

Council Agenda
October 24, 2011 6:30 p.m.
Council Chamber

PRAYER AND PLEDGE OF ALLEGIANCE

ROLL CALL

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

October 10, 2011 regular Council meeting

ANNOUNCEMENTS:

1. Monica Duebbert, General Manager of Mid-Michigan Waste Authority, to accept proclamation declaring November 15, 2011 as America Recycles Day.
2. John Humphreys, President of Saginaw County Bar Association, to accept proclamation declaring October 23-29, 2011 as Pro Bono Week.

PUBLIC HEARINGS:

1. Bernier Cast Metals, Inc. requesting an Industrial Facilities Exemption Certificate at 2626 Hess Street, Saginaw, Michigan.
2. Adoption of a Brownfield Plan for the "Catholic Federal Credit Union Redevelopment Project"

PERSONAL APPEARANCES:

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

REMARKS OF COUNCIL:

PETITIONS:

11-15 from Greg Tremonti, Saginaw PRIDE, requesting permission to display fireworks on November 18, 2011 (raindate November 19) at the Ojibway Island Saginaw, MI.

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

REPORTS FROM MANAGER:

Management Update:

1. Facilities Update by Phil Karwat, Director of Public Services.

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Recommended Actions:

1. Recommending that the parking agreement with Meredith Corporation d/b/a WNEM TV5 ("TV5") to lease thirty-two 32 parking spaces in Lot No. 23 for \$2,304 per quarter be approved. The agreement is for a period of one year commencing on November 1, 2011 and expiring on Oct 31, 2012.
2. Recommending the approval of the Voting System Extended Warranty with the State of Michigan Bureau of Elections for the Period 2011-2013, for maintenance of 27 Optech Insight Optical Scan Voting Tabulators and 24 AutoMark Voter Assist Terminals at an annual cost of \$3,009. Further recommending the City Clerk be authorized to sign the Local Commitment and Equipment Verification Form and any related documents during the period of the warranty period.
3. Recommending the amendment of the purchase agreement for 607 S. Washington, 611 S. Washington and 610 Water from Chidozie and Gloria Ononjue to change the sum of \$50,000 to \$70,000, and that the Manager or his designee be authorized to execute all necessary documents. Additionally a budget adjustment should be completed to increase the General Fund Grant revenue account (101-0000-513.58-35) from \$242,941 to \$262,941. This adjustment in revenues will be offset by an increase in the General Fund – Department of Development – Planning and Zoning Division's Land and Improvement by the same amount.
4. Recommending that a purchase order be approved and issued to the County of Saginaw in the amount of \$48,000, for the 2011 Maintenance/Replacement fee for 32 Mobile Data Terminals. Funds for this purchase are available in the Local Law Enforcement Fund DOJ Grant Division's Repair & Replacements Account.
5. Recommending that a purchase order be approved and issued to Signature Ford Lincoln in the amount of \$173,081.97, for (4) patrol vehicles and (1) specialty utility vehicle. Funds are available in the JAG Grant and Drug Forfeiture Funds.
6. Recommending that the low bid be accepted and a purchase order be issued to Time Energy Equipment in the amount of \$3,359.40 (\$671.88 per nozzle), for (5) fire fighting nozzles.
7. Recommending that the low bid be accepted and a blanket purchase order be approved and issued to Huntington Cleaners in the amount of \$5,500 for annual dry cleaning services for Community Public Safety – Fire personnel.
8. Recommending that a purchase order be approved and issued to Innovative Software Services, Inc. in the amount of \$7,813, for the renewal of annual software maintenance/support for the Fiscal Services Department, Income Tax Division.

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9. Recommending approval of the second amendment to the Consumers Energy License for Environmental Testing and Response Activities Agreement to extend the term to December 31, 2014, all other terms and conditions of the license shall remain in effect.
10. Recommending a purchase order be approved and issued to Fluid Conservation Systems, a sole source provider, in the amount of \$3,190, for emergency repairs to the Water Distribution System.
11. Recommending that the sole bid be accepted and a purchase order be issued to Delta Door in the amount of \$5,700, for a replacement entry door and repairs needed at 1701 S. Jefferson, Maintenance & Service Section.
12. Recommending a purchase order be approved and issued to Road Solutions, a sole source provider, in the amount of \$17,910, for anti-icing/de-icing fluid for the Streets Division.
13. Recommending that the state-bid price be accepted and a purchase order be issued to North American Salt Company in the amount of \$112,680, for road salt used for ice control.
14. Recommending that the Agreement from Tetra Tech, Inc. be approved and a purchase order be issued to them in the amount of \$132,800 for engineering and other services, including submission of a grant application. Also recommending the City Manager and/or his designee be authorized to execute all related documents, including any and all S-2 grant –related documents.

INTRODUCTION OF ORDINANCES:

CONSIDERATION AND PASSING OF ORDINANCES:

1. To repeal Ordinance O-126 which Amended Ordinance D-98 and Adopting Resolution for the Saginaw-Midland Water Supply.
2. To amend Paragraph (D), "Disqualification of Bidders" and Paragraph (F), "Opening of Bids," of §14.24 "Bids and Bonds," and §14.26, "Preference for Local Bidders" of "Purchasing, Contracting, and Selling Procedures," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the City of Saginaw Code of Ordinances O-1.

