

# Council Agenda

November 14, 2011 6:30 p.m.  
Council Chamber

## PRAYER AND PLEDGE OF ALLEGIANCE

## ROLL CALL

## CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

October 24, 2011 regular Council meeting

## ANNOUNCEMENTS:

## PUBLIC HEARINGS:

## PERSONAL APPEARANCES:

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

## REMARKS OF COUNCIL:

## PETITIONS:

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

## REPORTS FROM MANAGER:

Management Update:

Recommended Actions:

1. Recommending extending the services of Tri-City Contracting for a period of one year and that a purchase order be issued in the amount of \$25,000 for snow removal services for parking lots and parking ramp.
2. Recommending approval to increase the individual purchase orders for a demolition contractor from \$2,000,000 to \$3,000,000 to cover the increase in demolition costs from July 1, 2011 to June 30, 2012. The majority of the funds (\$800,000) are budgeted and available in the Neighborhood Stabilization Project Funds NSP II Division's Demolition Account.
3. Recommending the approval of the Consumers Energy License for Environmental Testing and Response Activities Second Contract 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.

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4. Recommending payment be made to Michigan Cat for the emergency purchase to repair the front frame and bucket attachment points of the Maintenance and Service loader 57-0826, in the amount of \$3,904.05.
5. Recommending that the low bid be accepted and a purchased order be issued to Michigan Pipe Valve in the amount of \$31,036, for an annual supply of water main and water main fittings for the Maintenance and Service Division.
6. Recommending that the low bid be accepted and purchase order be issued to East Jordan Iron Works in the amount of \$51,537.40, for an annual supply of parts for manhole and sewer castings for the Maintenance and Service Division.
7. Recommending approval of the agreement with Raftelis Financial Consultants, Inc. in an amount not to exceed \$77,180, to provide continuing services to the City of Saginaw related to the City's retail and wholesale water rates.

## INTRODUCTION OF ORDINANCES:

## CONSIDERATION AND PASSING OF ORDINANCES:

## RESOLUTIONS:

## UNFINISHED BUSINESS:

## MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley  
City Manager

**From:** Darnell Earley, City Manager  
**Subject:** Snow plowing services extension for parking lots  
**Prepared by:** John Stemple, Department of Development

**Manager’s Recommendation:**

I recommend that the City extend the services of Tri-City Contracting for a period of one year and that a purchase order be approved and issued to them for snow removal services, in the amount of \$25,000.

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 are budgeted in the Parking Operation & Maintenance Fund’s Operating Services Account No. 516-7510-761.80-05

**Justification:**

The City of Saginaw received bids for snow removal services for surface parking lots and parking ramp #1 on September 22, 2009. Tri-City Contracting was the low bidder. Tri-City contracting has agreed to hold its pricing for these services for one additional year. Due to increases in fuel costs over the last two years it is anticipated that pricing would increase if these services were re-bid therefore it is in the best interest of the City of Saginaw to extend its contract with Tri-City Contracting for one additional year.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Demolition Purchase Order Increase  
**Prepared by:** Mary Hart, Department of Development

**Manager's Recommendation:**

I recommend increasing individual purchase orders for a demolition contractor, from \$2,000,000 to \$3,000,000 to cover the additional costs of demolition.

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 CDBG Fund Special Project Division's Demolitions Account No. 275-6511-761-8025 (\$200,000), and Neighborhood Stabilization Project Funds NSP II Division's Demolition Account No. 279-6551-761-8025 (\$800,000).

**Justification:**

On July 12, 2010, City Council approved the received bids and individual purchase orders to be issued in the amount of \$2,000,000 for a demolition contractor. This purchase order needs to be increased by \$1,000,000 to cover the additional demolition costs from July 1, 2011, to June 30, 2012.

**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:** Phillip 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:** Maintenance and Service Emergency Repair – Loader  
**Prepared by:** Phillip Karwat, Public Services

**Manager’s Recommendation:**

I recommend that purchase order no. 44825 be paid to Michigan Cat for emergency repairs to the front frame and bucket attachment points of the Maintenance and Service Loader #57-0826, in the amount of \$3,904.05.

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 Motor Pool Operation Fund, Motor Vehicle Repairs Account No. 661-4480-841.80-42.

