

COUNCIL AGENDA

For

December 18, 2006, 6:30 p.m., Council Chamber

ROLL CALL:

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

May 15 and May 22, 2006 regular council meetings, June 3, 2006 Special COW meeting, June 5, 2006 regular council meeting, June 15, 2006 special single subject council meeting, June 19 and June 26, 2006 regular council meetings.

ANNOUNCEMENTS:

PUBLIC HEARINGS:

1. Request from SSP Associates to establish an Obsolete Property Rehabilitation District at 1413 Gratiot
2. Request from Bernier Cast Metals, Inc. for an Industrial Facilities Tax Exemption Certificate for the property located at 2626 Hess.

PERSONAL APPEARANCES:

(A list will be provided on Monday after 1:30 p.m.)

REMARKS OF COUNCIL:

PETITIONS:

06-42 request from Gary Sova, President, National Roofing and Sheet Metal Co., for establishment of an Industrial Development District for the property located at 211 Lee Street.

06-43 request from Glenn Olsen, President, Rhinevault-Olsen Machine & Tool, Inc., for establishment of an Industrial Development District and PA 198 and Personal Property Tax Abatement for the property located at 2533 Carrollton Road.

REPORTS FROM BOARDS AND COMMISSIONS AND COMMITTEES:

APPOINTMENT OF BOARDS AND COMMISSIONS MEMBERS:

1. Consideration of reappointing Jill Schultz to the Downtown Development Authority with a term to expire 12/31/10.
2. Consideration of appointing John Herman Nickodemus to the Zoning Board of Appeals as an Alternate with a term to expire 12/31/09.
3. Consideration of appointing Audrey Judith Lewis to the Saginaw Community Enrichment Commission with a term to expire June 30, 2009

REPORTS FROM MANAGER:

Management Update:

1. Management analysis of proposed Charter revisions.
2. Tom Fancher, City Attorney, will review the Housing Commission and City Council Relationship

Recommended Actions

1. Recommending approval of the 2007 year schedule for regular meetings of the Council.
2. Recommending that three residential rehabilitation loans be written off the balance sheet, as they have been deemed uncollectible. The total amount to be written off is \$89,417.00. This action has been reviewed by Rehmann Robson.
3. Recommending that the 2006-07 CDBG Program budget be amended to accept carryover funds from prior years that will be spent this fiscal year. The Block Grant Entitlement revenue line item will be increased by \$413,750.00 as well as the Block Grant Subgrantee expenditure line item. The HOME Program revenue line item will be increased by \$200,160.61 as well as the HOME Subgrantee line item. Further recommend that the reallocation of HOME CHDO funds from CAC for project year 2005-06 in the amount of \$52,955.00 be moved to Circle of Love Project year 2006-07.
4. Recommending that the balance of \$226,531.17 (2004-05) and \$73,468.83 (2005-06) CAC Urban Homestead allocation for a total of \$300,000 be transferred from Account No. 275 6574 761 8310 to Community Development Block Grant Residential Rehabilitation Account No. 276 6550 761 8340.
5. Recommending approval of the spending plan for the purchase of Fire Department Self Contained Breathing Apparatus.

6. Recommending approval of an agreement with IBM for annual maintenance coverage and license fees to operate the City of Saginaw's AS400 system. The cost for renewal of the software maintenance coverage and license fee is \$3,120.00. Further recommend that the City Manager or his designee be authorized to execute the agreement on behalf of the City.
7. Recommending acceptance of the quote and issuance of a purchase order to Lang and Leeman in the amount of \$3,215.57 for repair of the final effluent pump at the Wastewater Treatment Plant. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Sewer Operation and Maintenance Fund Account No. 590 4830 861 8040.
8. Recommending that payment be made to Consumers Auto Parts in the amount of \$3,574.78 for emergency repairs to a street sweeper. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Motor Pool Operations Account No. 661 4480 841 8042.
9. Recommending that a purchase order be approved and issued to the Miss Dig System for the City's annual membership fee in the amount of \$3,860.88. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water and Sewer Account Nos. 591 4721 861 8005 (\$965.22), 590 4821 861 8005 (\$965.22) and Information Services Account No. 658 1720 711 8067 (\$1,930.44).
10. Recommending that a purchase order be approved and issued to ESRI, Inc. in the amount of \$6,200.00 for the annual GIS software renewal maintenance fee. This vendor meets all requirements of the contract compliance provisions. Funds are available in the GIS Operating Services Account No. 650 1738 781 8005.
11. Recommending that a purchase order be approved and issued to Truck & Trailer Specialties in the amount of \$9,380.00 for the purchase of snowplow blades to be used by the Streets Division. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Major Streets Account No. 202 4655 841 7330 (\$4,690.00) and Local Streets Account No. 203 4655 841 7330 (\$4,690.00).
12. Recommending acceptance of the bid and issuance of a purchase order to Withers in the amount of \$9,406.00 for the purchase of bulk steel to be used by the Wastewater Treatment Plant in the repair of aerator shrouds. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Sewer Operation and Maintenance Fund Account No. 590 4830 861 7330.

