

## COUNCIL AGENDA

For

September 11, 2006, 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 after 1:30 p.m.)*

REMARKS OF COUNCIL:

PETITIONS:

06-21 from Rick Hayes, Saginaw Spirit Hockey Team, requesting permission to have fireworks display on the east side of the Saginaw River between the Johnson Street Bridge and the I-675 Bridge on Saturday, September 23, 2006 at 9:30 p.m.

REPORTS FROM BOARDS AND COMMISSIONS AND COMMITTEES:

APPOINTMENT OF BOARDS AND COMMISSIONS MEMBERS:

1. Consideration of reappointing Dennis Morrison to the Saginaw Transit Authority Regional Services, with a term to expire September 26, 2010. *(tentative)*

REPORTS FROM MANAGER:

Management Update

Recommended Actions

1. Recommending approval of the agreement between the City of Saginaw Police Department and the Saginaw County Mosquito Abatement Commission for

- routine maintenance services for the police patrol vehicle fleet and that a purchase order be issued to them in an amount not to exceed \$10,000.00 for fiscal year 2007. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Police Building Maintenance Account No. 101 3014 721 8042.
2. Recommending acceptance of the quote and issuance of a purchase order to Martin Control Services in the amount of \$39,520.00 for the purchase and installation of a replacement flow meter for the Wastewater Treatment Plant's final effluent. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Sewer Surplus Account No. 576 4840 881 9720.
  3. Recommending approval of the Capital Innovations Finance Agreement to purchase a Fecon H-8 Hopper and Trailer package to assist the Saginaw Compost Site with the screening of compost. The total amount of the agreement is \$32,738.25. Further recommend that purchase orders be issued to Fecon in annual amounts of \$6,547.65 for a period of five years. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Motor Equipment Fund Account No. 661 4480 841 8502.
  4. Recommending acceptance of the low bid and issuance of a purchase order to National Water Works in the amount of \$6,750.00 for the purchase of butterfly valves to be used by the Maintenance and Service Division. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water Maintenance and Service Supplies Operations Account No. 591 4721 861 7330 and will be accounted for through the Water Inventory Account No. 591 0000 171 1130.
  5. Recommend approval of the Community Develop Block Grant (CDBG) Agreement for 2006-07 in the amount of \$2,558,091.00. The Agreement is for a one-year period that began July 1, 2006 and will terminate June 30, 2007.
  6. Recommending approval of the eighteen (18) CDBG Subgrantee Contracts for 2006-07 and that the proper City officials be authorized to execute the same.
  7. Recommending approval of the Emergency Shelter Grant Agreement for 2006-07 and that the proper City officials be authorized to execute the same. The funding agreement is in the amount of \$109,836.00.
  8. Recommending approval of the 2006-07 Emergency Shelter Grant Contracts and that the proper City officials be authorized to execute the same.

9. Recommending approval of the 2006-07 HOME Grant Agreement and that the proper City officials be authorized to execute the same. The funding agreement is in the amount of \$663,601.00.
10. Recommending approval of the 2006-07 HOME Community Housing Development Organization (CHDO) Contract and that the proper City officials be authorized to execute the same.
11. Recommending approval of the Purchase and Development Agreement for 311 North Hamilton and that the City Manager or his designee be authorized to execute all documents necessary.
12. Recommending that the appropriate documents be prepared and executed to transfer the property known as 415 South Hamilton to Keene & Keene, Inc. and that the City Manager or his designee be authorized to execute all documents necessary.

INTRODUCTION OF ORDINANCES:

CONSIDERATION AND PASSING OF ORDINANCES:

1. An ordinance to vacate the unused portion of North Fourth Street lying between vacated Water Street and the C & O Railroad, located in the City of Saginaw, and to retain therein an easement for public utilities, Cable TV and telecommunications to be added to the Table of Special Ordinances II.

RESOLUTIONS:

1. Approving the transfer of ownership of the Class C licensed business for 2350 S. Michigan.
2. Conveying the ownership of the 1967 Saginaw Extension from the Saginaw-Midland Municipal Water Supply Corporation to the City of Saginaw.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley  
City Manager

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Community Development Block Grant (CDBG) Grant Agreement

**Manager's Recommendation:**

I recommend that City Council approve the CDBG Grant Agreement for 2006-07 and that the proper City officials be authorized to execute the same. The grant agreement is subject to the approval of the City Manager as to substance and the City Attorney as to form.

