

Council Agenda

August 13, 2012 6:30 p.m.
Council Chamber

PRAYER AND PLEDGE OF ALLEGIANCE

ROLL CALL

ANNOUNCEMENTS:

1. Charles McNair to accept proclamation declaring August 10-12, 2012 as "Saginaw African Cultural Festival Weekend".

PUBLIC HEARINGS:

PERSONAL APPEARANCES:

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

REMARKS OF COUNCIL:

REPORTS FROM MANAGER:

Management Update:

1. Saginaw Housing Commission from Constance Johnson, Assistant Director
2. Parking Ordinance Presentation
3. MDNR-MEDC 2012 Summer Youth Employment Presentation by Phil Karwat, Director of Public Services and Sheila Braddock, CEO, First Ward Community Center
4. Tim Morales, Deputy City Manager/CFO, to receive Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for fiscal 2011 annual financial report.

CONSENT AGENDA:

1. Minutes from July 23, 2012 regular council meeting and July 28, 2012 strategic planning session.

Recommended Actions:

1. Approve and issue a purchase order to DeWolf & Associates, Bloomfield Hills, MI in the amount of \$2,580 for a Field Officer Training Program for four (4) Saginaw Police officers.
2. Approve ongoing Agreement between the City of Saginaw and Blue Cross and Blue Shield to provide Administrative Services for the purposes of managing Health Care Claims to City employees and retirees.

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3. Approve and issue purchase order to TBF Graphics, Saginaw, the only bidder, in the amount of \$7,353.75, for the printing of the City's proposed and approved budget documents in the amount of 2451.25 annually for fiscal years 2013, 2014 and 2015.
4. Approve and issue purchase order to TBF Graphics, Saginaw, in the amount of \$135,000 for printing fiscal year 2013 Water/Sewer bills in the amount of \$66,250 and \$68,750 for fiscal year 2014.
5. Approve and issue purchase order to Arbre Croche Cultural Resources, Leslie, MI in the amount of \$26,773 to provide archaeological monitoring of the Michigan Avenue construction project.
6. Approve the renewal of the Government Lease Agreement with the Department of Navy for the lease of property located at 3500 Douglass Street.
7. Recommending the approval of the "Municipal Consent for Right of Entry" form between the City of Saginaw and the United States Department of the Interior, Office of Surface Mining Reclamation and Enforcement ("OSM").
8. Approve and issue a blanket purchase order to Michigan Pipe and Valve, Kochville Township, MI in the amount of \$2,500 for fiscal year 2013 to purchase miscellaneous supplies such as pipe lubricant, special restraining fittings, and underground nuts and bolts for the Maintenance and Service Division.
9. Approve and issue a blanket purchase order to McGard Special Products, Orchard Park, NY in the amount of \$10,000 for fiscal year 2013, for special hydrant locks and repairs to maintain the security of the City's fire hydrants by the Maintenance and Service Division.
10. Approve and issue a blanket purchase order to Clark Hardware, Saginaw, in the amount of \$2,100 for fiscal year 2013 for the purchase of sheet metal, screws, heavy wire mesh, and cleaning supplies for the Maintenance and Service Division.
11. Approve and issue a purchase order to Etna Supply, Grand Rapids, MI in the amount of \$59,501.48 for fiscal year 2013 for the purchase of brass water parts for use by the Maintenance and Service Division.
12. Approve and issue a blanket purchase order to Larry's Auto Supply, Saginaw, in the amount of \$5,000 for fiscal year 2013 to purchase miscellaneous supplies such as small engine repair parts, light bulbs, and other equipment parts for use by the Maintenance and Service Division.

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13. Approve and issue separate purchase orders to Doc Heinz Contracting, Saginaw, in the amount of \$109,800 for fiscal year 2013 and \$111,400 for fiscal year 2014 for the purchase of a two-year supply of backfill sand; and the issuance of separate purchase orders to Champagne and Marx, Saginaw, in the amount of \$35,626.50 for fiscal year 2013 and \$37,323 for fiscal year 2014 for the purchase of a two-year supply of topsoil.
14. Approve and issue of purchase orders to LaFarge North America of Saginaw, MI in the amount of \$19,622 for fiscal year 2013 and \$20,504 for fiscal year 2014 for the purchase of mason sand and gravel for construction and rehabilitation of catch basins and manholes throughout the City's sewage collection system.
15. Approve and issue of separate purchase orders to Hydro Meter Systems, Pontiac, MI in the amounts of \$9,375 for fiscal years 2013, 2014, and 2015 for annual water meter testing by the Maintenance and Service Division.
16. Approve and issue a blanket purchase order to Applied Industrial Technologies, Buena Vista Township, MI in the amount of \$5,000 for fiscal year 2013 for the purchase of valve replacement parts for use by the Maintenance and Service Division.
17. Approve and issue a purchase order to Sabiston Builders Supply, Warren, MI in the amount of \$6,020 for fiscal year 2013 to purchase Portland Cement for repairs of Water and Sewer systems by the Maintenance and Service Division.
18. Approve and issue a blanket purchase order to ETNA Supply, Grand Rapids, MI a sole source provider, in the amount of \$8,000 for fiscal year 2013 to purchase parts and supplies for the City's census meters by the Maintenance and Service Division.
19. Approve and issue separate annual purchase orders to Saginaw Asphalt, Saginaw, for their sole bid, in the amount of \$232,000 for fiscal year 2013 and fiscal year 2014 for temporary and permanent repairs of street, water, and sewer excavations.
20. Approve and issue blanket purchase order to Belding Tank Technologies, Belding, MI, sole source provider, in the amount of \$5,400 for the repair of two fiberglass chemical storage tanks for use by the Water and Wastewater Treatment Division.

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

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INTRODUCTION OF ORDINANCES:

1. An Ordinance to amend §72.55 "Parking Violations Bureau," §72.99 "Penalties," §72.03 "Boat Launch Parking Areas," §72.40 "City Parking Lots or Areas," and §72.41 "Reduced Group Rates," of Chapter 72, "Parking Regulations," of Title VII "Traffic Regulations", of the City of Saginaw Code of Ordinances, O-1.

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Authorizing Family First Credit Union to update the signatures for the Visa Credit Card to add Vicki L. Davis, Administrative Support Clerk, City Manager's Office.
2. Authorizing the use of amplifying equipment for the Houghton-Jones NTF, Inc. event on September 1, 2012. The event will be held on North 11th Street between Tuscola Street and Johnson Street between the hours of 12:00 p.m. and 5:00 p.m.
3. Authorizing the use of amplifying equipment for the Crispy Music Fest 2012 event on August 25, 2012. The event will be held at Whites Bar located at 2609 State Street between the hours of 11:00 a.m. and 10:00 p.m.
4. Authorizing issuance of General Obligation Limited Tax Bonds, Series 2012, for capital improvements to the City's Wastewater Treatment Plant in the amount of \$2,900,000.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley
City Manager

From: Darnell Earley, City Manager
Subject: Field Training Officer Program
Prepared by: Sienna Rendon, Community Public Safety - Police

Manager’s Recommendation:

I recommend that payment be approved to DeWolf & Associates of Bloomfield Hills, MI, in the amount of \$2,580 for a Field Officer Training Program for four (4) Saginaw Police officers.

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 – Police, Police Administration Division Training and Development Account No. 101-3512-721.80-90.

Justification:

Four (4) police officers have attended the Field Officer Training Program in an effort to acquire the certification and knowledge necessary to train newly hired, probationary police officers who are hired by the Saginaw Police Department. Newly hired police officers are required to job shadow with trained Field Officers as part of their probationary period.

Council Action:

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

From: Darnell Earley, City Manager
Subject: Blue Cross Blue Shield Administrative Services Agreement
Prepared by: Dennis Jordan, Director of Employee Services

Manager’s Recommendation:

I recommend approval of an ongoing Agreement between the City of Saginaw and Blue Cross and Blue Shield to provide Administrative Services for the purposes of managing Health Care Claims to City employees and retirees. This agreement has been approved by me as to substance and the City Attorney as to form. It is also recommended that the City Council authorize the City Manager or his designee to sign all documents related to this agreement.

This vendor meet 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 0-1.

Funds have been budgeted in the General Fund – Retiree Health Division’s Service Fees Account No. 101-8510-771.80-63.

Justification:

The City of Saginaw provides Health Care Benefits for all eligible employees and retirees through Blue Cross and Blue Shield of Michigan on a Self Insured basis. In addition, Blue Cross and Blue Shield provides specific and aggregate excess stop loss coverage for the plan for claims that exceed specified limits.