RESOLUTIONS:

1. Authorizing the Industrial Facilities Tax Exemption Certificate for Bernier Cast Metals, Inc. 2626 Hess Street.

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2. Authorizing that the S2 Grant Agreement be approved.
3. Authorizing to amend the Brownfield Plan for the City of Saginaw, to include Catholic Federal Credit Union.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley
City Manager

From: Darnell Earley, City Manager
Subject: WNEM TV5 Lot 23 Parking Agreement
Prepared by: André Borrello, City Attorney

Manager's Recommendation:

I recommend that the parking agreement with Meredith Corporation d/b/a WNEM TV5 ("TV5") to lease parking spaces in Lot Number 23 be approved. The agreement is for a period of one year commencing on November 1, 2011 and expiring on October 31, 2012. It has been approved by the City Manager as to substance and the City Attorney as to form.

Justification:

Transmitted herewith is a standard group parking agreement between the City of Saginaw ("City") and TV5. Under the agreement, TV5 will pay the City Two Thousand Three Hundred Four Dollars and 00/100 (\$2,304.00) per quarter to lease thirty-two (32) parking spaces in the City's Municipal Parking Lot Number 23 located at 124 North Franklin. The term of this agreement is for one year

Council Action:

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

From: Darnell Earley, City Manager
Subject: Voting System Extended Warranty
Prepared by: Diane M. Herman, City Clerk

Manager's Recommendation:

I recommend approval of the Voting System Extended Warranty with the State of Michigan Bureau of Elections for the Period 2011-2013, for maintenance of 27 Optech Insight Optical Scan Voting Tabulators and 24 AutoMark Voter Assist Terminals at an annual cost of \$3,009. Further recommending the City Clerk be authorized to sign the Local Commitment and Equipment Verification Form and any related documents during the period of the warranty period.

The contract for maintenance is between the State of Michigan Bureau of Elections and Election Source and therefore does not require approval by the City Manager as to substance and the City Attorney as to form.

Funds for this warranty are available in the Elections Operating Services Account No. 101 1731 701 80 05. Due to the September 1, 2011 effective date the annual cost will be divided between the FY2010-2011 budget and FY2011-2012 budget for the first year and the FY2011-2012 and FY2012-2013 budget for the second year.

Justification:

The City currently owns 27 Optech Insight Optical Scan Voting Tabulators and 24 AutoMark Voter Assist Terminals. In 2010, the City entered into a contract with Election Source for maintenance on the tabulators at a cost of \$271.00 per tabulator or \$7,317.00 annually. In the past year the State of Michigan Bureau of Elections has taken bids from several companies for maintenance of tabulators and voting terminals and chose Election Source as the lowest and best bidder. The State entered into a contract with Election Source for maintenance of the tabulators and AutoMark terminals for a 2-year period beginning September 1, 2011 at a cost of \$170 per tabulator and \$59.00 per AutoMark terminal. In addition, the State agreed to pay ½ the annual maintenance cost through the Help America Vote Act for the first year of the contract for those cities utilizing or committing to utilize the Electronic Poll Books (EPB). City precincts have been using the EPB since the August 2010 Primary Election, and would thereby receive a reduction in the maintenance cost of \$85.00 per tabulator (27 x \$85.00 = \$2,295.00) and \$29.75 per AutoMark terminal (24 x \$29.75 = \$714.00) for a grand total of \$3,009 annually. This is an annual savings of \$4,308.00 and includes maintenance on the AutoMark terminals, which were not covered under the prior contract. The Contract negotiated by the State includes preventive maintenance for the tabulators, loaner machines and assistance by Election Source staff on Election Day. The Bureau of Elections is requiring each jurisdiction in the State of Michigan to execute

a Local Commitment and Equipment Verification Form as part of the warranty which provides information only on the number of tabulators and voting terminals, contact information on invoicing, pricing, and certifying its use of the Electronic Poll Book. It is uncertain at this time as to whether the State will agree to pay for the second year of the contract, however, even if the City pays the full amount, it will be at a reduced rate.

Council Action:

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

From: Darnell Earley, City Manager
Subject: Amend Purchase of Real Estate for Future Development
Prepared by: John Stemple, Inspections

Manager's Recommendation:

I recommend that the City authorize the amendment of the purchase agreement for 607 S. Washington, 611 S. Washington and 610 Water from Chidozie and Gloria Ononujue to change the sum of \$50,000 to \$70,000, and that the Manager or his designee be authorized to execute all necessary documents. This has been approved by the City Manager as to substance and the City Attorney as to form.

Additionally, a budget adjustment should be completed to increase the General Fund Grant revenue account (101-0000-513.58-35) from \$242,941 to \$262,941, which equates to a \$20,000 increase. This adjustment in revenues will recognize HUD – EDI grant monies that were received by the City. In addition, to offset the increase revenues, the General Fund – Department of Development – Planning and Zoning Division's Land and Improvement by the same.

This is the negotiated purchase of unique real estate and not subject to the standard requirement of competitive bidding, pursuant to §14.27 "Sole Source", of "Purchasing, Contracting, and Selling Procedure", of Chapter 14, "Finance and Purchasing, of "Title 1, "General Provisions" of the Saginaw Code of Ordinances O-1.