13. Recommending acceptance of the agreement and issuance of a purchase order to Bendzinski & Company, Municipal Finance Advisors, in an amount not to exceed \$10,000.00 for completion of a wastewater rate study for the City of Saginaw. This Agreement is subject to the approval of the City Manager as to substance and the City Attorney as to form. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Sewer Administration Account No. 590 4810 851 8001.
14. Recommending acceptance of the low bid and issuance of a purchase order to First Class Tire Shredders, Inc. in the total amount of \$21,600.00 for fiscal year 2006-07 (\$10,800.00) and fiscal year 2007-08 (\$10,800.00) for the disposal of approximately 12,000 scrap tires each from rubbish collection, City Garage operations and the spring and fall cleanups. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Rubbish Collection Fund Account No. 226 4584 841 8005.
15. Recommending acceptance of the low bid and issuance of a purchase order to McDonald Nursery in the amount of \$25,000.00 for fiscal year 2006-07 and \$25,000.00 for fiscal year 2007-08 for snow removal services for surface lots and the parking ramp. This vendor meets all requirements of the contract compliance provisions. Funds are budgeted in the Parking Operation Fund Account No. 516 7510 761 8005 and will be budgeted in the same account for fiscal year 2007-08.
16. Recommending that the bid from North American Salt Company be accepted at the State-bid price and that a purchase order be approved and issued to North American Salt Company in the amount of \$143,587.76 for the purchase of 4,478.72 tons of road salt for the 2006-07 winter season. This vendor meets all requirements of the State of Michigan contract compliance provisions, which supersedes the City of Saginaw's contract compliance provisions. Funds are available in the Municipal Streets Fund Account No. 204 4615 781 7340.
17. Recommending acceptance of the quote received from Kennedy Industries, Inc. and issuance of a purchase order to them in the amount of \$144,760.00 for the purchase of pumps for the Gratiot Road Pump Station. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water Surplus Repairs and Replacement Fund Account No. 577 4740 881 9720.
18. Recommending acceptance of the low bid and issuance of a purchase order to Cummins Bridgeway, LLC in the amount of \$161,521.00 for the purchase of generators and transfer switches for the Gratiot Road Pump Station. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Water Surplus Repairs and Replacements Account No. 577 4740 881 9720.

INTRODUCTION OF ORDINANCES:

CONSIDERATION AND PASSING OF ORDINANCES:

1. An Ordinance to amend Section 91.30, and to add Section 91.32, of Chapter 91, "Cemeteries and Parks," of Title I, "General Regulations," of the City of Saginaw Code of Ordinances, O-1.

RESOLUTIONS:

1. Approving the formation of an Obsolete Property Rehabilitation District for property located at 1413 Gratiot Avenue.
2. Approving the application from Bernier Cast Metals, Inc. for an Industrial Facilities Tax Exemption Certificate for the property located at 2626 Hess.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley
City Manager

COUNCIL COMMUNICATION

From: The City Manager

Subject: Snow Removal Services for Surface Lots and Parking Ramp

Manager's Recommendation:

I recommend that the bid from McDonald Nursery be accepted and a purchase order be approved and issued to them in the amount of \$25,000.00 for Fiscal Year 2006/2007 and \$25,000.00 for Fiscal Year 2007/2008, respectively for snow removal services for surface lots and the parking ramp.

This vendor meets all requirements of the Contract Compliance Provision, Title1, Chapter 14, §14.35-14.44, of the Saginaw Code of Ordinances.

Funds are budgeted in the Parking Operation Fund Account No. 516-7510-761.80-05 for Fiscal Year 2006/2007 and will be budgeted in the same account for Fiscal Year 2007/2008.

Justification:

On October 31, 2006, the City received two bids, one from McDonald Nursery and one from Mead & Sons Contracting, Inc. The low bid was from McDonald Nursery for the removal of snow and ice from the City's surface parking lots and parking ramp. This service will provide snow and ice removal for Group I - Lots 4 & 23 which is approx 94,480 square feet, Group II -Lots 10 & 32 which is approx. 77,713 square feet, Group III - Lot 101 S. Hamilton Street which is approx. 17,281 square feet, and Ramp #1 220 South Franklin which is approx. 21,213 square feet.