This agreement has been updated to conform to all Health Insurance Patient Protection and Affordability regulations, Subrogation Laws, audit requirements and the processing of expenses for a new Michigan Operating System (MOS) for the purposes of managing hospital discounts. This is for the approval of the contract only as the fee schedule is handled independent of this.

The City complies with Public Act 106 which requires the City to place the Health Care Program out for Bid once every three years.

Council Action:

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

From: Darnell Earley, City Manager
Subject: TBF Graphics, Inc. – Proposed and Approved Budget Document
Prepared by: Yolanda M. Jones, Office of Management and Budget

Manager’s Recommendation:

I recommend that the City accept the bid from TBF Graphics, the sole bidder, to print the City of Saginaw’s proposed and approved budget documents. This purchase order will cover three fiscal years - 2013, 2014, and 2015, in the amounts of \$2,451.25 for each year. Total for the three year agreement is \$7,353.75.

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 and available in the Department of Fiscal Services – Administration Division’s Printing Account No. (101-1740-711.80-30).

Justification:

In July 2012, TBF Graphics, Inc., the sole bidder, provided a three-year bid to the City for both the proposed and approved budget documents. These documents are provided to city council and city administration.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Printing of water/sewer bills

Prepared by: Joe Finazzi, Fiscal Services

Manager's Recommendation:

I recommend that the City accept the bid from TBF Graphics, the lowest bidder, to print the water/sewer bills in the amount of \$66,250 for fiscal year 2013 and \$68,750 for fiscal year 2014. Total for the two year agreement is \$135,000.

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 Sewer and Water Operations and Maintenance Fund-Customer Accounting Division's Operating Services Account No. 590-5311-711.80-05 and 591-5310-711.80-05.

Justification:

Original bids for the printing of water bills were opened on July 10, 2012. TBF Graphics was the lowest bidder and the results were as follows:

	1st YEAR COST	2ND YEAR COST	TOTAL
TBF Graphics Saginaw, MI (In-City)	\$66,250	\$68,750	\$135,000
Level One LLC Malvern, PA	\$66,250	\$66,250	\$132,500*

*Per the local bidder preference calculation, TBF is the low qualified bidder.
(See note below)**

**\$6,625 Added to Level One's low bid of \$132,500 equals their adjusted total of \$139,125 makes their total more than the local bidder TBF Graphics bid price of \$135,000. It should also be noted that because postage should be relatively equal in each case, the main focus regarding cost is on the printing portion of which TBF Graphics submitted lower cost for each respective year. Therefore, TBF Graphics is the low bidder for this service.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Michigan Avenue Archaeological Monitoring Services – ROW Division

Prepared by: Richard LaBombard, Public Services Department

Manager's Recommendation:

I recommend that a purchase order be approved and issued to Arbre Croche Cultural Resources of Leslie, MI, in the amount of \$26,773 to provide archaeological monitoring of the Michigan Avenue construction project. The agreement has been approved by me 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 service are budgeted in the FY 2013 Water Operation and Maintenance Fund – Maintenance and Services Division's Professional Services Account No. 591-4721-861.80-01.

Justification:

In conjunction with the City's water main replacement and resurfacing of Michigan Avenue from Stephens Street to State Street, the State Historic Preservation Office (SHPO) has identified areas along Michigan Avenue that are archaeologically sensitive based on evidence of burials, artifacts and wooden features found in previous projects. SHPO's defined project area is located among a larger project area that has previously been monitored for archaeological activity. The archaeologically sensitive area identified by SHPO is between Ames Street and Catherine Street. SHPO has requested the City employ the services of a professional archaeologist to monitor project excavation in the identified areas.

A professional archaeologist will monitor excavation activity for archaeological deposits and stop work if necessary to examine and evaluate the deposits. It will be the archaeologist's duty to notify the City in writing of any finds and if necessary consult with the State Archaeologist to discuss steps to preserve or recover archaeological findings. A final report from the archaeologist will detail the findings. Monitoring activities will take place during the 2013 and 2014 construction seasons.

The following is a tabulation of the cost proposals received:

Arbre Croche Cultural Resources Leslie, MI	\$26,773.00 total bid 67 days @ \$319.00 per day (8-hour days) 270 hours @ \$20.00 per hour (beyond 8 hour day)
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Commonwealth Cultural Resources Group, Inc. Jackson, MI	\$51,370.47 total bid 67 days @ \$589.41 per day (8-hour day) 270 hours @ \$44.00 per hour (beyond 8 hour day)
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Andrews Cultural Resources Leslie, MI	\$69,840.00 total bid 67 days @ \$720.00 per day (8-hour day) 270 hours @ \$80.00 per hour (beyond 8 hour day)
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Council Action

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

From: Darnell Earley, City Manager
Subject: Department of the Navy Renewal of Government Lease
Prepared by: Phillip Karwat, Public Service Department

Manager's Recommendation:

I recommend that the Department of the Navy ("Navy") Notice of Renewal of Government Lease ("Lease") be renewed. The City recently received a Notice of Renewal for the lease of property located at 3500 Douglass Street. The Navy is seeking to renew the lease for a one-year term from October 1, 2012 through September 30, 2013. I further recommend that the Director of Public Services or his designee be authorized to approve annual extensions of the Lease for subsequent years without further Council approval or action. The City Manager has approved the Notice of Renewal as to substance and the City Attorney as to form.

Justification:

The Navy leases 7.39 acres of land from the City located at 3500 Douglass Street, which is known as the Naval Reserve Center. The land is used to train reserves and an office is located on the land, which is used for recruiting. The parties entered into the original lease on October 18, 1985. The lease stated that the Navy would pay the City \$1.00 for annual rent and other legal consideration. Further, there is a clause, which states that the lease was renewable for 49 additional one (1) year terms at the same rate. In addition, the lease states the Navy is only required to send the City a letter stating that it wants to renew the lease.

Council Action:

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

From: Darnell Earley, City Manager
Subject: Municipal Consent for Right of Entry Forms
Prepared by: Beth London, Public Services Department

Manager's Recommendation:

I recommend approval of the "Municipal Consent for Right of Entry" form between the City of Saginaw ("City") and the United States Department of the Interior, Office of Surface Mining Reclamation and Enforcement ("OSM"). The approval of this form is necessary for OSM to conduct mine shaft reclamation work at Wickes Park. It is further recommended that the City Council authorize the Mayor and the City Clerk to sign the forms. I have approved the forms as to substance and the City Attorney as to form.

Justification:

Transmitted herewith for Council approval is a "Municipal Consent for Right of Entry" form between the City and OSM. OSM is planning to conduct reclamation work within Wickes Park. OSM proposes to undertake reclamation work necessitated by abandoned coal mining activity to protect the health, safety and general welfare of the public from the adverse effects of past coal mining activities. The shafts may be a potential hazard to residents and the general public. As part of OSM's exploration and possible abatement work it will be necessary to have equipment and material in Wickes Park and possibly the nearby City streets and right-of-ways. OSM has stated that prior to starting their work it is necessary to receive written permission from all property owners. The City understands and acknowledges that the success of the project cannot be warranted.

Work performed in the project area shall be done by contractors for OSM, and OSM is without authority to assume the risk of injury to persons or damage to persons or property resulting from the action of the contractors, but OSM shall require contractors performing the work on the property to obtain and keep in force liability insurance.

The City acknowledges that OSM has no responsibility or liability for any mine related damage to City property which occurred prior to, or which might occur during or after the abatement work. However, upon completion of the reclamation work, the property shall be restored to a condition judged to be safe and acceptable to the Contracting Officer's Representative. Any construction related damage shall be restored to a condition similar to that existing before OSM's entry. OSM and its contractors are still required to apply for, and obtain all necessary permits as required for this work by the Engineering Division, prior to starting the reclamation work.

Council Action:

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

From: Darnell Earley, City Manager
Subject: Blanket Purchase Order for Michigan Pipe and Valve
Prepared by: John Premo, Public Services Department

Manager’s Recommendation:

I recommend that a blanket purchase order be approved and issued to Michigan Pipe and Valve, Kochville Township, MI in the amount of \$2,500 for fiscal year 2013.

This vendor meets all requirements for §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 Fund – Maintenance and Service Division’s Parts and Supplies Account No. 590-4821-861.73-30, (\$1,250), and the Water Operation and Maintenance Fund – Maintenance and Service Division’s Parts and Supplies Account No. 591-4721-861.73-30 (\$1,250).

Justification:

The Maintenance and Service Division requires the purchase of miscellaneous supplies such as pipe lubricant, special restraining fittings, and underground nuts and bolts throughout the fiscal year and an efficient way of purchasing these items is to establish a blanket purchase order. This allows the Maintenance and Service Division to purchase items from Michigan Pipe and Valve without having to establish a purchase order every time for products that this vendor supplies.