Funds are budgeted in the Department of Development – Planning and Zoning Division's Land and Improvement Account No. (101-3863-761.97-30).

Justification:

At the September 26, 2011, City Council meeting, council approved the purchase of 607 S. Washington, 611 S Washington, and 610 Water from Chidozie and Gloria Ononujue for the sum of \$50,000. This was a typographical error. The correct amount of the purchase price should have been \$70,000. This council communication amends the original purchase agreement.

Council Action:

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

From: Darnell Earley, City Manager
Subject: 2009 Stimulus JAG Funds – Mobile Data Terminals
Prepared by: Kim Bond, Community Public Safety - Police

Manager’s Recommendation:

I recommend the approval to issue a purchase order to the County of Saginaw in the amount of \$48,000 to cover the 2011 Maintenance/Replacement fee for 32 Mobile Data Terminals (MDT).

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 Local Law Enforcement Fund DOJ Grant Division’s Repair & Replacements, Account No. 263-3321-741.97-20.

Justification:

The Community Public Safety - Police was awarded JAG funds as part of the Federal Government’s 2009 Stimulus Package. The Community Public Safety - Police has in its possession 32 MDT’s and would like to utilize its portion of the JAG funds to pay the annual MDT maintenance/replacement fee. The maintenance/replacement fee for each MDT unit is \$1,500 annually, for a total of \$48,000. MDT’s are located inside of each patrol vehicle and are used to communicate with Central Dispatch directly through the radio system.

The Saginaw County Mobile Data Terminal Policy was adopted on August 29, 2000. Saginaw County acts as the Fiscal Agent on behalf of the Saginaw County Criminal Justice Coordinating Committee (SCCJCC).

Council Action:

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

From: Darnell Earley, City Manager
Subject: Purchase Four (4) Police Patrol Vehicles and One (1) Special Utility Vehicle

Prepared by: Phil Ludos, Community Public Safety - Police

Manager's Recommendation:

I recommend that a purchase order be approved and issued to Signature Ford Lincoln Owosso for (4) patrol vehicles and (1) specialty utility vehicle, in the amount of \$173,081.97.

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 CPS Police Patrol vehicles are budgeted in Local Law Enforcement Grant Fund, 2010 Regular JAG Division's Vehicles, Account No. 263-3329-741.97-70 (\$92,808.16) and Local Law Enforcement Grant Fund, 2011 Regular JAG Division's Vehicles, Account No. 263-3330-741.97-70. (\$41,798.52), and funds for the Special Utility vehicle are budgeted in the Drug Forfeiture Fund - Vehicles Account No. 264-3040-731.97-70 (\$38,475.29).

Justification:

The Community Public Safety – Police fleet of patrol vehicles has an average of 80,000 miles. Due to high mileage and the excessive maintenance cost of vehicles it is in the best interest of the City to purchase four (4) new fully equipped Interceptor Sedan patrol vehicles at \$33,651.67 per vehicle and replace four existing vehicles. The Community Public Safety - Police Safe Streets Unit will use the one (1) fully equipped 2013 Ford Special Utility vehicle to conduct drug related investigations, operations and activities. Signature Ford was awarded the State bid and provides vehicles for all police agencies in the State of Michigan. Signature Ford will contract with Kay Communication LLC. of Saginaw, MI to completely outfit the five (5) vehicles with the necessary emergency equipment.

Council Action:

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

From: Darnell Earley, City Manager
Subject: Firefighting Nozzles
Prepared by: Sienna Rendon, Community Public Safety - Fire

Manager’s Recommendation:

That the purchase order be approved and issued to Time Emergency Equipment for five (5) fire fighting nozzles at \$671.88 per nozzle. The total cost of the purchase is \$3,359.40.

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

Funds are budgeted in the General Fund Fire Suppression Account No. 101-3551-751.73-30

Justification:

On October 4, 2011 two (2) qualified vendors submitted bids in response to the City of Saginaw’s request for Proposal #991-11 for five (5) firefighting nozzles. The following is a tabulation of the bids received:

Time Emergency Equipment (Roscommon, MI)	\$3,359.40
Circle K Service (Midland, MI)	\$4,381.25

Five new firefighting nozzles are needed to replace worn and outdated nozzles currently in service. Time Emergency Equipment has submitted a bid that is the lowest and best offer.

Council Action:

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

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

Manager’s Recommendation:

I recommend that a blanket purchase order be approved and issued to Huntington Cleaners of Burton, MI in the amount of \$5,500.00, for annual dry cleaning services for Community Public Safety – Fire personnel.

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

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

Justification:

On August 16, 2011 two (2) qualified vendors submitted bids in response to the City of Saginaw’s request for Proposal #P973-11 for annual dry cleaning services for Community Public Safety – Fire personnel. The following is a tabulation of the bids received:

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

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

Council Action:

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

From: Darnell Earley, City Manager

Subject: Annual Innovative Software Services, Inc. maintenance/support renewal payment

Prepared by: Chris Seager, Technical Services

Manager's Recommendation:

I recommend that a purchase order be approved and issued to Innovative Software Services, Inc. in the amount of \$7,813.00, for the renewal of annual software maintenance/support. The maintenance covers the Income Tax software used by the Fiscal Services Department, Income Tax Division, and includes all support and updates to the software for one year.