Following is a tabulation of the bids received for this service:

	<u>2006/2007 Cost</u>	<u>2007/2008 Cost</u>
McDonald Nursery		
Saginaw, MI 48638		
Group I - Estimated 10 hrs w/4wd w/plow	\$45.00	\$45.00
Group II - Estimated 12 hrs w/4wd, w/plow	\$45.00	\$45.00
Group III - Estimated 12 hrs. w/4wd, w/plow	\$45.00	\$45.00

COUNCIL COMMUNICATION

Removal of snow & ice -Parking Garage
 Parking Ramp #1 220 South Franklin with
 four wheel drive vehicle

\$45.00 \$45.00

Salting - contractor to provide road
 rock salt Group I, II, III

\$90.00 per ton \$90.00 per ton

Loaders 2.5 cu. yd

\$80.00 per hour \$80.00 per hour

Tandem Trucks 10 cu. yd

\$55.00 per hour \$55.00 per hour

Bobcat Loaders

\$60.00 per hour \$60.00 per hour

Mead & Sons Contracting, Inc.
Saginaw, MI 48603

Group I - Estimated 10 hrs w/4wd, w/plow

\$57.40 \$58.75

Group II - Estimated 12 hrs w/4wd, w/plow

\$57.40 \$58.75

Group III - Estimated 12 hrs. w/4wd, w/plow

\$57.40 \$58.75

Removal of snow & ice -Parking Garage
 Parking Ramp #1 220 South Franklin with
 four wheel drive vehicle

\$57.40 \$58.75

Salting - contractor to provide road
 rock salt Group I, II, III

\$112.00 per ton \$124.00 per ton

Loaders 2.5 cu. yd

\$88.50 per hour \$89.50 per hour

Tandem Trucks 10 cu. yd

\$58.00 per hour \$59.00 per hour

Bobcat Loaders

\$64.00 per hour \$64.00 per hour

Council Action:

Council _____ moved that the recommendation of the City

Manager be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Sweeper #898 Engine Repair – Labor and Parts

Manager's Recommendation:

I recommend that payment be made to Consumers Auto Parts in the amount of \$3,574.78 for emergency engine repairs to a street sweeper.

This vendor meets all the requirements of the Contract Compliance Provisions, Title1, Chapter 14 §14.35-14.44, of the Saginaw Code of Ordinances.

Funds are available in the Motor Pool Operations Fund Account No. 661-4480-841.80-42.

Justification:

On August 29, 2006, the City received two quotes for emergency engine repairs to Sweeper #898. One quote was for a rebuilt engine (Consumers Auto) and the other quote was for installing a new engine plus labor (AIS). The City chose the low quote from Consumers Auto. This quote included parts and labor to rebuild the engine for this critical piece of equipment that is needed in the maintenance and upkeep for the City's street and sewer systems. This service has been completed and the engine installed.

Following is a tabulation of the bids received:

Consumers Auto Parts Saginaw, MI	\$3,574.78
AIS Equipment Brigeport, MI	\$8,227.30

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Purchase of Road Salt

Manager's Recommendation:

I recommend that the bid from North American Salt Company be accepted at the State-bid price and that a purchase order be approved and issued to North American Salt Company in the amount of \$143,587.76 for the purchase of 4,478.72 tons of salt for the 2006/2007 winter season.

This vendor meets all requirements of the State of Michigan Contract Compliance Policy, which supersedes the City of Saginaw's 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 Municipal Streets Fund Account No. 204-4615-781.73-40.

Justification:

On May 17, 2006, 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 on twenty-six previous occasions.

North American Salt Company of Overland Park, Kansas was the low bidder at \$32.06 per ton. This price per ton includes the salt, weighing and loading, handling and truck freight charges. Last year's total cost per ton was \$ 23.91.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: IBM Software Maintenance agreement

Manager's Recommendation:

Transmitted for your approval is an agreement with IBM for annual maintenance coverage and license fees to operate the City of Saginaw's AS400 system. The cost for renewal of the software maintenance coverage and license fee is Three Thousand One Hundred Twenty Dollars and 00/100 (\$3,120.00), which was approved as part of the FY 2006-2007 budget process. This agreement has been approved by me as to substance and the City Attorney as to form. Further recommend that the City Manager or his designee be authorized to execute the agreement on behalf of the City.

Funds for this service are available in Information Services Fund Account No. 658-1720-711-8005.

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

Justification:

This agreement covers annual maintenance for the leased IBM AS400 computer's operating system software, license programs, licensing, support and upgrades. Approval of this agreement allows the City to realize a decrease in cost over previous years while maintaining the necessary level of maintenance. Previously this maintenance was at a cost of \$4,578.98. This will be an on-going agreement with IBM, renewable upon annual payment that will be budgeted in the appropriate account each fiscal year.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

REVISED

Subject: 2007 Regular Council Meeting Schedule

Manager's Recommendation:

I recommend the 2007 calendar year schedule for regular meetings of the Council be adopted.

Justification:

The 2007 schedule is established in accordance with the Saginaw City Charter and posted in compliance with requirements of Act 267, P.A. 1976. Following are the proposed dates:

JANUARY	8 AND 22
FEBRUARY	5 AND 19
MARCH	5 AND 19
APRIL	2, 16 AND 30
MAY	7** AND 21 (Due to Memorial Day Holiday)
JUNE	4 AND 18
JULY	2, 16 AND 30
AUGUST	13 AND 27
SEPTEMBER	10 AND 24
OCTOBER	8 AND 22
NOVEMBER	5, 12** (7:30 p.m.) AND 19 (Special Meeting per City Charter due to Election of new Councilpersons.)