Council Action:

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

From: Darnell Early, City Manager

Subject: Blanket Purchase Order for McGard Special Products

Prepared By: John Premo, Public Services Department

Manager's Recommendation:

I recommend that a blanket purchase order be approved and issued to McGard Special Products, Orchard Park, New York a sole source provider in the amount of \$10,000 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 Ordinance O-1.

Funds for this purchase are budgeted in the Water Operation and Maintenance Fund – Maintenance and Service Division's Parts and Supplies Account No. 591-4721-861.73-30.

Justification:

The Maintenance and Service Division requires locks and parts to make up special wrenches to operate the hydrant locks. An efficient way of purchasing these items is to establish a blanket purchase order for fiscal year 2013. This allows the Maintenance and Service Division to purchase these items without establishing individual purchase orders for each purchase. To date, over 300 locks have been installed in the water distribution system. These special hydrant locks and repairs are required to maintain the security of the City's fire hydrants.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved, seconded by Council _____

From: Darnell Early, City Manager
Subject: Blanket Purchase Order for Clark Hardware
Prepared By: John Premo, Public Services Department

Manager’s Recommendation:

I recommend that a blanket purchase order be approved and issued to Clark Hardware, Saginaw, MI (in city) in the amount of \$2,100 for the purchase of miscellaneous supplies 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 Ordinance O-1.

Funds for this purchase are budgeted in the Sewer Operation and Maintenance Fund – Maintenance and Service Division’s Parts and Supplies Account No. 591-4821-861.73-30 (\$1,050), and the Water Operation and Maintenance Fund – Maintenance and Service Division’s Parts and Supplies Account No. 591-4721-861.73-30 (\$1,050).

Justification:

The Maintenance and Service Division requires miscellaneous supplies throughout the fiscal year and an efficient way of purchasing these items is to establish a blanket purchase order. This allows the Maintenance and Service Division to purchase items from this vendor without having to establish a purchase order every time supplies are purchased from Clark Hardware. These supplies vary from sheet metal screws, heavy wire mesh, and cleaning supplies for the facility.

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 Brass Water Fittings
Prepared by: John Premo, Public Services Department

Manager’s Recommendation:

I recommend that the low bid from Etna Supply, Grand Rapids, Michigan be accepted and a purchase order be approved and issued to them in the amount of \$59,501.48 for the purchase of over 5,000 brass water parts 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 budgeted in the Water Operation and Maintenance Fund – Maintenance and Service Division’s Parts and Supplies Account No. 591-4721-861.73-30.

Justification:

On June 12, 2012, bids were received for the annual supply of over 5,000 brass water parts for use in the Maintenance and Service Division for the construction and maintenance of Water Distribution and Transmission Systems. The brass water parts include but are not limited to the following items: curb stops, corporation stops, saddles, fittings, brass plugs, etc. These supplies are used for emergencies and day-to-day maintenance and repairs to the restore the City’s water services year round and to reduce the amount of time water customers are inconvenienced. A cost comparison shows an average increase of 35% over the previous purchase. These brass fittings meet the 2014 lead standard for potable water. Following is a tabulation of the bids received:

Etna Supply Grand Rapids, MI	\$59,501.48
SLC Meter Davis Burg, MI	\$60,202.30
Michigan Pipe and Valve Zilwaukee, MI	\$71,111.00

Council Action:

Council _____ moved that the recommendation of the City Manager be approved, seconded by council _____.

From: Darnell Early, City Manager

Subject: Blanket Purchase Order for Larry's Auto Supply

Prepared By: John Premo, Public Services Department

Manager's Recommendation:

I recommend that a blanket purchase order be approved and issued to Larry's Auto Supply of Saginaw, MI (in-city) in the amount of \$5,000 for the purchase of miscellaneous supplies 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 Ordinance O-1.

Funds for this purchase are budgeted in the Sewer Operation and Maintenance Fund – Maintenance and Service Division's Parts and Supplies Account No. 590-4821-861.73-30 (\$2,500), and the Water Operation and Maintenance Fund – Maintenance and Service Division's Parts and Supplies Account No. 591-4721-861.73-30 (\$2,500.00).

Justification:

The Maintenance and Service Division requires miscellaneous supplies throughout the fiscal year. An efficient way of purchasing these items is to establish a blanket purchase order. This allows the Maintenance and Service Division to purchase items that include small engine repair parts, light bulbs, and other equipment parts required to complete the work of water and sewer without having to establish a purchase order each time for products that Larry's Auto supplies.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved, seconded by Council _____

From: Darnell Early, City Manager
Subject: Annual Purchase Order for Topsoil and Backfill Sand
Prepared by: John Premo, Public Services Department

Manager’s Recommendation:

I recommend that the low bids from Doc Heinz Contracting, Saginaw, MI be accepted and purchase orders be approved and issued to them for fiscal year 2013 in the amount of \$109,800 for sand, and to Champagne and Marx Excavating, Saginaw, MI for fiscal year 2013 in the amount of \$35,626.50 for topsoil. In fiscal year 2014, I recommend purchase orders be accepted and issued to Doc Heinz in the amount of \$111,400 for sand, and to Champagne and Marx Exc. for the purchase of topsoil in the amount of \$37,323.

This vendor meet 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 0-1.

Funds for these purchases are budgeted in Sewer Operation and Maintenance Fund – Maintenance and Service Division’s Parts and Supplies Account No. 591-4721-861.73-30 (\$72,713.25), and Sewer Operation and Maintenance Fund – Maintenance and Service Division’s Parts and Supplies Account No. 590-4821-861.73-30 (\$72,713.25) for FY 2013, and will be budgeted in the same account numbers in the amount of (\$74,361.50) in each account pending approval of fiscal year 2014 budget.

Justification:

On June 7, 2012, bids were received for a two year supply of topsoil (3,770 tons) and sand (20,000 tons) annually used by Maintenance and Service crews to backfill streets and restore grass areas disturbed by water or sewer excavations for repairs. Three vendors submitted bids with Doc Heinz being awarded the back fill sand for two years and Champagne and Marx being awarded the topsoil for two years. A cost comparison shows an average decrease of 15.5% from the previous year. Following is a tabulation of the bids received:

Champagne and Marx Saginaw, MI (out-city)	<u>First Year</u> \$ 35,626.50 <u>\$157,000.00</u>	<u>Second Year</u> \$ 37,323.00 Topsoil <u>\$157,000.00</u> Sand
Totals	\$192,626.50	\$194,323.00
Doc Heinz Saginaw, MI (out-city)	<u>First Year</u> \$ 48,067.50 <u>\$109,800.00</u>	<u>Second Year</u> \$ 51,385.10 Topsoil <u>\$111,400.00</u> Sand

	Totals \$157,867.50	\$162,785.10
Burdow Trucking Co.	<u>First Year</u>	<u>Second Year</u>
Saginaw, MI (out-city)	\$ 47,879.00	\$ 48,633.00 Topsoil
	<u>\$124,800.00</u>	<u>\$130,800.00</u> Sand
	Totals \$172,679.00	\$179,433.00

Council Action:

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

From: Darnell Early, City Manager
Subject: Annual Supply of Mason Sand and Gravel
Prepared By: John Premo, Public Services Department

Manager’s Recommendation:

I recommend that the quote from LaFarge North America, Saginaw, MI (in-city) be accepted and purchase orders for mason sand and gravel be approved and issued to them in the amount of \$19,622 for fiscal year 2013 and \$20,504 for fiscal year 2014.

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 Ordinance O-1.

Funds for this purchase are budgeted in Water Operation and Maintenance Fund – Maintenance and Service Division’s Parts and Supplies Account No. 591-4721-861.73-30 (\$9,811), and Sewer Operation and Maintenance – Maintenance and Service Division’s Parts and Supplies Account No. 590-4821-861.73-30 (\$9,811) for fiscal year 2013, and pending approval will be budgeted in the same account numbers in the amount of \$10,252 from each account for fiscal year 2014.

Justification:

On June 26, 2012, the Maintenance and Service Division received a two-year quote for mason sand and gravel. LaFarge North America will provide 600 tons of mason sand and 500 tons of gravel in fiscal years 2013 and 2014 for construction and rehabilitation of catch basins and manholes throughout the City’s sewage collection system. This year, the Purchasing Division attempted to bid this material twice and received no bids. Therefore, the Purchasing Division contacted LaFarge North America for a quote, since they were the only bidder in 2010. A cost comparison shows an average increase of 17.5% over the previous two-years.