**Justification:**

The City of Saginaw has received a Grant Agreement for the 2006 year Community Development Block Grant program. The funding agreement is in the amount of \$2,558,091.00. This is the City's entitlement amount approved by the Federal Government.

The activities referred to in the funding agreement include all of the activities listed in the submission and approved by Council on March 6, 2006. A summary of the activities contained in the funding agreement is on tonight's agenda for approval and included in the City Clerk's File No. (\_\_\_\_\_). The environmental clearances for those projects requiring this step have been completed. The contract is being sent to you now so that it can be reviewed, approved and returned to the Department of Housing and Urban Development.

In accepting the grant agreement, the City agrees to comply with all terms and conditions of the agreement, applicable laws, regulations and all other requirements of DHUD now or hereafter in effect pertaining to the assistance provided. The agreement is for a one-year period that began July 1, 2006 and will terminate June 30, 2007. In accepting this grant agreement, the City also agrees that it will comply with standard federal regulations on employment and training of area residents, affirmative action in hiring employees, equal employment opportunity and third-party agreements. These conditions are also made a part of contracts with third parties or subgrantees financed with block grant monies.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Community Development Block Grant (CDBG) Subgrantee Contracts

**Manager's Recommendation:**

I recommend that City Council approve the CDBG Subgrantee Contracts for 2006-07 and that the proper City officials be authorized to execute the same. The contracts are subject to the approval of the City Manager as to substance and the City Attorney as to form.

**Justification:**

Transmitted herewith are 18 contracts for housing, economic development and public services to be carried out under the City's 33<sup>rd</sup> year of the Community Development Block Grant (CDBG) Program. The following information outlines the scope of activity and funding level for each of these projects.

1. Home Maintenance Self-Help \$25,000.00.

This project (City Clerk's File No. \_\_\_\_\_) is sponsored by the County of Saginaw through Michigan State Cooperative Extension Service. It assists low and moderate-income residents to help maintain properties and prevent further deterioration in city neighborhoods. It also provides homebuyer education, financial literacy, and foreclosure counseling.

2. Minor Home Repairs \$75,000.00.

This project (City Clerk's File No. \_\_\_\_\_) is sponsored by the Saginaw County Community Action Committee. It will provide minor home repair assistance to the dwellings of homeowners who reside in neighborhood improvement project areas and on a spot basis to homeowners in other low and moderate-income areas. About 20 homeowners will be assisted.

3. Urban Homesteading \$90,000.00.

This project (City Clerk's File No. \_\_\_\_\_) is sponsored by the Saginaw County Community Action Committee (CAC). Single-family dwellings will be acquired, rehabilitated, and sold to low and moderate-income households. After these houses are sold, the proceeds will enable

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CAC to acquire and rehab more properties. Three dwellings needing rehabilitation are to be acquired and resold improving the housing stock in the City.

4. Circle of Love Housing \$20,000.00.

This activity (City Clerk's File No. \_\_\_\_\_) is sponsored by the Circle of Love Community Development Corporation. It will assist low to moderate income families and individuals by providing educational programs which inform and assist with the following: how to deal with credit issues, credit repair, financial responsibilities, construction, loan application process, down payment assistance program, overall maintenance, safety and upkeep after home purchase.

5. Saginaw Economic Development Corp \$165,000.00.

This program (City Clerk's File No. \_\_\_\_\_) is operated by the Saginaw Economic Development Corporation. It provides funds to make business loans to credit worthy entrepreneurs and firms that wish to start or expand businesses in the targeted areas. Each business loan is based on the number of jobs to be created and made available for low and moderate-income residents in the City. A total of 5 firms are anticipated to be helped via loans. The budget is comprised of entitlement funds, loan repayments and carryover funds.

6. DDA Development and Redevelopment \$90,000.00.

This activity (City Clerk's File No. \_\_\_\_\_) is sponsored by the Downtown Development Authority. Its main focus is to bolster economic development within the districts. The district includes what is referred to as the Riverfront District (Michigan Avenue to Center Street, across the Douglass G. Schenck bridge to Washington Avenue to Potter Street). Development activities also take place in the Central Business District (Downtown), the East Genesee Avenue Corridor, Covenant Hospital District, Cathedral District (including St. Mary's Hospital) and Old Town

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Business District. Acquiring land for future development and preparing properties for redevelopment are key to revitalizing these areas.