COUNCIL COMMUNICATION

DECEMBER 3, 17 AND 27** (Thursday)
(Due to New Year's Day Holiday in 2008)

Regular meetings occur on Monday evening at 6:30 p.m. Student Government Day (which will be announced) begins at 12:00 noon.

The Charter of the City of Saginaw (Chapter IV, Legislation, Regular Meetings, Section 18) states in part, *The Council shall meet at the official council chamber at seven-thirty (7:30) p.m. on the Monday next following each regular city election at which session newly elected councilmen shall assume the duties of office.* As a result of this provision, a meeting has been scheduled for Monday, November 12, 2007. Although City Hall will be closed due to Veterans Day, there is no language in the Charter to schedule a meeting for another day if and when this occurs. Section 18 also states in part, *Regular meetings shall be held at least once every two (2) weeks.* To comply with this provision an additional meeting will be held in December as the regular biweekly schedule falls on New Year's Eve.

Council Action:

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

COUNCIL COMMUNICATION

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

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

Council _____ offered and moved adoption of the following resolution:

WHEREAS, Bernier Cast Metals, Inc. did on October 6, 2006, 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 October 23, 2006, and said application being on file in City Clerk's File 06-38; 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, 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

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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 Intermediate School District, the School District of the City of Saginaw, the County of Saginaw, Hoyt Library, Delta College 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, December 18, 2006.

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)

COUNCIL COMMUNICATION

months before the filing of the application for the Industrial Facilities Tax Exemption Certificate.

6. The application filed for the certificate indicates two (2) new jobs will be created and nine (9) 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 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. Irrespective of the findings in paragraph 7 above, 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.

BE IT FURTHER RESOLVED, that the Council of the City of Saginaw does hereby approve the above-described application of Bernier Cast Metals, Inc. for an Industrial Facilities Tax Exemption Certificate for a period of 12 years.

COUNCIL COMMUNICATION

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

RESOLUTION ESTABLISHING OPRA DISTRICT AT 1413 Gratiot Ave.

Council _____ offered and moved adoption of the following resolution:

WHEREAS, under P.A. 146 of 2000 the City of Saginaw is authorized to form Obsolete Property Rehabilitation Districts; and

WHEREAS, the property at 1413 Gratiot Ave., TAX ID #18 0035 00000, has been deemed functionally obsolete by the City of Saginaw; and

WHEREAS, the owners of the property have met guidelines established by the City of Saginaw and plan to submit an application for an Obsolete Property Exemption Certificate; and

WHEREAS, the owners of the property have been notified by certified mail and a public meeting was held December 18, 2006 in accordance with P.A. 146 of 2000.

NOW, THEREFORE, BE IT RESOLVED that the City of Saginaw hereby approves the formation of an Obsolete Property Rehabilitation District pursuant to Public Act 146 of 2000, as amended, for the eligible property legally described as:

1413 Gratiot Ave.

ASSESSOR'S FILE #: 18 0035 00000

S 99 FT OF N 219 FT OF LOT 21, S 99 FT OF N 219 FT OF LOT 22, N 50 FT OF S 100FT OF LOT 21, N 50 FT OF S 100 FT OF LOT 22, LOTS 3,24,25,26,27,28, LOT 29 LYING E OF THE CONTINUATION OF THE W LN OF LOT 23, ALSO W'LY 48 FT OF E'LY 108FT OF W'LY 199 FT OF E'LY 1/2 OF LOT 30 LYING N OF GREENWICH ST, BINDER AND SEYFFARDT'S ADDITION EXC FROM ENTIRE PARCEL THAT PART OF LOTS 23,24,25 & 26 BINDER AND SEYFFARDT'S ADDITION LYING N OF A LN VIZ., BEG ON W LN OF LOT 23, 12FT S OF NW COR OF SD LOT, RUNGTH E PARL TO N LN OF LOT 23 55 FT, TH NE'LY TOPOE ON N LN OF SD LOT 26, SD PT BEING 15 FT E OF NW COR OF LOT 26 AS MEASURED ALONG N LOT LN

COUNCIL COMMUNICATION

From: The City Manager

Subject: Miss Dig System Annual Membership Fee

Manager's Recommendation:

I recommend that a purchase order be approved and issued to the Miss Dig System for the City's annual membership fee in the amount of \$3,860.88.

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 Water and Sewer Accounts 591-4721-861.80.05 (\$965.22), 590-4821-861.80.05 (\$965.22) and Information Services Account 658-1720-711.80-67 (\$1,930.44).

Justification:

The City of Saginaw participates in a one-call staking center hereinafter referred to as the Miss Dig System. The Miss Dig System is a one-notification call center for underground excavating. The annual participation fee for this service is \$3,860.88, which is split equally between the Maintenance and Service Division and Information Services.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Used Tire Collection Trailer

Manager's Recommendation:

I recommend that the low bid from First Class Tire Shredders, Inc. be accepted and that a purchase order be approved and issued to them in the amount of \$21,600.00 for the 2006/2007 (\$10,800.00) and the 2007/2008 (\$10,800.00) fiscal years.