Following is a tabulation of the quote received:

<u>LaFarge North America Saginaw, MI (in-city)</u>	<u>FY 2013</u>	<u>FY 2014</u>
500 Tons - 60/40 Gravel	\$19.48/Ton	\$20.26/Ton
600 Tons - Mason Sand	\$16.47/Ton	\$17.29/Ton

Council Action:

Council _____ moved that the recommendation of the City Manager be approved, seconded by Council _____

From: Darnell Earley, City Manager
Subject: Annual Water Meter Testing
Prepared by: John Premo, Public Services Department

Manager’s Recommendation:

I recommend that the low bid from Hydro Meter Systems, Pontiac, MI be accepted and purchase orders be issued to them for the amounts of \$9,375 for fiscal years 2013, 2014, and 2015. These purchase orders include an additional \$2,000 in each fiscal year for repair parts that may be needed to restore the meters accuracy.

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 Operation and Maintenance Fund – Meter Maintenance and Service Division’s Operating Services Account No. 591-4720-861.80-05 (\$4,687.50), and Sewer Operation and Maintenance Fund – Meter Maintenance and Service Division’s Operating Services Account No. 590-4820-861.80-05 (\$4,687.50), and will be budgeted in the same account numbers in the same amount in each account pending approval of fiscal years 2014 and 2015.

Justification:

On June 19, 2012, four bids were received for the Maintenance and Service Section annual testing requirements for the master meters servicing the wholesale customers (out-city), industries, and businesses within the City with large volume water meter usage. Bids were received for testing of 75 various sized turbos and compound meters. Testing ensures the accuracy of the meters is restored to American Water Works standards for cold-water meters. A cost comparison from the previous bid shows a 9% decrease. The following is tabulation of the bids received:

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>TOTALS</u>
Hydro Meter Systems Pontiac, MI	\$ 7,375.00	\$ 7,375.00	\$7,375.00	\$22,125.00
Rapid Water Recovery Summerville, GA	\$10,042.50	\$10,042.50	\$10,042.50	\$30,127.50
M.E. Simpson Valparaiso, IN	\$27,840.00	\$27,840.00	\$28,525.00	\$84,205.00
Michigan Meter Tech Madison Heights, MI.	\$27,950.00	\$27,950.00	\$27,950.00	\$83,850.005

Council Action:

Council _____ moved that the recommendation of the City Manager be approved, seconded by council _____.

From: Darnell Early, City Manager

Subject: Blanket Purchase Order for Applied Industrial Technologies

Prepared By: John Premo, Public Services Department

Manager's Recommendation:

I recommend that a blanket purchase order be approved and issued to Applied Industrial Technologies of Buena Vista Township, MI in the amount of \$5,000 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 Ordinance O-1.

Funds for this purchase are budgeted in the Water Operation and Maintenance Fund – Maintenance and Service Division's Operating Services Account No. 591-4721-861.80-05.

Justification:

The Maintenance and Service Division requires special services to duplicate spear gears throughout the fiscal year and an efficient way to procure these services is to establish a blanket purchase order. This allows the Maintenance and Service Division to have valve replacement parts made locally and readily available. Allied Industrial Technologies is the only local fabricating company that can duplicate these parts. Otherwise, the part replacement cost would be substantially higher of large (1920's era) transmission valves.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved, seconded by Council _____

From: Darnell Early, City Manager
Subject: Annual Supply of Portland Cement
Prepared By: John Premo, Public Services Department

Manager’s Recommendation:

I recommend that the low bid from Sabiston Builders Supply, Warren, MI be accepted and a purchase order be approved and issued to them in the amount of \$6,020 for the purchase of annual supply of Portland Cement 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 Ordinance O-1.

Funds are budgeted in the Water Operation and Maintenance Fund – Maintenance and Services Division’s Parts and Supplies Account No. 591-4721-861.73-30 (\$3,010.00), and the Sewer Operation and Maintenance Fund – Maintenance and Service Division’s Parts and Supplies Account No. 590-4821-861.73-30 (\$3,010.00), and will be accounted for in the Water Inventory Account No. 591-0000-171.73-30.

Justification:

On June 12, 2012 bids were received for the annual supply of 700 bags of Portland Cement for use in the Maintenance and Service Division for construction and repair of the Water and Sewer systems. The cement is used for constructing catch basins and manholes, adjustments of catch basin and manhole castings, thrust blocking for hydrants, watermain bends and tees, etc. A cost comparison shows a 6.5% increase over last year’s purchase.

Following is a tabulation of the bids received:

Sabiston Builders Supply Warren, MI (out-city)	\$6,020.00
Home Depot Saginaw, MI (out-city)	\$6,041.00
Airgas Great Lakes Saginaw, MI (out-city)	\$6,265.00

Council Action:

Council _____ moved that the recommendation of the City Manager be approved, seconded by Council _____

From: Darnell Early, City Manager
Subject: Blanket Purchase Order for ETNA Supply
Prepared By: John Premo, Public Services Department

Manager’s Recommendation:

I recommend that a blanket purchase order be approved and issued to ETNA Supply, Grand Rapids, MI, a sole source provider, in the amount of \$8,000 for the purchase of miscellaneous supplies 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 Ordinance O-1.

Funds for this purchase are budgeted in the Sewer Operation and Maintenance Fund – Maintenance and Services Division’s, Parts and Supplies Account No. 590-4820-861.73-30, (\$4,000), and the Water Operation and Maintenance Fund – Maintenance and Service Division’s Parts and Supplies Account No. 591-4720-861.73-30 (\$4,000).

Justification:

The Maintenance and Service Division requires the purchase of miscellaneous supplies throughout the fiscal year. An efficient way of purchasing these items is to establish a blanket purchase order. This allows the Maintenance and Service Division to purchase items from this vendor without having to establish individual purchase orders for each purchase. ETNA Supply is a sole source for parts and supplies for the City’s sensus meters. This vendor supplies the City with various meter supplies such as seal wire and seals, registers, and special wire for connecting registers and radios.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved, seconded by Council _____

From: Darnell Early, City Manager
Subject: Annual Supply of Hot and Cold Asphalt for Maintenance and Service and Streets Divisions

Prepared By: John Premo, Public Services Department

Manager's Recommendation:

I recommend that the sole bid from Saginaw Asphalt, Saginaw, MI be accepted and separate annual purchase orders be approved and issued in the amount of \$232,000 for fiscal year 2013 and fiscal year 2014.

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 Provision" of the Saginaw Code of Ordinances O-1.

Funds for this purchase are available in the Local Streets Fund – Routine Maintenance Division's Street and Road Materials Account No. 203-4651-841.73-40 (\$16,000.00), and Major Streets Fund – Routine Maintenance Division's Street and Road Materials Account No. 202-4651-841.73-40 (\$16,000.00), and Water Operation and Maintenance Fund – Maintenance & Service Division's Street and Road Materials Account No. 591-4721-861.73-40 (\$150,000.00), and Sewer Operation and Maintenance Fund – Maintenance & Service Division's Street and Road Materials Account No. 590-4821-861.73-40 (\$50,000.00) for 2013, and will be budgeted in the same account numbers in the amounts allocated in fiscal year 2013 pending approval of fiscal year 2014 budget.

Justification:

The Department of Public Services requires hot and cold asphalt for temporary and permanent repairs of street, water, and sewer excavations. Saginaw Asphalt submitted the only bid for these materials. Fiscal year 2013 prices increased an average of 15% from 2012, and prices will increase another 5% in fiscal year 2014.

Following is a tabulation of the bid received:

<u>Saginaw Asphalt Saginaw, MI</u>	<u>FY 2013</u>	<u>FY 2014</u>
Hot Mix 13A/Ton	\$52.75	\$55.00
Hot Mix 36A/Ton	\$52.75	\$55.00
Cold Patch CP-5/Ton	\$83.25	\$87.50

Council Action:

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

From: Darnell Earley, City Manager
Subject: Fiberglass Chemical Storage Tank Repair
Prepared by: Jeanette Best, Water and Wastewater

Manager’s Recommendation:

I recommend that the quote from Belding Tank Technologies, Belding, MI, be accepted and that a purchase order be issued to them in the amount of \$5,400 for the repair of two fiberglass chemical storage tanks.

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 Operations and Maintenance Fund -Remote Facilities Division’s General Repairs Account No. 590-4835-861.80-40.