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

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

Justification:

The City annually renews our maintenance and license fees for City Tax Software. Innovative Software Services, Inc. is the proprietary owner of the City Tax income tax software. This annual renewal of maintenance and license fees is for a 12-month period and did not increase from last year.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Consumers Energy License for Environmental Testing and Response Activities Second Contract Amendment

Prepared by: Phil Karwat, Public Services

Manager's Recommendation:

I recommend that the Consumers Energy ("Consumers Energy") License for Environmental Testing and Response Activities Second Contract Amendment ("Amendment") be approved. The Amendment has been approved by the City Manager as to substance and the City Attorney as to form.

Justification:

On April 23, 2002, the City entered into a License For Environmental Testing And Response Activities agreement with Consumers for the sole purpose to conduct an investigation of the environmental condition of land and perform the necessary response activities on City property. Subsequently, City Council approved the first contract amendment, which addressed several changes to the original agreement and extended the term of the agreement to December 31, 2008. The parties have agreed to a second amendment to extend the term of the agreement to December 31, 2014. All other terms and conditions of the said License shall remain in effect.

Council Action:

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

From: Darnell Earley, City Manager
Subject: Emergency Repairs to Accu Correlator Leak Detector
Prepared by: Evelyn McGovern, Public Services

Manager’s Recommendation:

I recommend a purchase order be issued to Fluid Conservation Systems in the amount of \$ 3,190.00, for emergency repairs FY 2012.

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

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

Justification:

The City of Saginaw, Maintenance and Service Division utilizes a leak correlator frequently to pinpoint, find and repair hard to locate leaks in the Water Distribution System. By utilizing this type of equipment, the City of Saginaw is able to reduce and recover lost, unaccounted for water due to system leakage, eliminate added costs from digging holes when searching for leaks and reduce man-hour expenses through localizing and pinpointing leaks more productively by using this state of the art technology. The emergency repair was required due to the main frame of the correlator and the sensor in need of replacement and repair immediately. Fluid Conservation Systems is the sole source 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: Maintenance & Service Garage Door Repairs
Prepared by: Evelyn McGovern, Public Services

Manager’s Recommendation:

I recommend that the sole bid received from Delta Door be accepted and a purchase order be issued to them for a replacement door and repairs, in the amount of \$5,700.

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 Operations and Maintenance Funds – Maintenance and Service Division’s Repairs and Replacement Account No. 591-4721-861.97-05.

Justification:

Bids were opened on October 4, 2011, for the repairs of a garage overhead door, entry frame and the replacement of the entry door at 1701 S. Jefferson Avenue for the Maintenance and Service Section. Due to frequent usage and age of the overhead garage door and entry door and frame, repairs to an 18’ overhead garage door, entry doorframe, and replacement of an entry door are needed. Delta Door was the sole bid received for this work.

Council Action:

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

From: Darnell Earley, City Manager
Subject: Ice Bite (Sugar Beet – Based Anti-Icing / De-Icing Fluid)
Prepared by: Evelyn McGovern, Public Services

Manager’s Recommendation:

I recommend a purchase order be approved and issued to Road Solutions, a sole source provider, in the amount of \$17,910, for anti-icing/de-icing fluid for the Streets Division.

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

Funds are budgeted in the Major Streets Fund – Winter Maintenance Division’s, Street and Road Materials Account Number 202-4655-841.73-40 (\$8,955), Major Streets Fund – State Winter Maintenance Division’s Street and Road Maintenance Account Number 202-4692-841.73-40 (\$8,955).

Justification:

The City received a quote from Road Solutions for 9,000 gallons of Ice Bite a sugar beet based anti-icing / de-icing fluid, which will be used to treat 1,500 tons of road salt for use in the Department of Public Services, Streets Division Winter Maintenance. This material is combined with salt to give the ability to melt ice and snow down to minus 35 degrees Fahrenheit, which greatly reduces the amount of salt needed to maintain the roads during winter maintenance. By using this material, we estimate there may be a 30 to 40 percent reduction in salt usage this winter. Road Solutions is a sole source for this material.

Council Action:

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

From: Darnell Earley, City Manager
Subject: Road Salt for City Streets FY12
Prepared by: Evelyn McGovern, Public Services

Manager’s Recommendation:

I recommend that the bid from North American Salt Company, Inc. be accepted at the State-bid price, and that a purchase order be approved and issued to them in the amount of \$112,680, for road salt used by the Winter Maintenance Division.

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

Funds are budgeted in the Major Streets Fund – Winter Maintenance Division’s, Street and Road Materials Account No. 202-4655-841.73-40 (\$45,072), Local Streets Fund – Winter Maintenance Division’s Street and Road Materials Account No. 203-4655-841.73-40 (\$16,902), Major Streets Fund - State Winter Maintenance Division’s Street and Road Materials Account No. 202-4692-841.73-40 (\$50,706).

Justification:

On April 18, 1977, City Council approved a cooperative purchasing agreement with the State of Michigan, which allows the City to purchase material and equipment at State-Bid pricing. The City has used this agreement to purchase road salt for ice control. The City has contracted for 2,000 tons of early delivery salt.

North American Salt Company of Overland Park, Kansas was the low bidder at \$56.34 per ton. This price per ton includes the salt, weighing and loading, handling and the truck freight charges. This compares to a price of \$55.53 per ton for the bulk shipment of 2,500 tons received in October 2010.