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 Rubbish Collection Fund Account No. 226-4584-841.80-05.

Justification:

On April 25, 2006, the City received bids for the disposal of approximately 12,000 scrap tires each year for FY 2006/2007 and FY 2007/2008 from rubbish collection, City Garage Operations and the spring and fall cleanups. A State of Michigan licensed tire hauler must dispose of these tires.

The City is able to put approximately 800 tires of different combinations, with no extra charge for rims, in a 40-ft. trailer. First Class Tire Shredders, Inc. will provide a 40-foot trailer and haul the scrap tires at \$900.00 per trailer load once a month for twelve months. Following is a tabulation of the bids received and reviewed by the Purchasing Committee:

COUNCIL COMMUNICATION

2006/2007 Cost

	<u>First Class Tire Shredders</u> <u>Clio, MI</u>	<u>Waddle's Tire Service</u> <u>Brownstown , MI</u>
Unit Cost Per Pick Up Of 40 Ft. Trailer	\$900.00 per Trailer	\$1,300.00 per Trailer

2007/2008 Cost

	<u>First Class Tire Shredders</u> <u>Clio, MI</u>	<u>Waddle's Tire Service</u> <u>Brownstown , MI</u>
Unit Cost Per Pick Up Of 40 Ft. Trailer	\$900.00 per Trailer	\$1,300.00 per Trailer

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Write Off of Three CDBG Residential Rehabilitation Loans

Manager's Recommendation:

It is recommended that the three residential rehabilitation loans presented be written off the balance sheet, as they have been deemed uncollectible. The total amount to be written off is \$89,417. This action was reviewed by Rehmann Robson.

Justification:

The residential lending program is run by the Department of Development. Low interest loans are made to low and moderate-income individuals for housing rehabilitation in designated CDBG program areas. Regular mortgage loans are established and liens are placed against the properties. If monthly obligations are not met, staff follows normal collection procedures, including client notification and credit bureau reporting, which could result in foreclosure. Staff has exhausted all means of collection within the department on the loans in question and has used outside attorneys for more aggressive collection efforts. Loan #85190471 has a principal balance of \$17,837.00, interest and penalty charges of \$4,082.00. The last payment was made February 10, 2000. Loan #85200524A has a principal balance of \$13,623.00, interest and penalty charges of \$2,017.00. The last payment was made December 8, 1999. Both properties were lost to first lien holders and the attorneys have not been able to locate either borrower. Loan #86120307A has a principal balance of \$39,757.00 with interest and penalties of \$12,101.00. The borrowers are deceased and the City was able to secure a Sheriff's Deed to the property through foreclosure. The department is considering methods of disposal.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Block Grant Program Budget Adjustment

Manager's Recommendation:

It is recommended that the 2006/07 CDBG Program budget be amended to accept carryover funds from prior years that will be spent this fiscal year.

The Block Grant Entitlement revenue line item (275-0000-513-58-22) will be increased by \$413,750.00 as well as the Block Grant Subgrantee expenditure line item (275-6574-761-83-10).

The HOME Program revenue line item (278-0000-513-58-21) will be increased by \$200,160.61 as well as the HOME Subgrantee line item (278-6580-761-83-10).

It is further recommended that the reallocation of HOME CHDO funds from CAC for project year 2005/06 in the amount of \$52,955.00 be moved to Circle of Love project year 2006/07.

Justification:

Carryover funds are not shown as a receivable by the City of Saginaw, therefore, budget adjustments are required as these funds are utilized. The Council adopted a budget for this fund on an overall basis, but the revenue and expenditures for the budget only included the federal funding earmarked for the 2006/07 fiscal year.

It is required by HUD that CHDO funds be committed to an eligible project within two years of allocation. Currently, CAC does not have an identifiable eligible project and cannot commit their allocation within the time constraints.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: ESRI Annual GIS Software Maintenance Fee

Manager's Recommendation:

I recommend that a purchase order be approved and issued to ESRI, Inc. in the amount of \$6,200.00 for the annual renewal maintenance fee.

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

Funds for these items are available in the GIS Operating Services Account No 650-1738-781.80-05.

Justification:

The Engineering/GIS, Inspections, Public Utilities, Assessing, Police, Fire and Parks and Facilities personnel use GIS software on a daily basis. Software utilization includes the Weed Abatement Program, Saginaw Fire View, Police Crime View, and Public Utilities Viewer. In addition to purchasing the software, an annual renewal maintenance fee is required to receive all new upgrades for the software licenses and the right to call the ESRI help desk for all software related questions and/or problems.

Last year's 2006 annual renewal maintenance fee for ESRI software was \$6,200.00, thus there is no increase.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Purchase Pumps for Gratiot Road Pump Station

Manager's Recommendation:

I recommend that the quote received from Kennedy Industries, Inc. be accepted and that a purchase order be approved and issued to them in the amount of \$144,760.00.