Justification:

The Salt-Fraser Retention Treatment Basin (RTB) has two fiberglass chemical storage tanks for its disinfectant chemical, sodium hypochlorite. These tanks have been in service for approximately 20 years and are in need of repair. The flanges on the side at the bottom of the tanks need to be replaced. Belding Tank Technologies is the manufacturer of the tanks and the sole source for this type of repair.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Parking Ordinance Update

Prepared by: Parking Reform Team

Manager's Recommendation:

I recommend that Section 72.55 "Parking Violations Bureau", Section 72.99 "Penalties", Section 72.03 "Boat Launch Parking Area", Section 72.40 "City Parking Lots or Area", and Section 72.41 "Reduced Group Rates", of Chapter 72, "Parking Regulations", of Title VII "Traffic Regulations", of the City of Saginaw Code or Ordinance, O-1. The Ordinance has been prepared and appears under regular order of business. I have approved the Amended Ordinance as to substance and the City Attorney as to form.

Justification:

Fines for parking violations have not been updated since 2006. This ordinance amendment will increase parking fines such as prohibited early morning parking will constitute a \$25.00 fine, overtime parking violations will constitute a \$15.00 fine and handicap parking violations will constitute \$150.00 fine. These increases are necessary due to increases in the administration of the issuance of these tickets.

Additionally, the Parking Reform Team reviewed and updated the ordinance with clearer language for Boat Launch Parking Area, City Parking Lots or Areas, Group Rates, and Parking Regulations.

Council Action:

This communication is for explanation purpose only of the ordinance to be introduced.

Council _____ moved that an ordinance introduced August 13, 2012, entitled and reading as follows, be taken up and enacted:

AN ORDINANCE TO AMEND § 72.55 "PARKING VIOLATIONS BUREAU," § 72.99 "PENALTIES," § 72.03 "BOAT LAUNCH PARKING AREAS," § 72.40 "CITY PARKING LOTS OR AREAS," AND § 72.41 "REDUCED GROUP RATES," OF CHAPTER 72, "PARKING REGULATIONS", OF TITLE VII "TRAFFIC REGULATIONS", OF THE CITY OF SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw ordains:

Section 1. Section 72.55 "Parking Violations Bureau", of Chapter 72 "Parking Regulations" of Title VII "Traffic Regulations" of the Saginaw Code of Ordinances O-1 is hereby amended to read as follows:

Section 72.55. Parking Violations Bureau.

- (A) The City hereby establishes a Parking Violations Bureau (Bureau) pursuant to MCL 600.8395.
- (B) The purpose of the Bureau shall be to accept admissions in parking violation cases and to collect and retain civil fines and costs as prescribed by City ordinance.
- (C) A "parking violation notice" or "citation" means a notice directing a person to pay the fines and costs herein prescribed for the parking or standing of a motor vehicle in violation of City ordinance. The parking violation notice shall indicate the nature of the violation, the section of the ordinance violated, the contact information for the Bureau (or its authorized agent), and the amount of fine and/or penalty levied for the offense.

- (D) A parking violation notice or citation may be issued by a police officer, including a limited duty officer, or other personnel duly authorized by the City Manager.
- (E) A parking violation notice or citation may be served personally upon the operator of the vehicle, upon the registered owner of the vehicle by attaching the notice to the vehicle, or by ordinary mail addressed to the registered owner.
- (F) After receiving a parking violation notice or citation, a defendant may a) pay the applicable fine and/or penalty pursuant to the instructions on the parking violation notice or citation; or b) file a written appeal with the Bureau or its authorized agent.
- (G) If a defendant has not filed a written appeal with the Bureau or its authorized agent and has not otherwise disposed of the parking violation notice within ten (10) days after its issuance, a penalty in the amount proscribed by Section 72.99 of this Ordinance shall be levied.
- (H) If a defendant has not filed a written appeal with the Bureau or its authorized agent or has not otherwise disposed of the parking violation notice within fifteen (15) days after its issuance, then the Bureau or its authorized agent shall send a second written notice by ordinary mail to the address of the registered owner. This second written notice shall contain the same facts and information contained within the first notice, but shall also include the amount of any penalty levied.
- (I) Those defendants who have filed a written appeal with the Bureau or its authorized agent within fifteen (15) days after the issuance of the original notice shall not receive a second written notice as described in division (H).

- (J) If a defendant has not filed a written appeal with the Bureau or its authorized agent and has not otherwise disposed of the parking violation notice within 30 (thirty) days after its issuance, then the Bureau or its authorized agent shall send written notice by ordinary mail that the amount owed has been marked delinquent and the matter will proceed to collections.
- (K) The Bureau or its authorized agent is authorized to collect any penalties due hereunder in any manner allowed by law, including, but not limited to, the use of a third party or agency.
- (L) Appeal Process:
- a. Within three (3) days of the date of receipt of a parking violation notice or citation, a defendant wishing to appeal the notice and the associated fee may do so by filing a written appeal with the Bureau or its authorized agent.
 - b. Within ten (10) days from its receipt of the appeal, the Bureau or its authorized agent shall make a determination on the appeal request and shall notify the defendant of its decision in writing.
 - c. In the event the defendant is not satisfied with the decision rendered by the Bureau or its authorized agent, within ten (10) days of the determination the defendant may appeal the determination in a court of competent jurisdiction.
 - d. In such cases, the court may order the payment of costs in addition to any authorized penalties in accordance with the Michigan Vehicle Code, MCL 257.907.

Section 1. This ordinance shall become effective August _____, 2012.

Enacted: August _____, 2012

Section 2. Section 72.99 “Penalties”, of Chapter 72 “Parking Regulations” of Title VII “Traffic Regulations” of the Saginaw Code of Ordinances O-1 is hereby amended to read as follows:

Section 72.99 Penalties.

- (A) Any violation of the provisions of this chapter shall be punishable by the fines below unless otherwise provided by law.
- (B) The fines for a single parking violation are as follows:
 - (1) Overtime violations: fifteen dollars (\$15.00).
 - (2) Designated handicapped space violations: one hundred and fifty dollars (\$150.00).
 - (3) All other parking violations: twenty five dollars (\$25.00).
 - (4) If no written appeal has been filed and if the original parking violation notice has not been disposed of within ten (10) days after service of the original parking violation notice, the following penalties will be applied in addition to the original fines set forth above:
 - (a) Overtime violations: fifteen dollars (\$15.00).
 - (b) Designated handicapped space: fifty dollars (\$50.00).
 - (c) All other parking violations: twenty five dollars (\$25.00).

- (C) In addition to the fines and penalties set forth in divisions (A) and (B) any or all of the following actions may be taken in an effort to collect unpaid parking fines.
- (1) The Bureau may forward the unpaid fines to a collection agency for action. Upon forwarding the fines to the collection agency, an administrative fee equal to thirty percent (30%) of the unpaid fine will be added to the balance due.
 - (2) If a vehicle owner has more than three (3) unpaid parking citations an immobilization device may be placed on the vehicle when found. The device will be removed only after all unpaid fines and penalties have been satisfied, along with an immobilization device removal fee of seventy-five (\$75.00) dollars. The vehicle owner may contest the immobilization by following the procedures in Section 70.32 of this Ordinance. Failure to comply with these requirements after the passing of forty-eight (48) hours will result in the impoundment of the vehicle in accordance with the procedures in Section 70.31 of this Ordinance. An impounded vehicle may be redeemed only after all unpaid fines and penalties have been satisfied, the immobilization device removal fee has been paid, and towing and storage fees have been paid.

- (a) An immobilization device may only be removed by personnel duly authorized by the City Manager. The penalty for unauthorized removal of said device shall constitute a criminal misdemeanor punishable by up to ninety (90) days imprisonment and/or up to a five hundred (\$500.00) dollar fine and other costs as allowed by MCL 257.907, including, but not limited to costs relating to damaged immobilization devices.

Section 2. This ordinance shall become effective August _____, 2012

(D) Enacted: August _____, 2012

Section _____. Section 70.32 “Redemption of Vehicle; Hearing”, of Chapter 70 “General Provisions” of Title VII “Traffic Regulations” of the Saginaw Code of Ordinances O-1 is hereby amended to read as follows:

Section 70.32. Redemption of Vehicle; Hearing.

(A) If the owner does not contest the immobilization or impoundment of the vehicle, the owner may obtain the release of the vehicle by paying the accrued charges to the City together with a device removal fee of seventy-five (\$75.00) dollars.

(B) If the owner contests the immobilization or impoundment of the vehicle, the matter shall be resolved after a hearing conducted in the 70th District Court. An owner who contests the immobilization or impoundment of the vehicle may obtain release of the vehicle by posting a bond or cash deposit as determined by the court. The bond or cash deposit shall not exceed five hundred dollars (\$500.00).

Section _____. This ordinance shall become effective August _____, 2012.

Enacted: August _____, 2012

Section 3. Section 72.03 “Boat Launch Parking Areas”, of Chapter 72 “Parking Regulations” of Title VII “Traffic Regulations” of the Saginaw Code of Ordinances

O-1 is hereby amended to read as follows:

Section 72.03. Boat Launch Parking Areas.