7. The Bridge Center \$5,000.00.

This activity (City Clerk's File No. \_\_\_\_\_) is sponsored by the Bridge Center for Racial Harmony. Its long-term purpose is to help create a community in which all people are judged on their character, enjoy racial harmony and appreciate the strength of a diverse population. It will help youth and adults who work with youth to better understand racial and ethnic diversity and work to overcome barriers.

8. Saginaw County – CHAP Coordinator \$10,000.00.

This activity (City Clerk's File No. \_\_\_\_\_) is sponsored by Saginaw County Consortium of Homeless Assistance Providers, a group of non-profit organizations that provide homeless prevention and intervention services in Saginaw County. It will provide the funds for a part-time coordinator who will be responsible for organizing meetings, grant writing for MSHDA and HUD applications, and provide technical assistance to member programs.

9. Youth Protective Services \$25,632.00.

The Saginaw County Youth Protection Council (YPC) operates this program (City Clerk's File No. \_). It provides intensive long-term social casework intervention for 20 low to moderate-income families whose personal problems have led to degeneration of the family unit. This activity will not be effective until October 1, 2006, when the current contract expires. By approving this contract, City Council will allow the activity staff to begin planning for the 2006-07 year, which begins October 1, 2006.

10. Teen Parent Support \$25,632.00.

The Saginaw County Youth Protection Council (YPC) operates this program (City Clerk's File No. \_). It seeks to provide assistance directed toward high-risk pregnant and parenting females under the age of 20. Teen Parent Support works to: reduce infant mortality and child abuse; delay

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subsequent pregnancies; and help young mothers work toward self-sufficiency. The activity will serve 55 clients eligible to be assisted with CDBG funds. This activity will not be effective until October 1, 2006, when the current contract expires. By approving this contract, City Council will allow the activity staff to begin planning for the 2006-07 year, which begins October 1, 2006.

11. Teen Intervention \$17,000.00.

This project (City Clerk's File No. \_\_\_\_\_) is sponsored by the Boys and Girls Club of Saginaw County. It will identify youths showing signs of risky or criminal behavior and/or gang activity. Selected youth will be involved in daily Boys and Girls Club activities including support groups and individual help. Individual development plans will be set up and tracked. Teens selected will live in the NRS, Emerson-Longfellow, Houghton-Jones and other low and moderate-income areas of the City.

12. Urban Scouting \$17,000.00.

This program (City Clerk's File No. \_\_\_\_\_) is sponsored by Lake Huron Area Council #265 Boy Scouts of America. The program will service 1,500 at-risk youth in grades 1-12 throughout numerous CDBG eligible areas of the City. Youth will be mentored by adults of high character, trained to be self-reliant, assisted in building self-confidence, taught the value of citizen participation and physical and mental development.

13. New Alternatives Youth Service Center \$19,000.00.

This activity (City Clerk's File No. \_\_\_\_\_) is sponsored by New Alternatives Youth Service Center, Inc. It provides funding for a youth service center, which provides alternative programs and services for inner city youth in the neighborhood strategy areas within low to moderate income areas of the City after school and during the summer. The goal is to provide counseling, support, job training and placement with mentors



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that serve as role models. Targeted outreach will take place to reach high-risk youth between the ages of 10 and 20.

14. Youth Mentoring \$17,950.00.

This activity (City Clerk's File No. \_\_\_\_\_) is operated by Big Brothers Big Sisters of Saginaw Bay Area, Inc. It is committed to making a positive difference in the lives of children and youth, primarily through professionally supported one-to-one relationships with mentors who assist them in becoming confident, competent and caring individuals.

15. Girl Pride/Sugar and Spice \$6,000.00.

This activity (City Clerk's File No. \_\_\_\_\_) is sponsored by Women of Colors Inc. It provides an opportunity for participants to get involved and encourage positive interaction with peers. This curriculum is an investment in youth who desire and need help to develop and define their individual growth. The activity provides educational and leadership skills, encourages healthy life skills and empowers participants to become independent and successful future leaders.

16. Quality Time with Dads \$10,000.00.

This activity (City Clerk's File No. \_\_\_\_\_) is sponsored by First Ward Community Center. This project will assist non-custodial teen/young fathers from low-income families in the City to develop sustaining relationships with their families and improve the ability of their family to grow and develop. The major goal of this project is to help non-custodial fathers understand the importance of being involved in the lives of their children.

