The changes in rates in both sections are primarily due to increased operating costs and implementation of the water system capital improvement schedule. The changes in rates are expected to generate enough revenue to operate and maintain the City's water system.

**Council Action:**

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



# COUNCIL COMMUNICATION

Council \_\_\_\_\_ moved that an ordinance introduced on August 13, 2007, entitled and reading as follows, be taken up and enacted:

AN ORDINANCE TO AMEND §52.33, "CHARGE FOR PREMISES WITHIN CITY," AND §52.34, "CHARGE FOR PREMISES OUTSIDE CITY" OF CHAPTER 52, "WATER" OF TITLE V, "PUBLIC WORKS," OF THE SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw Ordains:

Section 1. §52.33, "Charge for Premises Within City" and §52.34, "Charge for Premises Outside City" of Title V, "Public Works" of the Saginaw Code of Ordinances, O-1, are hereby amended and shall read as follows:

**§ 52.33 CHARGE FOR PREMISES WITHIN CITY.**

(A) Treated and filtered water. The net rate charged for treated and filtered water to consumers within the limits of the City shall be the sum of the readiness-to-serve charge and the commodity charge.

(1) Readiness-to-serve charge. Readiness-to-serve charge, based on the size of the water meter:

<b><i>Meter Size (inches)</i></b>	<b>Charge per Month</b>
5/8	\$2.84
3/4	\$3.27
1	\$4.12
1½	\$6.24
2	\$8.78
3	\$14.72
4	\$23.21
6	\$44.41

# COUNCIL COMMUNICATION

8	\$69.87
10	\$103.80

(2) Commodity charge. Commodity charge, based upon the amount of water used:

<b>Usage per Month (gallons)</b>	<b>Charge per One Thousand (1,000) Gallons</b>
For all used	\$1.93

(B) Unmetered fire connections.

(1) The net rate charged for unmetered fire connections shall be a demand charge, based upon the size of the connection pipe as follows:

<b>Connection Size (inches)</b>	<b>Charge per Month</b>
4 or smaller	\$11.24
6	\$18.72
8	\$31.44
10	\$56.53
12	\$91.36

(2) The above charges shall include only water used to extinguish fires. No water shall be used from a fire connection for any purpose other than the extinguishment of fires unless such water is metered and paid for as follows:

(a) Water used to maintain pressure on a privately-owned fire line system at a pressure above the normal pressure maintained in the City water mains shall be charged at the standard commodity charge.

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(b) Water used for any purpose other than subsection (a) above shall be metered separately and charged at the rate of two dollars (\$2.00) per one thousand (1,000) gallons.

(3) The unauthorized use of unmetered water from a fire connection shall upon notice by the Director of Finance terminate the customer's privilege of having an unmetered fire connection.

## **§ 52.34 CHARGE FOR PREMISES OUTSIDE CITY.**

(A) Treated and filtered water to retail consumers. The net rate charged for treated and filtered water to retail consumers outside the limits of the City, except other municipalities and public agencies authorized by law to own or operate a water supply system and except consumers having an agreement approved by the Council which does not refer to this section to determine rates, and shall be the sum of the readiness-to-serve charge and the Commodity Charge.

(1) Readiness-to-serve charge. Readiness-to-serve charges based upon size of meter:

<b><i>Meter Size (inches)</i></b>	<b>Charge per Month</b>
5/8	\$5.00
3/4	\$8.33
1	\$16.67
1½	\$33.33
2	\$56.67

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(2) Commodity charge. Commodity charge based upon the amount of water used at two dollars and eighty cents (\$2.80) per one thousand (1,000) gallons.

(B) Out of City wholesale water rates for other municipalities and other wholesale customers.

(1) Commodity charges. The net rate charged for treated and filtered water to wholesale customers, based on the total amount of water used, irrespective of the number of connections or meters:

<b>Wholesale Customer</b>	<b>Charge per One Thousand (1,000) Gallons</b>
Bay City Country Club	\$2.29
Bay County/Frankenlust	\$1.14
Birch Run Twp.	\$1.21
Birch Run Village	\$1.21
Blumfield-Reese	\$1.08
Bridgeport	\$0.92
Buena Vista	\$0.84
Carrollton	\$0.85
Delta College	\$1.25
Frankenmuth	\$1.16
Saginaw County	\$0.97
Kochville	\$0.99
Delphi	\$0.77
Saginaw Township	\$0.87
Spaulding	\$0.83

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Taymouth	\$1.13
Thomas	\$1.00
Tittabawassee	\$1.21
Zilwaukee	\$0.96

(2) Readiness-to-serve charge. Readiness-to-serve charge the size of charged monthly as indicated:

<b>Wholesale Customer</b>	<b>Charge per Month</b>
Bay City Country Club	\$841.00
Bay County/Frankenlust	\$4,446.00
Birch Run Twp.	\$3,265.00
Birch Run Village	\$5,332.00
Blumfield-Reese	\$4,864.00
Bridgeport	\$14,726.00
Buena Vista	\$13,923.00
Carrollton	\$7,501.00
Delta College	\$1,387.00
Frankenmuth	\$16,033.00
Saginaw County	\$9,828.00
Kochville	\$9,422.00
Delphi	\$11,685.00
Saginaw Township	\$75,434.00
Spaulding	\$3,227.00
Taymouth	\$2,521.00
Thomas	\$53,894.00
Tittabawassee	\$13,065.00
Zilwaukee	\$2,788.00

# COUNCIL COMMUNICATION

Section 2: This ordinance shall become effective on September 6, 2007.

Enacted: August 27, 2007.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Annual Supply of Bulk Fluids

**Manager's Recommendation:**

I recommend acceptance of the low bid from Karbowski Oil and issuance of a purchase order to them in the amount of \$67,526.81 for the purchase of bulk fluids for use in the Municipal Garage.

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

Funds for this purchase are available in the Motor Pool Operations, Motor Vehicle Supplies Account No. 661-4480-841-7312.

**Justification:**

On July 17, 2007 the City received bids for an annual supply of bulk fluids for use in the maintenance of motor vehicles in the Municipal Garage Operation. Following is a tabulation of the bids received:

Karbowski Oil Bay City, MI	\$67,526.81
Michigan Petroleum Clio, MI	\$71,914.67
Lyden Oil Lansing, MI	\$75,317.88

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Purchase of 8 Police Patrol Vehicles

**Manager's Recommendation:**

I recommend that a purchase order be approved and issued to Berger Chevrolet ("Berger") of Grand Rapids, Michigan, in the amount of \$191,747.68 for the purchase of eight (8) fully equipped 2008 Chevy Impala 9C1 police package patrol vehicles. Berger was awarded the state bid to provide all police agencies in the State of Michigan vehicles.

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

Funds for these vehicles are budgeted in Motor Pool Operations/Capital Outlay/Vehicles, Account No. 661-4480-841-9770.

**Justification:**

The Saginaw Police Department's fleet of patrol vehicles have an average of 80,000 miles. Twelve out of thirty-two vehicles have over 110,000 miles. Due to high mileage, maintenance costs have risen dramatically for the vehicles. Police Department staff determined that due to the excessive maintenance cost of the vehicles, it was in the best interest of the department to purchase new vehicles. Staff reviewed costs and determined that it was also in the Police Department's best interest to purchase the vehicles pursuant to the state bid because it would result in significant savings to the City. The eight (8) new vehicles will be purchased outright at the cost of \$23,968.46 per vehicle pursuant to the state bid.

**Council Action:**

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