Council Action:

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

From: Darnell Earley, City Manager
Subject: Engineering Services / Influent Wet Well Bar Screen
Prepared by: Kim Mason, Water and Wastewater

Manager's Recommendation:

I recommend that the Agreement from Tetra Tech, Inc. be approved and a purchase order issued to them in the amount of \$132,800, for engineering and other services, including submission of a grant application, as described below. The Agreement has been approved by me as to substance and is subject to approval of the City Attorney as to form. It is also recommended that City Council authorize the City Manager or his designee to execute all related documents, including any and all S-2 grant-related documents. Included in this recommendation is approval of submission of the grant application.

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

Funds are budgeted in the Sewer Operation and Maintenance Fund, Treatment and Pumping Division's Sewer Surplus Engineering Services Account No. 590-4840-881.80-02.

Justification:

On April 12, 2011, the City of Saginaw received proposals for engineering services to design a system for the automatic cleaning of the influent wet well bar screen. The bar screen in the influent wet well, designed to protect the influent pumps, is fifty feet below grade. The screen blinds over time and requires cleaning. To clean the screen the plant must be shut down and staff has to perform a confined space entry, manually clean the screens with rakes, and hoist the debris to the surface. This is an extremely labor intensive task which poses grave safety concerns.

Eleven firms submitted proposals. A committee composed of the Director of Water and Wastewater Treatment Services, the City Engineer, the Superintendent, Assistant Superintendent, and Engineer from the Wastewater Treatment Plant reviewed and scored the proposals. The committee interviewed the top five rated firms. After the interviews, the five firms were scored and the envelopes containing the costs were opened and weighed into the overall score. Tetra Tech Inc. had the highest score and the lowest cost. Following is a tabulation of the top five scoring firms:

<u>Company</u>	<u>Scoring (100 possible)</u>	<u>Cost</u>
Tetra Tech Inc. Ann Arbor, MI	91.1	\$124,800
Hubbell Roth & Clark Bloomfield Hills, MI	89.3	\$139,970
Jones & Henry Toledo, OH	88.8	\$153,305
Stantec Consulting Inc. Ann Arbor, MI	79.1	\$144,917
URS Corp. Southfield, MI	74.9	\$190,000

After the scoring was completed, we requested Tetra Tech to provide us with a quotation for the additional services of preparing an update to our User Charge System (UCS) and assistance filing the application for a MDEQ S2 Grant for the project. Updating the UCS is required for State Revolving Fund loans. The S2 Grant could pay for up to ninety percent (90%) of the engineering services listed here. The quotation was \$8,000 for both services bringing the total cost for Tetra Tech's engineering services to \$132,800.

Council Action:

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

Council _____ moved that an ordinance introduced October 10, 2011, entitled and reading as follows, be taken up and enacted, seconded by Council _____:

AN ORDINANCE TO REPEAL ORDINANCE O-126 WHICH AMENDED ORDINANCE D-98, ENTITLED "AUTHORIZING THE EXECUTION OF AN AGREEMENT BETWEEN THE CITY OF SAGINAW AND THE CITY OF MIDLAND, MICHIGAN WITH RESPECT TO THE ACQUISITION AND OPERATION OF A JOINT SOURCE OF WATER SUPPLY FOR SAID CITIES" THAT WAS ADDED TO A NEW TABLE IX, ENTITLED "MISCELLANEOUS ORDINANCES," OF THE TABLE OF SPECIAL ORDINANCES, OF THE SAGINAW CODE OF ORDINANCES O-1.

The City of Saginaw ordains:

Section 1. That Ordinance O-126 which amended Ordinance D-98 entitled "Authorizing the Execution of an Agreement between the City of Saginaw and The City of Midland, Michigan with respect to the Acquisition and Operation of a Joint Source of Water Supply for said Cities," that was added to a new Table IX entitled "Miscellaneous Ordinances," of the Table of Special Ordinances of the Saginaw Code of Ordinances O-1 is hereby repealed.

Section 2. This repealment shall become effective November 3, 2011.

Enacted: October 24, 2011.

Council _____ moved that an ordinance introduced October 10, 2011, entitled and reading as follows, be taken up and enacted:

AN ORDINANCE TO AMEND PARAGRAPH (D), "DISQUALIFICATION OF BIDDERS," AND PARAGRAPH (F), "OPENING OF BIDS," OF § 14.24 "BIDS AND BONDS," AND § 14.26, "PREFERENCE FOR LOCAL BIDDERS," OF "PURCHASING, CONTRACTING, AND SELLING PROCEDURES," OF CHAPTER 14, "FINANCE AND PURCHASING," OF TITLE 1, "ADMINISTRATIVE CODE," OF THE CITY OF SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw ordains:

Section 1. That Paragraph (D), "Disqualification of Bidders," of §14.24 "BIDS AND BONDS," of "Purchasing, Contracting, and Selling Procedures," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the City of Saginaw Code of Ordinances O-1, shall be amended by adding Subparagraph (7) which shall read as follows:

(D) *Disqualification of Bidders.*

(7) In addition to the foregoing, a bidder's bid on any City contract will be disqualified if at the time the bid is received by the City, such bidder is in default to the City. A default is defined as when the City has placed the bidder on notice that moneys are due and owing and the bidder has failed to pay said debt nor enter into a payment plan with the City. Failure to file yearly income tax returns for taxable income under \$1,000.00 or file an Income Tax Affidavit or failure to file corporate income tax for City-based businesses, is considered to be a default. A debt that is a subject of an administrative appeal or contested court case is not considered to be in default.