17. Community Youth Program (New) \$6,000.00.

This activity (City Clerk's File No. \_\_\_\_\_) is sponsored by Neighborhood Task Force, Inc. It produces programs for low and moderate income inner city youth. The goal is to produce strong role models while teaching life skills such as organization, coping and management that will help provide stability while giving individual attention to their needs. The

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program engages the youth in activities that will help give them a vision for a promising adult life.

18. Emergency Services (New) \$6,000.00.

This activity (City Clerk's File No. \_\_\_\_\_) is sponsored by Good Neighbors Mission, Inc. Its purpose is to improve the immediate state of the family in need. They accomplish this in four prioritized stages: food, clothing, household items, counseling and referrals. Although Good Neighbors Mission is a faith-based organization, it provides services to clients regardless of religious affiliations or the lack thereof. The Mission serves all eligible clients and does not discriminate due to race, religion, nationality, age, sexual orientation or other factors.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** HUD Emergency Shelter (ESG) Grant Agreement

**Manager's Recommendation:**

I recommend that City Council approve the ESG Grant Agreement for 2006-07 and that the proper City officials be authorized to execute the same. The agreement is subject to the approval of the City Manager as to substance and the City Attorney as to form.

**Justification:**

The City of Saginaw has received a Grant Agreement from the Department of Housing and Urban Development for 2006-07 for the Emergency Shelter grant portion of the Stewart B. McKinney Homeless Assistance Act (City Clerk's File No.\_\_\_\_\_). The funding agreement is in the amount of \$109,836.00. This is the City's entitlement amount approved by the Federal government.

The activities recommended for funding include the three activities listed in the 2006-07 Annual Program part of the Consolidated Plan submission approved by Council on March 6, 2006 as follows:

Of this funding agreement, \$35,336 is to be used by the Underground Railroad, \$29,500 by the Youth Protection Council's Innerlink complex and housing programs, \$29,500 by Restoration Community Outreach Emergency Shelter and Safe Haven House Emergency Shelter.

The Youth Protection Council's Innerlink contract mentioned above is not effective until October 1, 2006, when the current contract ends. It is being sent to you now to be reviewed and approved to allow Innerlink to continue its programmed activities.

The grant agreement is being sent to you now so that it can be reviewed, approved, and returned to HUD. This will allow the above activities to continue to help battered women and children that are homeless as well as runaway and homeless youth and homeless adults. The agreement was approved by DHUD in July 2006.

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In accepting the grant agreement, the City agrees to comply with all the terms and conditions of the agreement, applicable laws, regulations, and all other requirements of HUD now or hereafter in effect pertaining to the assistance provided.

Special conditions to this agreement are: the Emergency Shelter Grant funds are to be obligated by 180 days from July 1, 2006, and completely expended by two years from this date. If this is not done, then funds which are not used will become available for reallocation to other communities by DHUD. Compliance with these conditions should not be a problem. In a separate communication, City Council is being asked to approve contracts committing the \$109,836.00 provided by this grant to the Underground Railroad Shelter, Restoration Community Outreach Shelter, the Innerlink Shelter Complex and Safe Haven House Shelter for the activities described above.

In accepting this grant agreement, the City also agrees that it will comply with Federal regulations pertaining to the Emergency Shelter Grants Program and other applicable laws. These conditions are also made a part of any contracts with third parties or subgrantees financed with Shelter Grant monies.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** HUD Emergency Shelter (ESG) Grant Contracts

**Manager's Recommendation:**

I recommend that City Council approve the 2006-07 ESG contracts and that the proper City officials be authorized to execute the same. The grant contracts are subject to the approval of the City Manager as to substance and the City Attorney as to form.

**Justification:**

Transmitted herewith are four contracts (City Clerk's File Nos. \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_) to provide \$109,836.00 from the Emergency Shelter grant portion of the Stewart B. McKinney Homeless Assistance Act to four organizations providing shelters and transitional housing for the homeless. These are the Underground Railroad Shelter for homeless and abused women and their children, the Youth Protection Council Innerlink Shelter for runaway youth, Restoration Community Outreach and Safe Haven Shelter for homeless persons and Safe Haven House Emergency Shelter for homeless persons. The Underground Railroad will receive \$35,336.00 to be used for utilities, property insurance, building maintenance, selected operating costs and furnishings. At the Youth Protection Council, \$29,500.00 is to pay for insurance, utilities, equipment, minor repairs and operating costs at the Innerlink Shelter. At Restoration Community Outreach, \$29,500.00 is to pay for insurance, utilities and supplies at its shelter. At Safe Haven House, \$15,500.00 is to pay for insurance, utilities, and supplies.