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 equipment are available in the Water Surplus Repairs and Replacement Fund Account No. 577-4740-881.97-20, Project Number W06018.

Justification:

On November 30, 2006, the City received a quotation from Kennedy Industries, Inc. of Milford, MI in the amount of \$144,760.00 for three (3) booster pumps, three (3) repumps, and one (1) spare rotating assembly of each type of pump. These are necessary for the Gratiot Road Pump Station Upgrades, Contract C-1566 (in process of being awarded), which is being constructed in the spring/summer of 2007 to service the expansion of Hemlock Semiconductor in Thomas Township. The City of Saginaw has to purchase these due to the lead-time required for the manufacturing of the pumps and repumps. The request for quotation was sent to Kennedy Industries, Inc., because they are a sole source supplier of this type of equipment, and for the following reasons: (1) the current design is based upon the specified pump and pump characteristics; (2) proposed pumps are from the same manufacturer of the pumps currently on site; (3) using this type of pump will allow the reutilization of existing pump bases and piping within the station, reducing overall costs of the project.

Hemlock Semiconductor will be paying for seventy-five percent (75%) of the costs for these parts.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Generators and Transfer Switches for Gratiot Road Pump Station

Manager's Recommendation:

I recommend that the low bid from Cummins Bridgeway, LLC be accepted and a purchase order be approved and issued to them in the amount of \$161,521.00 for the purchase of generators and transfer switches for the Gratiot Road Pump Station.

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

Funds for this purchase are available in the Water Surplus Repairs and Replacements Fund Account No. 577-4740-881.97-20, Project Number W06018.

Justification:

On November 28, 2006, the City received bids for two (2) generators and two (2) transfer switches. These are necessary for the Gratiot Road Pump Station Upgrades, Contract C-1566 (in process of being awarded), which is being constructed in the summer of 2007 to service the expansion of Hemlock Semiconductor. The City of Saginaw has to purchase these due to the lead-time required for the manufacturing of the parts. Hemlock Semiconductor will be paying for seventy-five percent (75%) of the cost for these parts and the construction also.

Following is a tabulation of the bids received:

Cummins Bridgeway, LLC New Hudson, MI	\$ 161,521.00
PM Technologies Milford, MI	\$ 227,930.00
Gen Power Products, Inc. Wixom, MI	\$ 246,187.00

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: ~~Total Toxic Organics~~ ~~Printing and Mailing of Water Bills~~ Repair Final Effluent Pump

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Manager's Recommendation:

I recommend that the ~~low~~ quote ~~from Test America Analytical Testing~~ ~~ow bid from TBF Graphics~~ Lang and Leeman be accepted and that a purchase order be approved and issued to them in the amount of \$3,215.57 ~~10,920.60,600.00~~

~~for Fiscal Year 2003-04.~~ 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 ~~will be~~ ~~budgeted~~ ~~are available~~ in the Sewer Operation and Maintenance Fund Account No. 590-~~4830-8614~~-80-40-~~05-5311-711-8005~~ ~~pending City Council budget adoption. (\$30,300.00), and Water Operation and Maintenance Fund Account No. 591-5310-711-8005 (\$30,300.00).~~

Justification:

The final effluent pumps are required to discharge the treated water from the wastewater plant to the river during high flow conditions. This pump failed when the motor burned out. Repairs for this pump include rewinding the motor and replacing the motor bearings. Quotes were requested because this is a critical piece of equipment and immediate repairs are necessary. Three quotes were received for the repair service.

Following is a tabulation of the quotes that were received:

Test America Analytical Testing	Lang & Leeman Electric	_____	_____
\$3,215.57			
Pontiac	Saginaw, MI	Saginaw, MI	(In-city)

12-18-15 ~~3-24-12~~

COUNCIL COMMUNICATION

Hamilton Electric Co. \$3,594.00
Saginaw, MI

York Repair, Inc. \$3,823.00
Bay City, MI

~~Huron Valley Laboratories Saturday's Child III, Inc.~~
~~\$15,600.00 \$203,000.00~~
~~Romulus, MI~~

~~AAC Trinity \$17,280.00~~
~~Farmington Hills, MI~~

~~Jones & Henry Laboratories \$23,400.00~~
~~Northwood, OH~~

Council Action:

~~KAR Laboratories \$23,700.00~~
~~Kalamazoo, MI~~

~~Trinity Analytical Laboratories \$26,100.00~~
~~Mound Valley, KS~~

~~Saginaw, MI (In-city)~~

~~The proposed cost is a 27.2% decrease from the current fiscal year a 54% decrease in cost from previous years.~~

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: ~~Total Toxic Organics, Printing and Mailing of Water Bills~~ Steel for Aerator Shrouds

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Manager's Recommendation:

I recommend that the ~~low bid from Test America Analytical Testing~~ ~~low bid from TBF Graphics~~ Withers Steel Supply be accepted and that a purchase order be issued to them in the amount of \$9,406.00 for the purchase of steel ~~10,920.60,600.00~~ ~~for Fiscal Year 2003-04.~~ 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 ~~will be~~ ~~budgeted~~ ~~are available~~ in the Sewer Operation and Maintenance Fund Account No. 590-~~4830-8614~~-73-30-~~05-5311-711-8005~~ ~~pending City Council budget adoption, (\$30,300.00), and Water Operation and Maintenance Fund Account No. 591-5310-711-8005 (\$30,300.00).~~

Justification:

Each of the four aeration tanks at the wastewater treatment plant has five aerators, which are required for proper operation. The aerators were supplied with the secondary expansion of the plant in 1969-72. The shrouds, which act as splash shields on the aerators, have rusted through and are no longer repairable. Replacement parts are not available. Therefore, steel is required to fabricate new splash shields for three aerators. Three bids were received for the steel.

Following is a tabulation of the bids that were received:

Test America Analytical Testing Withers Steel Supply	_____	_____
\$9,406.00		
Pontiac Montrose, MI Saginaw, MI (In-city)		
Rifkin Steel and Aluminum Saginaw, MI	\$10,004.00	
Peerless Steel Saginaw, MI	\$11,438.85	
Huron Valley Laboratories Saturday's Child III, Inc.		

COUNCIL COMMUNICATION

~~\$15,600.00~~ ~~\$203,000.00~~
~~Romulus, MI~~

~~AAC Trinity~~ ~~\$17,280.00~~
~~Farmington Hills, MI~~

~~Jones & Henry Laboratories~~ ~~\$23,400.00~~
~~Northwood, OH~~

Council Action:

~~KAR Laboratories~~ ~~\$23,700.00~~
~~Kalamazoo, MI~~

~~Trinity Analytical Laboratories~~ ~~\$26,100.00~~
~~Mound Valley, KS~~

~~Saginaw, MI (In-city)~~

The proposed cost is a 27.2% decrease from the current fiscal year a 54% decrease in cost from previous years.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Community Action Center (CAC) Urban Homestead Funds

Manager's Recommendation:

It is recommended that the balance of \$226,531.17 (2004 – 2005) and \$73,468.83 (2005 – 2006) CAC Urban Homestead allocation for a total of \$300,000.00 be transferred from 275-6574-761-83-10 to Community Development Block Grant Residential Rehabilitation Account No. 276-6550-761-83-40.

Justification:

The Saginaw County Community Action Center (CAC) has received funding allocations for the past several years for an Urban Homesteading Program whereby CAC would purchase dwellings, rehabilitate them, and then sell them as owner occupied homes. While this program may have been viable in the past, the recent changes in the real estate market have caused this program to become less than effective.

CAC has acknowledged the difficulties in administering this program and has recently met with City staff. It has been concluded that these funds would be best used for housing rehabilitation purposes of owner occupied homes. CAC has agreed, as one of our many partners, to contribute to our neighborhood revitalization efforts by assisting the City of Saginaw in establishing and funding the Basic Needs Program which is one of the components of the Revitalization Plan. This program is one that is intended to assist residents living in owner occupied homes with basic needs items that are an immediate threat to their health and safety, such as no heat due to an inoperable furnace, no water due to plumbing problems, faulty or dangerous electrical equipment or

COUNCIL COMMUNICATION

some type of structural failure. This program has a \$7,500.00 cap and is offered city-wide in an effort to assist those residents who do not live in the revitalization area, however, residents in the revitalization area are not excluded from participating.

CAC has agreed to be an active member of our revitalization team. City Staff is excited about this arrangement as it provides our staff with an additional resource in tackling the many challenges of Neighborhood Revitalization.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Snow Plow Blades for Winter Maintenance

Manager's Recommendation:

I recommend that a purchase order be issued to Truck & Trailer Specialties in the amount of \$9,380.00. This vendor meets all the requirements of the Contract Compliance Provisions, Title 1, Chapter 14 §14.35-14.44, of the Saginaw Code of Ordinances.

Funds are available in the Major Streets Account No. 202-4655-841 73-30 (\$4,690.00) and Local Streets Account No. 203-4655-841 73-30 (\$4,690.00).

Justification:

On November 28, 2006, the City received two bids for 200 double beveled plow blades. These are scraper blades for installation on city snowplow trucks for winter maintenance of state highways, major and local streets. Following is a tabulation of the bids received:

Truck & Trailer Specialties Boyne Falls, MI	\$ 9,380.00
St. Regis Culvert, Inc. Charlotte, MI	\$12,000.00

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Bendzinski & Company Wastewater Rate Study Agreement

Manager's Recommendation:

I recommend that acceptance of the agreement and issuance of a purchase order to Bendzinski & Company, Municipal Finance Advisors ("Bendzinski"), in an amount not to exceed \$10,000.00 for completion of a wastewater rate study for the City of Saginaw. This Agreement is subject to the approval of the City Manager 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 is available in the Sewer Administration Account No. 590-4810-851.80-01.