Section 2. That of §14.24 "BIDS AND BONDS," of "Purchasing, Contracting, and Selling Procedures," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the City of Saginaw Code of Ordinances O-1, shall be amended to read as follows:

(F) *Opening of Bids.* Sealed bids shall be opened in public at the time and place indicated on the bid form in the presence of an administrative committee known as the Purchasing Committee, consisting of the Purchasing Officer or his/her designee, City Manager or his/her designee, and the City Clerk or his/her designee. The head of the department, or a designated representative, shall also attend the bid opening when a bid is opened which affects his/her department or division. At least three (3) of these persons shall be present at every bid opening.

Section 3. That §14.26, "Preference for Local Bidders" of "Purchasing, Contracting, and Selling Procedures," of Chapter 14, "Finance and Purchasing," of Title

I, "Administrative Code," of the City of Saginaw Code of Ordinances O-1, shall be amended to read as follows:

§ 14.26 PREFERENCE FOR LOCAL BIDDERS.

(A) If the lowest bidder is not a Saginaw-based bidder, as defined above, any Saginaw-based bidder with a bid within 5% but not more than \$5,000 of the lowest bid shall be deemed the lowest bidder if it agrees to reduce its bid to match the bid of the lowest bidder. A lowered bid by a Saginaw-based business which is premised upon, in whole or in part, changes to or variances to the bid specifications, contract requirements, or scope of work, shall be considered non-responsive and will not be considered.

(B) If such a Saginaw-based business refuses to reduce its bid to match the lowest bid, then the next lowest responsive and responsible Saginaw-based business with a bid within 5% but not less than \$5,000 of the lowest bid shall be deemed the lowest bidder, if it agrees to reduce its bid to match the bid of the lowest bidder.

(C) If no responsive and responsible Saginaw-based businesses within 5% but not more than \$5,000 of the lowest bid agree to reduce their bids, then the contract shall be awarded to the person or business with the lowest, most responsive and responsible bid.

(D) In the event of a tie between two (2) or more Saginaw-based businesses, where all other factors are equal, the award of the bid shall be by coin toss conducted by the Purchasing Officer or his/her designee.

(E) No contract awarded pursuant to this ordinance shall be sublet in any manner that permits 50% or more of the dollar value of the contract to be performed by a subcontractor or subcontractors who do not meet the definition of "Saginaw-based."

(F) The section shall not waive or constrain, in any manner, the right and prerogative of the City to reject any and all bids or proposals from any Saginaw-based business which fails to meet the requirements of any other section of this ordinance, or to reject a bid which is in any way incomplete, irregular, not responsive or not responsible.

Section 2. This ordinance shall become effective November 3, 2011.
Enacted: October 24, 2011.

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

**INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE FOR
BERNIER CAST METALS, INC., 2626 HESS STREET**

Council _____ offered and moved adoption of the following resolution:

WHEREAS, Bernier Cast Metals, Inc. did on September 16, 2011, file its application for an Industrial Facilities Tax Exemption Certificate as provided by Act 198, P.A. of 1974, as amended, hereinafter referred to as the Act, receipt of said application having been reported to City Council on September 26, 2011, and said application being on file in City Clerk's File 11-14; and

WHEREAS, the Council has carefully considered said application and all information pertinent thereto.

NOW, THEREFORE, BE IT RESOLVED, that the Council hereby finds and determines as follows:

1. The Council of the City of Saginaw on December 4, 1995, on the petition of Bernier Cast Metals, Inc. did lawfully establish in the City of Saginaw, an Industrial Development District pursuant to the Act, said district comprising that certain piece or parcel of land in the State of Michigan, County of Saginaw and City of Saginaw under the City of Saginaw Tax Roll No. 21 4040 00300 commonly known as 2626 Hess Street, Saginaw, Michigan.

2. Upon receipt of the above-mentioned application for an Industrial Facilities Tax Exemption Certificate from Bernier Cast Metals, Inc., the City Clerk did notify in writing the Assessor of the City of Saginaw and the legislative body of each taxing unit which levies ad valorem property taxes in the City of Saginaw, this being the governmental unit in which the facility for an Industrial Facilities Tax Exemption Certificate is sought to be located, said taxing units being the Public Libraries of Saginaw, Delta College, Saginaw Intermediate School District, Saginaw Board of Education, Saginaw County Board of Commissioners and Saginaw Transit Authority Regional Services, enclosing a copy of the above-described application for Industrial Facilities Tax Exemption Certificate and notifying each that it would be given an opportunity to be heard on this matter by the Council at its regular meeting on Monday, October 24, 2011 at 6:30 p.m. in the City Hall Council Chamber, 1315 S. Washington, Saginaw, Michigan.

3. The Council has on this date and earlier in this meeting afforded Bernier Cast Metals, Inc., the Assessor of the City of Saginaw, and a representative of each affected taxing unit an opportunity for a hearing on the above-mentioned application for Industrial

Facilities Tax Exemption Certificate, and the Council has given due consideration to all information presented at said hearing.