Council approved the City's submission to the Department of Housing and Urban Development for these funds on March 6, 2006. The DHUD contract is on tonight's agenda for Council approval.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** HUD HOME Investment Partnership Program Grant Agreement

**Manager's Recommendation:**

I recommend that City Council approve the 2006-07 HOME Grant Agreement and that the proper City officials be authorized to execute the same. The grant agreement is subject to the approval of the City Manager as to substance and the City Attorney as to form.

**Justification:**

The City has received a notice of funding and Grant Agreement from DHUD for the 2006-07 HOME Investment Partnership program (City Clerk's File No. \_\_\_\_\_). The funding agreement is in the amount of \$663,601. The City will use \$564,061 for a single-family owner-occupied residential grant program for very low-income homeowners. The Circle of Love (COL) Community Development Corporation will use the balance of the funds, in the amount of \$99,540. Council selected COL to be the 2006-07 Community Housing Development Organizations (CHDO) during the March 6, 2006 Council meeting. COL will receive the HUD mandated 15% set aside for a CHDO.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** HUD HOME Community Housing Development Organization (CHDO)  
Contract

**Manager's Recommendation:**

I recommend that City Council approve the 2006-07 HOME CHDO contracts and that the proper City officials be authorized to execute the same. The contracts are subject to the approval of the City Manager as to substance and the City Attorney as to form.

**Justification:**

Transmitted herewith is one contract (City Clerk's File No. \_\_\_\_\_) to provide \$99,540.00 from the Home Investment Partnership program to assist the Circle of Love (COL) Community Development Corporation to construct single family residential homes for sale to low and moderate-income residents in the City of Saginaw.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Final Effluent Flow Meter Purchase and Installation

**Manager's Recommendation:**

I recommend that the quote received from Martin Control Services, Farmington, Hills, be accepted and that a purchase order be approved and issued to them in the amount of \$39,520.00 for the purchase and installation of a replacement flow meter for the Wastewater Treatment Plant's final effluent.

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 Sewer Surplus Account No. 576-4840-8811-97-20.05-5311-711-8005

**Justification:**

On July 26, 2006, the City received a proposal and quotation for the purchase and installation of a replacement flow meter for the wastewater treatment plant's final effluent. Several options for the replacement of the 72 inch meter were investigated. The proposal for an Accusonic Brand flow meter offered the best value. Therefore, this is a sole source purchase available only from the manufacturer's distributor, Martin Control Services. The cost includes the meter, installation, and training of wastewater treatment personnel for proper maintenance of the meter. This meter is needed to measure the treated water from the wastewater treatment plant before it is discharged to the river. The meter will replace the obsolete flow probe that was installed in 1990. ;

**Council Action:**

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



# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** 311 North Hamilton Property Purchase and Development Agreement

**Manager's Recommendation:**

It is recommended that the Purchase and Development Agreement for 311 North Hamilton be approved and that the City Manager or his designee be authorized to execute all documents necessary. This purchase agreement is subject to approval by the City Manager as to substance and the City Attorney as to form.

**Justification:**

The subject parcel is a gravel parking lot that the City kept closed because of the difficulty and expense of maintaining a gravel parking lot and the removal of snow until Perry Investments LLC opened a restaurant

Over the past couple of years, Perry Investments LLC has made a significant investment in the restaurant business located at 301 North Hamilton. Perry Investments LLC wishes to continue investment in the business at this location. An important component of this business is an adequate and safe parking area for the business' patrons. The property located at 311 North Hamilton St. is currently a gravel parking area that is in need of some maintenance. The proposed development agreement, while it only calls for a purchase price of \$1.00, it does require that Perry Investments LLC improve the lot such that it conforms to the Riverfront Design Guidelines which includes specific landscaping and pavement thereby building on the Riverfront Development Commissions goals and objectives. Acquisition of this parcel will also allow Perry Investments LLC to contemplate future investment in the upper floors of the building located at 301 North Hamilton for a use consistent with the Riverfront Mixed Use zoning district again furthering the goals of the Riverfront Development Commission.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** 415 South Hamilton

**Manager's Recommendation:**

It is recommended that the appropriate documents be prepared and executed to transfer the property known as 415 South Hamilton to Keene & Keene, Inc. and that the City Manager or his designee be authorized to execute all documents necessary.