**Justification:**

On October 21, 2011, emergency purchase order number 44825 was issued to Michigan Cat in the amount of \$3,904.05 for repairs to the front frame and bucket attachment points of the Maintenance and Service Loader 57-0826. These repairs were required to prevent further damage, expense, and failure of the attachment. Michigan Cat is the sole source for repairs to this equipment. This loader is used for emergency day-to-day maintenance and repair of the city’s water and sewer distribution system and must be maintained in a constant state of readiness.

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** ROW Annual Supply of Ductile Iron Pipe  
**Prepared by:** Phillip Karwat, Public Services Department

**Manager’s Recommendation:**

I recommend that the low bid be accepted and a purchase order be issued to Michigan Pipe and Valve in the amount of \$31,036 for an annual supply of water main and water main fittings for the construction and maintenance of the Water Distribution and Transmission Systems for fiscal year 2012.

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 O-1.

Funds for this purchase are budgeted in the Water Operations and Maintenance Fund, Maintenance and Service Division’s Parts and Supplies Account No. 591-4721-861.73-30, and will be accounted for in the Water Operations and Maintenance Fund – Water Shop Inventory Account No. 591-0000-171.11-30.

**Justification:**

On October 18, 2011, bids were received for an annual supply of 1,080 feet of Class 52 ductile Iron water main in various diameters and 29 ductile iron water main fittings for the Maintenance and Service Division. The water main fittings include crosses, tees, mechanical joint reducers, and joint bends in various sizes. Michigan Pipe and Valve submitted the lowest bid. Following is a tabulation of the bids received:

Michigan Pipe and Valve Zilwaukee, MI	\$31,036.00
T & N Services Detroit, MI	\$45,180.59
HD Supply Waterworks Shelby Township, MI	\$45,116.40
Etna Supply Grand Rapids, MI	\$55,894.80

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** ROW Annual Supply of Manhole and Catch Basin Covers and Frames  
**Prepared by:** Phillip Karwat, Public Services

**Manager’s Recommendation:**

I recommend that the low bid from East Jordan Iron Works be accepted and a purchase order be approved and issued in the amount of \$51,537.40, for an annual supply of 260 parts for manhole and sewer castings in the Maintenance and Service Division, for FY 2012.

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

Funds for this purchase are budgeted in the Sewer Operations and Maintenance Fund, Maintenance and Service Division’s, Parts and Supplies Account No. 590-4821-861.73-30, and will be accounted for in the Water Inventory Account No. 591-0000-171.11-30.

**Justification:**

On October 18, 2011, bids were received for an annual supply of 260 parts for manhole and sewer castings in the Maintenance and Service Division, which is necessary to have on hand (as needed) for the construction and repair of the sewage collection systems. Manhole and catch basin parts include catch basin backs, catch basin frames, manhole frames, manhole covers, and extended grates. Following is a tabulation of the bids received:

East Jordan Iron Works East Jordan, MI	\$51,537.40
Michigan Pipe and Valve Zilwaukee, MI	\$52,820.00

**Council Action:**

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

**From:** Darnell Earley, City Manager  
**Subject:** Raftelis Financial Consultants, Inc. Agreement  
**Prepared by:** Peggy Sutter, Water & Wastewater Treatment Services

**Manager’s Recommendation:**

I recommend approval of an agreement with Raftelis Financial Consultants, Inc. (“Raftelis”) in an amount not to exceed \$77,180.00 to update the City’s water rates to reflect the operating budget for FY 2012-13, the City’s current capital improvement program for the water system as well as updating the Water Utility Financial Plan for FY 2012-13 through FY 2014-15. The agreement is approved by the City Manager as to substance and the City Attorney as to form.

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

Funds are budgeted in the Water Operation and Maintenance Fund, Administration’s Professional Services Account No. 591-4710-851.80-02 for fiscal year 2012-13.

**Justification:**

On August 31, 2011, Raftelis submitted a proposal to provide continuing services to the City of Saginaw related to the City’s retail and wholesale water rates. Tasks will include Project Initiation and Data Collection, Rate Base Update, Three Year Update of the Rate Model, Presentation of Results to Wholesale Customers and City Council, and Preparation of a Rate Study Report.

**Council Action:**

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