(A) No person shall park a vehicle used to transport a boat in a parking lot or parking area provided for such use at a City-owned boat launch without having paid one of the following:

1. Paid the sum of seven dollars (\$7.00) to include the launching of a boat and parking of a vehicle used to transport such boat.
2. Paid the sum of two dollars (\$2.00) for the parking of a vehicle with the intention of accompanying a person or persons utilizing the City-owned boat launch.

(B) An individual may purchase from the City a seasonal permit. Said permit shall cost thirty-five dollars (\$35.00) and will allow parking at a City-owned boat launch for the calendar year (January 1 - December 31) in which purchased. Prorating of the seasonal permit fees or term shall not be permitted. Said permit shall be affixed to the lower right corner of the vehicles used to transport a boat at a City-owned boat launch during hours which the launch is open to the public.

(C) The issuance of, and fines for, a violation of this section shall be governed by § 72.99 and all other applicable parking ordinances.

Section 3. This ordinance shall become effective August _____, 2012

Enacted: August _____, 2012

Section 4. Section 72.40 “City Parking Lots or Areas”, of Chapter 72 “Parking Regulations” of Title VII “Traffic Regulations” of the Saginaw Code of Ordinances O-1 is hereby amended to read as follows:

Section 72.40. City Parking Lots or Areas.

(A) *Rates and charges for parking in City-owned or operated off-street parking lots or areas.*

(1) The number and location of the City-owned or operated off-street parking lots, ramps, and areas for which rates and charges for parking are established herein shall be as described and designated on the Parking Lot Map on file in City Clerk's File No. 348-C-7.

(2) Rates for parking motor vehicles in City-owned or City-operated off-street parking lots, ramps, and areas shall be as follows:

PARKING LOT RATES – DAYTIME MONDAY - FRIDAY				
Lot No.	Hourly Parking Rate	Maximum Period	Monthly Parking Allowed	Monthly Rate
4	none	none	yes	\$25.00
23	free parking	1 hour	yes	\$25.00
PARKING RAMP 1 (LOT 9) RATES				
Monthly parking			\$36.00	
Weekly (seven (7) consecutive days)			\$15.00	
Daily or convention pass			\$5.00	
PARKING RAMP 3 (LOT 33) RATES				
Hourly Parking	Maximum Period	Monthly and Weekly Parking	Weekly Rate (seven (7) consecutive days)	Monthly Rate
free parking	2 hours	yes	\$15.00	\$25.00
DESIGNATED SPECIAL EVENT PARKING				

<i>Lot No.</i>	<i>Time</i>	<i>Rate</i>
4	Nights, Sundays, and holidays	\$3.00
23	Nights, Sundays, and holidays	\$3.00

(B) The Parking Violations Bureau or its authorized agent will invoice customers for daily, weekly, and monthly parking use on a quarterly basis. Invoices will be mailed on or about the first day of each quarter with payment due by the fifteenth day of the first month of each quarter.

(C) *Special charge for release of parked vehicle from City off-street area after hours.* Upon the release of a motor vehicle from a City-owned or operated parking lot or area at a time when it is not open for public use, a special charge of ninety-eight dollars (\$98.00) for each occurrence shall be made in lieu of the charges specified in division (A).

(D) *Special charge for reactivation and reissuance.*

(1) If payment is not received by the fifteenth day of the billing quarter, the customer's parking permit will be deactivated. The individual will be charged a fee of twenty dollars (\$20.00) to reactivate the permit.

(2) If a customer requires a replacement permit, the City will charge the customer a fee of five dollars (\$5.00) to replace the permit.

Section 4. This ordinance shall become effective August _____, 2012

Enacted: August _____, 2012

Section 5. Section 72.41 "Reduced Group Rates", of Chapter 72 "Parking Regulations" of Title VII "Traffic Regulations" of the Saginaw Code of Ordinances O-1 is hereby amended to read as follows:

Section 72.41. Reduced Group Rates.

- (A) Reduced group rates for parking for twenty-five (25) or more spaces may be authorized by written agreement approved by the City Council.
- (B) Each agreement shall, among other things, satisfy the following conditions:
 - (1) The group shall be an established organization capable of carrying out its contractual obligations.
 - (2) The term of the contract shall be established by written agreement approved by City Council.
 - (3) The group shall not sublease any of the spaces to any person at a rate less than that charged by the City at any time during the term of the sublease for other individually leased spaces in the same parking facility.
- (C) The City or its authorized agent shall invoice such customers pursuant to the terms of the written agreement.

Section 5. This ordinance shall become effective August _____, 2012

Enacted: August _____, 2012

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

RESOLUTION TO AUTHORIZE USE OF VISA CARD

Council _____ offered and moved adoption of the following resolution:

WHEREAS, at a regular meeting of City Council held July 25, 2011, City Council gave City Manager Darnell Earley, Executive Assistant to the City Manager Deboria Buck and Administrative Support Clerk Carolyn Hernandez authorization to utilize the City Manager's Office Visa Credit Cards issued by Family First Credit Union for City purchases only; and

WHEREAS, in December 1998, auditors from the State of Michigan ordered the Credit Union to have on file a listing of authorized users of the card; and

WHEREAS, due to the resignation of Carolyn Hernandez, Administrative Support Clerk, this information needs to be updated; and

WHEREAS, on July 19, 2012, Vicki L. Davis was employed by the City Manager's Office as Administrative Support Clerk;

NOW THEREFORE, BE IT RESOLVED, the City Council for the City of Saginaw hereby authorizes Family First Credit Union to update the authorized users and signatures for the Visa Credit Cards for the City Manager's Office to delete Carolyn Hernandez and add Vicki L. Davis.

From: Darnell Earley, City Manager

Subject: Authorization for Houghton-Jones NTF, Inc. to Use Amplifying Equipment during their Event

Prepared by: Evelyn McGovern, Public Services Department

Manager's Recommendation:

I recommend approval of the Resolution authorizing the use of amplifying equipment for the Houghton-Jones NTF, Inc. event on September 1, 2012. The event will be held on North 11th Street between Tuscola Street and Johnson Street between the hours of 12:00 p.m. and 5:00 p.m.

Justification:

On July 25, 2012, Houghton-Jones NTF, Inc. submitted an Application for a Block Party Permit, and they have requested permission to use amplifying equipment during the event.

In accordance with Title IX, "General Regulations" of Chapter 99, "Special Event," §99.21, "Use of Sound Amplifying Equipment," if an event sponsor intends to use sound amplifying equipment, the event sponsor is required to obtain approval from City Council.

Council Action:

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

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

**RESOLUTION TO AUTHORIZE THE HOUGHTON-JONES NTF, INC.
AMPLIFYING EQUIPMENT ON SEPTEMBER 1, 2012 BETWEEN N. 11TH STREET
BETWEEN TUSCOLA STREET AND JOHNSON STREET**

Council _____ offered and moved adoption of the following resolution:

WHEREAS, the Houghton-Jones NTF, Inc. plans to hold their annual block party event on September 1, 2012; and

WHEREAS, the Houghton-Jones NTF, Inc. has requested permission to use amplifying equipment between the hours of 12:00 p.m. and 5:00 p.m.; and

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

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Saginaw hereby authorizes the use of amplifying equipment during the Houghton-Jones NTF, Inc. annual block party to be held on September 1, 2012, between the hours of 12:00 p.m. and 5:00 p.m. on N. 11th Street between Tuscola Street and Johnson Street.

From: Darnell Earley, City Manager

Subject: Authorization for Christopher Palmer at Whites Bar to Use Amplifying Equipment during the Crispy Music Fest 2012

Prepared by: Evelyn McGovern, Public Services Department

Manager's Recommendation:

I recommend approval of the Resolution authorizing the use of amplifying equipment for the Crispy Music Fest 2012 event on August 25, 2012. The event will be held at Whites Bar located at 2609 State Street between the hours of 11:00 a.m. and 10:00 p.m.

Justification:

On August 25, 2012, Christopher Palmer will host Crispy Music Fest 2012 at Whites Bar, and they have requested permission to use amplifying equipment during the event.

In accordance with Title IX, "General Regulations" of Chapter 99, "Special Event," §99.21, "Use of Sound Amplifying Equipment," if an event sponsor intends to use sound amplifying equipment, the event sponsor is required to obtain approval from City Council.