4. The City Assessor has heretofore determined and furnished to the Council the value of the property to which the above-mentioned application pertains, the aggregate state equalized valuation of real and personal property which would be exempt from ad valorem taxes under the Act in the City of Saginaw after granting the above-petitioned Industrial Facilities Tax Exemption Certificate and the sum of the state equalized valuation of the City of Saginaw and the aggregate state equalized valuation of real and personal property exempt from ad valorem taxes under the Act in the City of Saginaw.

5. Construction of the facility or installation of machine and equipment, which is the subject of the above-mentioned application, was not begun earlier than six (6) months before the filing of the application for the Industrial Facilities Tax Exemption Certificate.

6. The application filed for the certificate indicates 2-3 new jobs will be created, and 6 current jobs will be retained, in the City of Saginaw, this being the community in which the facility is situated.

7. The aggregate state equalized valuation of real and/or personal property exempt from ad valorem taxes under the Act in the City of Saginaw after granting the Industrial Facilities Tax Exemption Certificate applied for will not exceed 5 percent of an amount equal to the sum of the state equalized valuation of real and/or personal property exempt from ad valorem taxes under the Act in the City of Saginaw.

8. Granting of the Industrial Facilities Tax Exemption Certificate considered with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act. No. 255 of the Public Acts of 1978 shall not have the effect of substantially impeding the operation of local government or impairing the financial soundness of any unit of local government.

9. The aforementioned application complies in all respects with the applicable provisions of the Act, and all actions and proceedings necessary for the approval of said application by the Council of the City of Saginaw have been accomplished as required by said public act.

10. As part of the aforementioned application, Bernier Cast Metals, Inc., has entered into an Industrial Facilities Tax Abatement Agreement with the City of Saginaw setting forth the terms and requirements of the company as part of the City's approval of the certificate.

BE IT FURTHER RESOLVED, that the Council of the City of Saginaw does hereby approve the above-described application of Bernier Cast Metals, Inc., 2626

Hess Street, Saginaw, Michigan, for an Industrial Facilities Tax Exemption Certificate for a period of 12 years.

From: Darnell Earley, City Manager
Subject: S2 Grant Application Resolution FY12
Prepared by: Kim Mason, Water and Wastewater

Manager's Recommendation:

That the Resolution authorizing the S2 Grant Agreement be approved.

Justification:

The Wastewater Treatment Plant is applying to the Michigan Department of Environmental Quality (MDEQ) for an S2 Grant in the amount of \$132,800.00 to be used toward the Design Modifications to the Influent Pump Station and the User Charge System Update. If approved the City would be reimbursed by an amount up to 90% of the design engineering costs. Submission of the application requires the passing of a resolution authorizing the grant agreement. The State requires that the resolution be approved and submitted in its original format, thus a resolution authorizing the S2 Grant Agreement appears under the regular order of business for your consideration.

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 THE S2 GRANT AGREEMENT

Council _____ offered and moved adoption of the following resolution:

WHEREAS, Part 52 (strategic water quality initiatives) of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended ("Part 52"), provides at MCL 324.5204a that the Michigan Finance Authority (the "MFA") in consultation with the Michigan Department of Environmental Quality (the "DEQ"), shall establish a strategic water quality initiatives grant program; and

WHEREAS, in accordance with the provisions of 2010 PA 231, which provides grants to assist municipalities in completing loan application requirements under MCL 324.5308 or completing loan application requirements for other sources of financing for Sewage treatment works projects, storm water treatment projects or nonpoint source projects; and

WHEREAS, in accordance with the provisions of 1985 PA 227, as amended, Part 52, and other applicable provisions of law, the MFA, the DEQ, and the Municipality that is a grant recipient shall enter into a grant agreement (the "S2 Grant Agreement") that requires the Municipality to repay the grant under certain conditions as set forth in MCL 324.5204a, as amended; and

WHEREAS, the Municipality does hereby determine it necessary to undertake planning, revenue system development, and/or design activities related to a project for which it intends to seek financing for construction; and

WHEREAS, it is the determination of the Municipality that at this time, a grant in the aggregate principal amount not to exceed \$132,800.00 ("Grant") be requested from the MFA and the DEQ to pay for the planning and/or design activities; and

WHEREAS, the Municipality shall obtain this Grant by entering into the S2 Grant Agreement with the MFA and the DEQ,

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Director of Water and Wastewater Treatment Services, a position currently held by Kimberly Mason and the Superintendent of Wastewater Treatment, a position currently held by Jeanette Best, are each designated as an Authorized Representative for purposes of the S2 Grant Agreement.

2. The proposed form of the S2 Grant Agreement between the Municipality, the MFA and DEQ (attached hereto as Appendix I) is hereby approved and the

Authorized Representatives are authorized and directed to execute the S2 Grant Agreement with such revisions as are permitted by law and agreed to by the Authorized Representatives.

3. The Municipality shall repay the Grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8 percent per year, to the Authority if any of the following conditions occur:

(a) the Municipality fails to submit an administratively complete loan application for assistance from the SRF or the SWQIF or other source of financing for the project within 3 years of the Grant award;

(b) the project has been identified as being in the fundable range or is approved for funding from another source and the Municipality declines loan assistance for 2 consecutive fiscal years unless the Municipality proceeds with the funding from another source; or

(c) the Municipality is unable to, or decides not to, proceed with constructing the project.