**Justification:**

The Saginaw Business Incubator, created in 1995, was a program initiated through the City of Saginaw's Community Development Block Grant Department. The Saginaw Business Incubator acquired a building on South Hamilton Street and a vacant lot across the street known as 415 South Hamilton. The Business Incubator entered into a land contract with Keene & Keene, Inc., the owner of the Junction Restaurant located at 410 Mackinaw for the purchase of 415 South Hamilton. The Business Incubator, after struggling for several years ceased to exist, at which time transferred its interest in the land contract to the City of Saginaw. Keene & Keene, Inc. has since fulfilled its obligations pursuant to the land contract and therefore, it is necessary to execute a deed completing the transaction.

**Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Routine Police Vehicle Maintenance Services Agreement

**Manager's Recommendation:**

I recommend that the agreement between the City of Saginaw Police Department (SPD) and the Saginaw County Mosquito Abatement Commission (SCMAC) for routine vehicle maintenance services for the police patrol vehicle fleet be approved and a purchase order be issued to them in an amount not to exceed \$10,000.00 for fiscal year 2007. The agreement is for a term of one year. The agreement will automatically renew at the end of the term in 2007 for one year unless the parties agree to terminate the agreement. The agreement has been approved by me as to substance and 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 service are budgeted in the General Fund Police Building Maintenance Account No. 101-3014-721-8042.

**Justification:**

The outsourcing of vehicle fleet maintenance to SCMAC would be for emergency backup and repairs only, in the event that police garage personnel are unable to handle the maintenance due to excessive amount of repairs needed, and also in case of personnel shortage. Currently, SCMAC services all of Saginaw County's fleet vehicles. SCMAC is accustomed to working with emergency services vehicles and will be able to provide all necessary services in a timely and efficient manner. SCMAC is also able to

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install and uninstall safety equipment. All services will be provided by state licensed mechanics and the work will be guaranteed.

Parts and supplies will be provided at the following rates:

\$22.00/each	Oil Change
\$35.00/hr	Labor Rate-Variou Repairs & Preventative Maintenance
\$County Cost (Actual)	Parts Charge
\$2.50	Shop Supply Charge for every \$0-50 Repair
\$2,000/yr	Annual Insurance for Garage Liability and Garagekeepers Liability

Several area dealerships were contacted but were unable to provide all necessary services at an equal or lesser charge.

## **Council Action:**

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

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Ownership of 1967 Saginaw Extension

**Manager's Recommendation:**

I recommend that City Council approve the "Resolution to Convey Ownership of the 1967 Saginaw Extension" and authorize the Mayor and City Clerk to sign for and on behalf of the City of Saginaw.

**Justification:**

In 1967, the Saginaw-Midland Municipal Water Supply Corporation (Corporation) and the City of Saginaw entered into a contract for the acquisition, construction, financing and operation of the addition (extension) of the City of Saginaw's 48" pipeline. Bonds were sold to pay for the project. In the contract, it was agreed that the City of Saginaw would pay the corporation amounts equal to the expenses incurred, therefore there were no expenses charged to the City of Midland or the Corporation for this project. The City of Saginaw has met all of the obligations set forth in the contract.

There was an error made by the Corporation when the original accounting entry was made for the pipeline and bonds. The error was not discovered until many years later by the corporation's auditing firm of Yeo & Yeo and an accounting correction was made. This has caused the Unrestricted Net Assets (equity) for each city not to equal their ownership percentage. This problem is being monitored by Yeo & Yeo and future entries will cause the equity to be corrected to ownership percentage in the year 2047, the year the 1967 Saginaw Extension will be fully depreciated.

A meeting was held with the finance directors of both cities, Tom Hollerback of Yeo & Yeo and the Corporation's Manager to discuss this issue. It was agreed that it

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would be in the best interest of all concerned for the Corporation to make a correction at this time and convey ownership of the 1967 Saginaw Extension to the City of Saginaw. This correction will bring the equity into line with the ownership percentage. At their regular meeting on March 16, 2006, the Board of Trustees of the Saginaw-Midland Municipal Water Supply Corporation approved the attached "Resolution Conveying Ownership of the 1967 Saginaw Extension".