Council Action:

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

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

**RESOLUTION TO AUTHORIZE CHRISTOPHER PALMER AT WHITES BAR TO USE
AMPLIFYING EQUIPMENT ON AUGUST 25, 2012
LOCATED AT 2609 STATE STREET**

Council _____ offered and moved adoption of the following resolution:

WHEREAS, Christopher Palmer (Sponsor) plans to hold a Crispy Music Fest 2012 at Whites Bar located at 2609 State Street on August 25, 2012; and

WHEREAS, the Sponsor has requested permission to use amplifying equipment between the hours of 11:00 a.m. and 10:00 p.m; and

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

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Saginaw hereby authorizes the use of amplifying equipment during the Crispy Music Fest 2012 event to be held on August 25, 2012, between the hours of 11:00 a.m. and 10:00 p.m. at Whites Bar located at 2609 State Street.

From: Darnell Earley, City Manager
Subject: General Obligation Limited Tax Bonds, Series 2012 Resolution
Prepared by: Kimberly Mason, Water and Wastewater

Manager's Recommendation:

I recommend the approval of the Resolution authorizing the issuance of General Obligation Limited Tax Bonds, Series 2012 be approved.

Justification:

The Wastewater Treatment Division is seeking a State Water Pollution Control Revolving Fund Loan for an improvement project. The project involves replacement of the coarse screening equipment at the City's Wastewater Treatment Plant. The revolving fund loan process requires that certain project milestones be met by certain dates.

On May 21, 2012 Council approved a resolution authorizing publication of a notice of intent to issue bonds for this project. On July 23, 2012 Council approved a resolution of tentative contract award to Davis Construction. The resolution authorizing the issuance of these bonds must be approved by Council no later than August 20, 2012. If Council approves the resolution, the City will participate in a conference call on August 15, 2012 with the State Treasury to finalize details of the sale of the bonds. No later than August 27, 2012 the State will issue the Department of Environmental Quality order of approval.

Following issuance of the order of approval, a council communication approving the contract award to Davis Construction will be placed on the September 10, 2012 agenda.

Council Action:

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

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

**RESOLUTION AUTHORIZING ISSUANCE OF
GENERAL OBLIGATION LIMITED TAX BONDS, SERIES 2012**

Council _____ offered and moved adoption of the following resolution:

WHEREAS, the City Council of the City of Saginaw (the “City”) has determined to undertake capital improvements to the City’s wastewater treatment plant (the “Project”); and

WHEREAS, the City is authorized to issue bonds under Section 517 of Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”), and use the proceeds of the sale of such bonds to pay all or part of the cost of capital improvement items such as the Project; and

WHEREAS, the City has determined that it is in the best interest of the City to issue bonds under Section 517 of Act 34 for the purpose of paying all or part of the cost of the Project and to sell the bonds in a private negotiated sale to the Michigan Finance Authority (the “Authority”) as authorized by Act 227, Public Acts of Michigan, 1985, as amended (“Act 227”), in order to enable the Authority to provide assistance with respect to the Project from the proceeds of the State Water Pollution Control Revolving Fund.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAGINAW, MICHIGAN, as follows:

- 1. **AUTHORIZATION OF BONDS - PURPOSE.** Bonds of the City aggregating the principal sum of not to exceed Two Million Nine Hundred Thousand Dollars (\$2,900,000) (the “Bonds”) shall be issued and sold for the purpose of defraying all or part of the cost of the Project.

2. BOND DETAILS. The Bonds shall be designated “General Obligation Limited Tax Bonds, Series 2012”; shall be dated as of such date as approved by the Mayor at the time of sale; shall be numbered from 1 upwards; shall be fully registered; shall be in the denomination of \$5,000 each or any integral multiple thereof not exceeding the aggregate principal amount for each maturity at the option of the purchaser thereof (provided, however, that so long as the Bonds are registered in the name of the Authority, the Bonds may be in the form of a single bond in the denomination of \$2,900,000, or such lower amount as shall be approved by the Mayor at the time of sale, with an exhibit attached thereto which identifies the annual maturities for the Bonds, and the references herein to “Bonds” shall mean that single bond registered in the name of the Authority); shall bear interest at a rate of 2.50% per annum from the date of delivery of the various principal installments as hereinafter described, payable on such dates as shall be determined by the Mayor at the time of sale; and shall mature on such dates and in such years as shall be determined by the Mayor at the time of sale.

The Bonds are expected to be delivered to the Authority as the initial purchaser thereof in installments (the “Installments”) equal to the amounts advanced from time to time by the Authority to the City pursuant to the Purchase Contract and the Supplemental Agreement (each as hereinafter defined).

3. PAYMENT OF PRINCIPAL AND INTEREST. The principal of and interest on the Bonds shall be payable in lawful money of the United States. So long as the Bonds are registered in the name of the Authority, the Bonds are payable as to principal, redemption premium, if any, and interest at The Bank of New York Mellon Trust Company, N. A., Detroit, Michigan, or at such other place as shall be designated in writing to the City by the Authority (the “Authority’s Depository”). So long as the

Authority is the owner of the Bonds, the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on the Bonds in immediately available funds at least five business days prior to the date on which any such payment is due, whether by maturity, redemption or otherwise. If the Bonds are not registered in the name of the Authority, the principal of and premium, if any, on the Bonds are payable upon surrender thereof at the office of the bond registrar and paying agent and the interest is payable by check or draft mailed by the bond registrar and paying agent to the registered owner of the Bonds at the address appearing on the registration books of the City kept by the bond registrar and paying agent as of the 15th day of the month preceding the month in which an interest payment is due.

4. PRIOR REDEMPTION. The Bonds shall be subject to redemption prior to maturity only with the prior written consent of the Authority and on such terms and conditions as may be required by the Authority.

5. BOND REGISTRAR AND PAYING AGENT. Until a successor is appointed by the City Council, the City Treasurer shall act as bond registrar and paying agent for the Bonds.

6. EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS. The Bonds shall be executed in the name of the City by the manual or facsimile signatures of the Mayor and the City Clerk and authenticated by the manual signature of an authorized representative of the bond registrar and paying agent, and the seal of the City (or a facsimile thereof) shall be impressed or imprinted on the Bonds. After the Bonds have been executed and authenticated for delivery to the original purchaser thereof, they shall be delivered by the City Treasurer to the purchaser upon receipt of the purchase price. Additional Bonds bearing the facsimile signatures of the Mayor and

the City Clerk and upon which the seal of the City (or a facsimile thereof) is impressed or imprinted may be delivered to the bond registrar and paying agent for authentication and delivery in connection with the exchange or transfer of Bonds. The bond registrar and paying agent shall indicate on each bond the date of its authentication.

7. EXCHANGE AND TRANSFER OF BONDS. Any Bond, upon surrender thereof to the bond registrar and paying agent with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney, at the option of the registered owner thereof, may be exchanged for Bonds of any other authorized denominations of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered Bond.

Each Bond shall be transferable only upon the books of the City, which shall be kept for that purpose by the bond registrar and paying agent, upon surrender of such Bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney.

Upon the exchange or transfer of any Bond, the bond registrar and paying agent on behalf of the City shall cancel the surrendered bond and shall authenticate and deliver to the transferee a new Bond or Bonds of any authorized denomination of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered Bond. If, at the time the bond registrar and paying agent authenticates and delivers a new Bond pursuant to this section, payment of interest on the Bonds is in default, the bond registrar and paying agent shall endorse upon the new Bond the following: "Payment of interest on this bond is in default. The last date to which interest has been paid is _____."

The City and the bond registrar and paying agent may deem and treat the person in whose name any Bond shall be registered upon the books of the City as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes, and all payments made to any such registered owner, or upon his order, in accordance with the provisions of Section 3 of this Bond Resolution shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the bond registrar and paying agent shall be affected by any notice to the contrary. The City agrees to indemnify and save the bond registrar and paying agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such registered owner.

For every exchange or transfer of Bonds, the City or the bond registrar and paying agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The bond registrar and paying agent shall not be required to transfer or exchange Bonds or portions of Bonds which have been selected for redemption.

8. FORM OF BONDS. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF SAGINAW
CITY OF SAGINAW
GENERAL OBLIGATION LIMITED TAX BOND
SERIES 2012

INTEREST RATE MATURITY DATE DATE OF ORIGINAL ISSUE

See Exhibit A

Registered Owner:

Principal Amount:

The City of Saginaw, County of Saginaw, State of Michigan (the "City"), acknowledges itself indebted to, and for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount set forth above or so much thereof as shall have been advanced to the City pursuant to a Purchase Contract between the City and the Michigan Finance Authority (the "Authority") and a Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environmental Quality on the maturity dates and in the amounts set forth on Exhibit A attached hereto unless redeemed prior thereto as hereinafter provided, the final payment to be made upon presentation and surrender of this bond at the office of the City Treasurer, Saginaw, Michigan, the bond registrar and paying agent, or at such successor bond registrar and paying agent as may be designated pursuant to the Resolution identified below, and to pay to the Registered Owner at the close of business on the 15th day of the calendar month preceding the month in which an interest payment is due, by check or draft drawn upon and mailed by the bond registrar and paying agent by first class mail postage prepaid to the Registered Owner at the registered address, interest on such Principal Amount, to the extent advanced to the City pursuant to the Purchase Contract and the Supplemental Agreement until the City's obligation with respect to the payment of such Principal Amount is discharged, at the rate per annum specified above. Interest is payable on the first days of April and October in each year, commencing on _____. Principal and interest are payable in lawful money of the United States of America.