4. The Grant, if repayable, shall be a first budget obligation from the general funds of the Municipality, and the Municipality is required, if necessary, to levy ad valorem taxes on all taxable property in the Municipality for the payment thereof, subject to applicable constitutional, statutory and Municipality tax rate limitations.

5. The Municipality shall not invest, reinvest or accumulate any moneys deemed to be Grant funds, nor shall it use Grant funds, nor shall it use Grant funds for general local government administration activities or activities performed by municipal employees.

6. The Authorized Representative is hereby jointly or severally authorized to take any actions necessary to comply with the requirements of the MFA and the DEQ in connection with the issuance of the Grant. The Authorized Representative is hereby jointly or severally authorized to execute and deliver such other contracts, certificates, documents, instruments, applications and other papers as may be required by the MFA or the DEQ or as may be otherwise necessary to effect the approval and delivery of the Grant.

7. The Municipality acknowledges that the S2 Grand Agreement is a contract between the Municipality, the MFA and the DEQ.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are rescinded.

From: Darnell Earley, City Manager
Subject: Brownfield Plan Amendment, Catholic Federal Credit Union
(Brownfield Plan Project No. 2011-02)
Prepared by: Mary Hart, Department of Development

Manager's Recommendation:

Recommending that City Council adopt the resolution approving the Brownfield Plan for Catholic Federal Credit Union, which is listed under the regular order of business

Justification:

On October 12, 2011, the Brownfield Redevelopment Authority approved an amendment to the Brownfield Plan to include the Brownfield Plan Project No. 2011-02, Catholic Federal Credit Union. The proposed project is comprised of four parcels. The description of the property is: land situated in the City of Saginaw whose addresses are: 1002 South Washington Avenue, 212 Holden Street, 220 Holden Street, and 1013 Franklin Street. The property is structurally vacant. Catholic Federal Credit Union is proposing to construct a 3,620 sq. ft. commercial building to be used as a branch location by Catholic Federal Credit Union. The overall estimated investment for the project is \$1.3 million.

The site qualifies to be included within the Brownfield Plan based on the contaminants found during environmental investigation of the site. The Brownfield Plan has been created for the purpose of facilitating the clean-up and redevelopment of the property and to allow for the utilization of tax increment financing for the proposed investment. Tax increment financing will be conducted in accordance with Act 381 and is estimated to take 17 years to reimburse the proposed investment.

The original Brownfield Plan was adopted by City Council on May 17, 1999 in compliance with Act 381, Public Act of 1996. The purpose of Brownfield legislation is to assist in development of vacant and/or underutilized sites. Act 381, Public Act of 1996 requires that City Council approve the plan and adopt a resolution after a duly advertised public hearing. The public hearing on the proposed plan is also on the Council Agenda for this meeting, (October 24, 2011). A notice was published in The Saginaw News. A notice was also sent to all taxing jurisdictions.

Subject to any compelling reasons to the contrary which may develop after the public hearing, it is recommended that the City Council adopt the resolution approving the Brownfield Plan for Catholic Federal Credit Union, which is listed under the regular order of business.

Council Action:

This Communication is designed to explain a Resolution that will be acted upon in another portion of the agenda.

Brownfield Redevelopment Authority Recommendation: Approval of the resolution as follows:

A RESOLUTION TO AMEND THE BROWNFIELD PLAN FOR THE CITY OF SAGINAW, MICHIGAN TO INCLUDE CATHOLIC FEDERAL CREDIT UNION, IN COMPLIANCE WITH THE PROVISIONS OF ACT 381, PUBLIC ACTS OF 1996, AS AMENDED. PUBLIC ACTS OF 2000

Council _____ offered and moved adoption of the following resolution:

WHEREAS, the Saginaw City Council approved a resolution on September 29, 1997 creating a Brownfield Redevelopment Authority and designated the boundaries of the Brownfield Redevelopment Zone; and

WHEREAS, the Saginaw City Council approved a resolution on May 17, 1999 adopting a development plan for the Brownfield Redevelopment Zone which complies with the provisions of Act 381 of Public Acts of 1996; and

WHEREAS, on October 12, 2011, the Brownfield Redevelopment Authority approved an amendment to the Brownfield Redevelopment Zone Development Plan to include Brownfield Plan Project No. 2011-02 – Catholic Federal Credit Union, which complies with the provisions of Act 381 of Public Acts of 1996, as amended by Act 145 of Public Acts of 2000; and

WHEREAS, a public hearing notice on the proposed amendment was published in The Saginaw News and all taxing jurisdictions were notified of the hearing on the plan amendment; and

WHEREAS, the amended Brownfield Plan constitutes a public purpose and eligible activities provided in the amended plan are feasible and the cost of the eligible activities is reasonable to carry out the purposes of the Act,

NOW, THEREFORE, BE IT RESOLVED, that the Saginaw City Council does hereby approve the twenty-sixth amendment to the Development Plan for the City of Saginaw Brownfield Redevelopment Zone to include Brownfield Plan Project No. 2011-02, Catholic Federal Credit Union.

BE IT FURTHER RESOLVED that the City Council authorizes the Mayor to sign all necessary documents.