## **Council Action**

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

# COUNCIL COMMUNICATION

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

## **RESOLUTION CONVEYING OWNERSHIP OF THE 1967 SAGINAW EXTENSION**

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

WHEREAS, in February 1967 the Saginaw-Midland Municipal Water Supply Corporation entered into a Contract with the City of Saginaw for acquisition, construction, financing, and operation of the addition (extension) of the City of Saginaw's 48" pipeline; and

WHEREAS, the City of Saginaw met all of the obligations set forth in said contract; and

WHEREAS, no costs associated with the 1967 Saginaw Extension have been incurred by either the Corporation or the City of Midland,

NOW THEREFORE, BE IT RESOLVED, that the parties hereto convey ownership of the 1967 Saginaw Extension from the Saginaw-Midland Municipal Water Supply Corporation to the City of Saginaw. This conveyance does not convey any easement or ownership interest of the Corporation in any real property in which the 48" pipeline is located.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Liquor License for 2350 S. Michigan Ave

**Manager's Recommendation:**

It is recommended that the transfer of ownership of the Class C licensed business for 2350 S. Michigan Ave. be approved.

**Justification:**

Janke's Olde Towne Tavern, LLC. requests transfer of ownership of a 2005 Class C Licensed Business, located at 2350 S. Michigan Ave., Saginaw, MI 48602, Saginaw County, from Ter-Mac, Inc.

This transfer has been approved by the Saginaw County Health Department, City of Saginaw Fire Prevention and the City Building Inspections Division.

**Council Action:**

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



# COUNCIL COMMUNICATION

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

**RESOLUTION TRANSFERRING LIQUOR LICENSE FOR 2350 S. Michigan Ave.**

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

WHEREAS, on or about January 6, 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 Janke's Olde Towne Tavern, LLC, requests to transfer ownership of a 2005 Class C Licensed Business located at 2350 S. Michigan Ave., Saginaw, Michigan, 48602, Saginaw County from Ter-Mac, Inc.; and

WHEREAS, the Saginaw County Health Department, City of Saginaw Fire Prevention and the City Building Inspections Division have approved 2350 S. Michigan Ave. for this transfer.

NOW, THEREFORE, BE IT RESOLVED, that the request from Janke's Olde Town Tavern, LLC, to transfer ownership of a 2005 Class C Licensed Business, located at 2350 S. Michigan Ave., Saginaw, MI 48602, Saginaw County, from Ter-Mac, Inc., be considered for approval.

# COUNCIL COMMUNICATION

**From:** The City Manager

**Subject:** Butterfly Valves

**Manager's Recommendation:**

I recommend that the low bid received from National Water Works be accepted and a purchase order be issued to them in the amount of \$6,750.00 for the purchase of butterfly valves to be used by the Maintenance and Service Division.

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

Funds for this purchase are available in Water Maintenance and Service Supplies Operations Account No. 591-4721-861.73-30 and will be accounted for through the Water Inventory Account No. 591-0000-171.11-30.

**Justification:**

On August 14, 2006 the City received bids for 20" and 24" butterfly valves. The valves are to be used in the construction and repair of the water transmission system.

A cost comparison is not available. Following is a tabulation of the bids received:

National Water Works Shelby Twp., MI	\$6,750.00
Etna Supply Grand Rapids, MI	\$7,140.00

**Council Action:**

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

# COUNCIL COMMUNICATION

Council \_\_\_\_\_ moved that an ordinance introduced May 1, 2006, entitled and reading as follows, be taken up and enacted:

AN ORDINANCE TO VACATE THE UNUSED PORTION OF NORTH FOURTH STREET LYING BETWEEN VACATED WATER STREET AND THE C & O RAILROAD, LOCATED IN THE CITY OF SAGINAW, AND TO RETAIN THEREIN AN EASEMENT FOR PUBLIC UTILITIES, CABLE TV AND TELECOMMUNICATIONS TO BE ADDED TO THE TABLE OF SPECIAL ORDINANCES II.

The City of Saginaw Ordains:

Section 1. That the unused portion of North Fourth Street lying between vacated Water Street and the C & O Railroad, be and same is hereby vacated.

Section 2. That there is hereby reserved in the unused street vacation an easement for public utilities, cable TV and telecommunications.

Section 3. The official map of the City of Saginaw is hereby amended accordingly.

Section 4. This ordinance shall take effect on September 21, 2006.

Enacted: September 11, 2006.