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two

percent above the Authority’s cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the City’s default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the City shall and hereby agrees to pay on demand only the City’s pro rata share (as determined by the Authority) of such deficiency as additional interest on this bond.

During the time funds are being drawn down by the City under this bond, the Authority periodically will provide the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this bond.

This bond is one of a series of bonds aggregating the principal sum of _____ Dollars (\$_____) issued by the City under and pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Act 34, Public Acts of 2001, as amended), the Charter of the City and a bond authorizing resolution adopted by the City Council of the City (the “Resolution”) to defray all or part of the costs of making capital improvements to the City’s wastewater treatment plant. The full faith and credit of the City have been pledged to the prompt payment of the principal of and interest on this bond. The principal of and interest on the bonds of this series are payable as a first budget obligation of the City from its general funds. The ability of the City to raise such funds is subject to applicable constitutional, statutory and charter limitations on the taxing power of the City.

This bond is transferable, as provided in the Resolution, only upon the books of the City kept for that purpose by the bond registrar and paying agent, upon the surrender of this bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the exchange or transfer of this bond a new bond or bonds of any authorized denomination, in the same aggregate principal amount and of the same interest rate and maturity, shall be authenticated and delivered to the transferee in exchange therefor as provided in the Resolution, and upon payment of the

charges, if any, therein provided. Bonds so authenticated and delivered shall be in the denomination of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount for each maturity.

The bond registrar and paying agent shall not be required to transfer or exchange bonds or portions of bonds which have been selected for redemption.

This bond is subject to redemption prior to maturity at the option of the City only with the prior written consent of the Authority and upon such terms as may be required by the Authority. That portion of this bond called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the bond registrar and paying agent to redeem the same.

Notwithstanding any other provision of this bond, so long as the Authority is the owner of this bond, (a) this bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N. A., Detroit, Michigan or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (b) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the City's deposit by 12:00 noon on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this bond shall be given by the City and received by the Authority's Depository at least 40 days prior to the date on which redemption is to be made.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the bonds of this series, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the City, including the series of bonds of which this bond is one, does not exceed any constitutional, statutory or charter limitation.

IN WITNESS WHEREOF, the City of Saginaw, Saginaw County, Michigan, by its City Council, has caused this bond to be executed in its name by the manual or facsimile signatures of the Mayor and the City Clerk and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon. This bond shall not be valid unless the Certificate of Authentication has been manually executed by an authorized representative of the bond registrar and paying agent.

CITY OF SAGINAW
(SEAL)

By: _____
City Clerk

By: _____
Mayor

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within mentioned Resolution.

Treasurer, City of Saginaw
Bond Registrar and Paying Agent

AUTHENTICATION DATE:

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

(please print or type name, address and taxpayer identification number of transferee)
the within bond and all rights thereunder and does hereby irrevocably constitute and
appoint _____

_____ attorney to transfer the within bond on the books kept for registration thereof, with full
power of substitution in the premises.

Dated: _____

Signature Guaranteed

Signature(s) must be guaranteed by an eligible guarantor institution participating
in a Securities Transfer Association recognized signature guarantee program.

EXHIBIT A

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the bond to which this Exhibit A is attached (the "Bond") shall be made until the full amount advanced to the City is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the City and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order or (2) that less than the principal amount of assistance approved by the Order is disbursed to the City by the Authority, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the City.

The principal amounts and maturity dates applicable to the Bond are as follows:

MATURITY
DATE

PRINCIPAL
MATURITY

END OF BOND FORM

9. SECURITY. The Bonds shall be limited tax general obligations of the City. The full faith and credit of the City are pledged for the prompt payment of the principal of and interest on the Bonds as the same shall become due. Each year the City shall include in its budget as a first budget obligation an amount sufficient to pay such principal and interest as the same shall become due. The ability of the City to raise funds to pay such amounts is subject to applicable constitutional, statutory and charter limitations on the taxing power of the City.

10. DEFEASANCE. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay, at maturity or irrevocable call for earlier optional redemption, the principal of, premium, if any, and interest on the Bonds, or any portion thereof, shall have been deposited in trust, this Bond Resolution shall be defeased with respect to such Bonds, and the owners of the Bonds shall have no further rights under this Bond Resolution except to receive payment of the principal of, premium, if any, and interest on such Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

11. PRINCIPAL AND INTEREST FUND. There shall be established for the Bonds a Principal and Interest Fund which shall be kept in a separate bank account. From the proceeds of the sale of the Bonds there shall be set aside in the Principal and Interest Fund any premium and accrued interest received from the purchaser of the Bonds at the time of delivery of the same. All payments made by the City pursuant to Section 9 of this Bond Resolution are pledged for payment of the principal of and interest on the Bonds and as made shall be placed in the Principal and Interest Fund.

12. CONSTRUCTION FUND. The remainder of the proceeds of the sale of the Bonds shall be set aside in a construction fund for the Project and used to acquire and construct the Project.

13. ESTIMATES OF PERIOD OF USEFULNESS AND COST. The estimates of \$2,900,000 as the cost of the Project and of 20 years and upwards as the period of usefulness thereof, as submitted to this City Council, are approved and adopted.

14. APPROVAL OF MICHIGAN DEPARTMENT OF TREASURY. The issuance and sale of the Bonds is subject to approval being granted therefor by the Department of Treasury of the State of Michigan in accordance with Act 34, and, if necessary, the City Manager or City Clerk is authorized and directed to file an application with the Department of Treasury for permission to issue and sell the Bonds as provided in Act 34.

15. SALE, ISSUANCE, DELIVERY, TRANSFER AND EXCHANGE OF BONDS.

The Bonds shall be sold at a private, negotiated sale to the Authority, as authorized by Act 227. The sale shall be made pursuant to the terms and conditions to be set forth in a Purchase Contract (the "Purchase Contract") and a Supplemental Agreement (the "Supplemental Agreement") and the Mayor and/or the City Clerk are each authorized to execute and deliver the Purchase Contract and the Supplemental Agreement in such form as shall be approved by the Mayor by order at the time of sale. In addition, the Mayor, the City Clerk and the City Treasurer and other City employees and officials are authorized to execute and deliver to the Authority an Issuer's Certificate and such other certificates or documents as the Authority or bond counsel shall require and to do all other things necessary to effectuate the sale, issuance, delivery, transfer and exchange of the Bonds in accordance with the provisions of this Bond Resolution.

16. REPLACEMENT OF BONDS. Upon receipt by the City Clerk of proof of ownership of an unmatured bond, of satisfactory evidence that the bond has been lost, apparently destroyed or wrongfully taken and of security or indemnity which complies with applicable law and is satisfactory to the City Clerk, the City Clerk may authorize the bond registrar and paying agent to deliver a new executed bond to replace the bond lost, apparently destroyed or wrongfully taken in compliance with applicable law. In the event an outstanding matured bond is lost, apparently destroyed or wrongfully taken, the City Clerk may authorize the bond registrar and paying agent to pay the bond without presentation upon the receipt of the same documentation required for the delivery of a replacement bond. The bond registrar and paying agent, for each new bond delivered or paid without presentation as provided above, shall require the payment of expenses, including counsel fees, which may be incurred by the bond registrar and paying agent and the City in the premises. Any bond delivered pursuant to the provisions of this Section 16 in lieu of any bond lost, apparently destroyed or wrongfully taken shall be of the same form and tenor and be secured in the same manner as the bond in substitution for which such bond was delivered.

17. TAX COVENANT. The City covenants to comply with all requirements of the Internal Revenue Code of 1986, as amended, necessary to assure that the interest on the Bonds will be and will remain excludable from gross income for federal income tax purposes. The Mayor, the City Clerk, the City Treasurer and other appropriate City officials are authorized to do all things necessary to assure that the interest on the Bonds will be and will remain excludable from gross income for federal income tax purposes.

18. CONFLICTING RESOLUTIONS. All resolutions and parts of resolutions insofar as they may be in conflict herewith are hereby rescinded.

YEAS: _____

NAYS: _____

RESOLUTION ADOPTED.