Justification:

Bendzinski has worked with the City in preparing water and sewer rate studies since 1994. The most recent wastewater rate study was completed on July 23, 2002, putting rates into effect through June 30, 2007.

On August 11, 2006, Bendzinski submitted a proposal to update the rate study of July 23, 2002. The proposed work includes analyzing data, policies, procedures, staffing and practices of the system, drafting a report and presenting it to Council.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Fire Department Self Contained Breathing Apparatus

Manager's Recommendation:

I recommend approval of the spending plan for the purchase of Fire Department Self Contained Breathing Apparatus. Self Contained Breathing Apparatus is MIOSHA required personal protective equipment worn in hazardous environments. The equipment will be purchased from Douglass Safety Systems which is a sole source supplier.

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 are budgeted and available in the Saginaw Fire Department General Fund Capital Outlay – Repairs and Replacements Account No. 101-3751-751.97-20 and from proceeds from the 2006 Department of Homeland Security Assistance to Firefighters Grant Award #EMW-2006-FG-01486 (AFG).

The total AFG Funds are \$176,615.62, and the total amount of matching funds for the City of Saginaw is \$44,153.91.

Justification:

This spending plan will be used to replace worn Self Contained Breathing Apparatus for the Fire Department as outlined below:

Step 1 – Initial Grant Award

43 – ISI Viking DXL SCBA's @ \$4,473.71 each	\$192,369.53
21 – ISI Viking Face Masks @ \$900.00 each	<u>18,900.00</u>
Project Total	\$211,269.53
80% AFG	\$169,015.62
20% City of Saginaw	\$ 42,253.91
AFG "Approved Project Total"	\$220,775.00
Actual Project Total	<u>\$211,269.53</u>
Surplus funds available	\$ 9,505.47

Step 2 – Grant Amendment

To provide five (5) additional face masks and necessary maintenance equipment and also for a uniform change of light-weight air cylinders to be used during fire ground

COUNCIL COMMUNICATION

operations for increased firefighter safety, a request is made for a grant amendment to use surplus funds (\$9,505.47) from the "AFG Approved Project Total". The request must be made after the authorized items listed above are purchased in accordance with AFG rules and procedures.

5 – ISI Viking Face Masks @ \$900.00 each	\$ 4,500.00
6 – ISI 2216 PSI Carbon air cylinders @ \$805.00 ea.	4,830.00
1 – ISI Viking DXL Tool Kit	120.00
1 – Posi-Chek HUD (Heads Up Display) Test Cable	<u>50.00</u>
Amendment Request	\$ 9,500.00
Remaining Surplus Funds	\$ 5.47
80% AFG	\$ 7,600.00
20% City of Saginaw	\$ 1,900.00

Step 3 – Additional Cylinder Purchases

To take advantage of a trade-in credit and provide a complete inventory of light-weight air cylinders thereby increasing firefighter safety. These items are to be purchased separate from the grant purchases. Funds are budgeted and available in the Saginaw Fire Department General Fund Account No. 101-37551-751.97-20 (Capital Outlay – Repairs and Replacements).

24 – ISI 2216 PSI Carbon Air Cylinders @ \$805.00/ea. \$19,320.00

Trade in Credit from Douglass Safety Systems:

Current SCBA Equipment \$(14,000.00) total credit

Expense \$ 5,320.00

Council Action:

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

The following schedule for regular meetings of the

CITY COUNCIL OF THE CITY OF SAGINAW

For the **2007** calendar year is posted in compliance
With requirements of act 267, p.a. 1976:

Meetings are held in the council chambers, room 205, at 6:30 p.m. unless noted otherwise. *

JANUARY	8 AND 22
FEBRUARY	5 AND 19
MARCH	5 AND 19
APRIL	2, 16 AND 30
MAY	7** AND 21 (Due to Memorial Day Holiday)
JUNE	4 AND 18
JULY	2, 16 AND 30
AUGUST	13 AND 27
SEPTEMBER	10 AND 24
OCTOBER	8 AND 22
NOVEMBER	5, 12** (7:30 p.m.) AND 19 (Special Meeting per City Charter due to Election of new Councilpersons.)
DECEMBER	3, 17 AND 27** (Thursday) (Due to New Year's Day Holiday in 2008)

DIANE M. HERMAN
CITY CLERK
PHONE: 759-1480

*Student Government Day when announced begins at 12:00 noon.

**This indicates a meeting is scheduled consecutively due to conflict with a holiday and in accordance with the City Charter.

IF YOU ARE DISABLED AND NEED ACCOMMODATION TO PROVIDE YOU WITH AN OPPORTUNITY TO PARTICIPATE OR OBSERVE IN PROGRAMS, SERVICES, OR ACTIVITIES, PLEASE CALL THE SAGINAW CITY CLERK, 1315 S. WASHINGTON AVE., 759-1480.