

COUNCIL AGENDA

For

April 3, 2006, 12:00 p.m., Council Chamber

STUDENT GOVERNMENT DAY

ROLL CALL:

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

ANNOUNCEMENTS:

Richard Alger, Saginaw County Bar Association President, and Kelli Scorsone, to accept proclamation designating April 27, 2006 as Law Day in the City of Saginaw.

PUBLIC HEARINGS:

PERSONAL APPEARANCES:

(A list will be provided on Monday)

REMARKS OF COUNCIL:

PETITIONS:

06-07 from John M. Kunitzer, Yeo & Yeo Properties, LLC, submitting a request for an Obsolete Property Rehabilitation District for 3037 Davenport

06-08 from Norman W. LaBrenz, Prints Plus, Inc., 2301 North Michigan Avenue, requesting establishment of an Industrial Development District and PA 198 Personal Property Tax Abatement

06-09 from Ron Weighman, CEO, Dornbos Printing Impressions, request for PA 198 Real Property Tax Abatement and Personal Property Tax Abatement

REPORTS FROM BOARDS AND COMMISSIONS AND COMMITTEES:

APPOINTMENT OF BOARDS AND COMMISSIONS MEMBERS:

1. Consideration of reappointing Edna Webb to the Zoning Board of Appeals with a term to expire December 31, 2009.
2. Consideration of reappointing Gena Renee Amos to the Civil Service Commission with a term to expire September 30, 2012.
3. Consideration of appointing William Ostash and Eric Richardson Schanz to the Historic District Commission with terms to expire February 19, 2009.
4. Consideration of reappointing Thomas Basil to the Downtown Development Authority with a term to expire November 1, 2010.

From the Police and Fire Pension System Board of Trustees:

1. Recommending approval of the Investment Advisory Agreement to employ Galliard Capital Management, Inc. as the core fixed income investment advisor for the City of Saginaw Police & Fire Pension System. Galliard Capital Management, Inc. will invest the Pension Fund's core fixed income portfolio presently consisting of approximately \$52 million in cash assets with a base fee structure of 20 basis points (15 basis points for funds over \$50 million). Further recommend that the chairperson of the Police and Fire Pension System Board of Trustees be authorized to sign the agreement. Funds are available in the Police & Fire Pension Custodial Fees Account No. 732 1765 701 8016.

REPORTS FROM MANAGER:

A. Management Update

1. Odail Thorns, Development Director, to discuss the Neighborhood Revitalization Area proposal.

B. Recommended Actions

1. Recommending acceptance of the quote and issuance of a purchase order to Emerson Process Management, Instrument & Valve Division in the amount of \$6,115.50 for the purchase of two Rosemount flow transmitters to be used by the Wastewater Treatment Plant. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Sewer Operation and Maintenance Account No. 590 4830 861 7330.

2. Recommending acceptance of the offer from Standard Electric to extend the City's current purchase order for citywide lamps and bulbs through June 30, 2006. The bid included the purchase of standard lamps (incandescent, fluorescent, street lighting, sealed beams, miniatures and photo lamps. The estimated cost for the balance of this fiscal year is \$12,000.00. This vendor meets all requirements of the contract compliance provisions. Funds are available in various departmental budgets for the remainder of the fiscal year.
3. Recommending that a purchase order be approved and issued to Vondette Roofing in the amount of \$28,455.00 for the replacement of the cedar shake roof on the Japanese Teahouse. This vendor meets all requirements of the contract compliance provisions. Funds are available in the Japanese Teahouse Repair and Replacement Account No. 101 7534 811 9720.
4. Recommending approval of an agreement for outside legal services with Varnum, Riddering, Schmidt and Howlett, LLP of Grand Rapids, Michigan for the specific purpose of renegotiating a cable franchise agreement. Due to the particular characteristics of this type of representation, the City and Varnum have negotiated its rate as a flat fee of \$10,000.00. Payment for these services are available in the City Attorney's Legal Services Account No. 101 1734 701 8003.
5. Recommending that Saginaw High School, 3100 Webber, be utilized as a temporary polling location for Precinct #6 for the May 2, 2006 Public Safety Millage Election.
6. Recommending issuance of a Dance Hall License for The Smokehouse located at 3504 State Street. The Fire Chief and Police Chief have certified this license.

INTRODUCTION OF ORDINANCES:

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Approving transfer of ownership of the 2005 Class C Licensed Business with Dance-Entertainment permit for 100 S. Hamilton, contingent upon final inspections and approval by the County Health Department, Police Department, Fire Department and Inspections Division.

UNFINISHED BUSINESS:

POSTPONEMENT

Motion to extend a 30-year lease to the Civitan for \$1.00 per year for the operation of recreation programs as they are currently doing.

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley
Interim City Manager

COUNCIL COMMUNICATION

From: The City Police and Fire Pension System Board of Trustees

Subject: Galliard Capital Management, Inc. Agreement

Board of Trustee's Recommendation:

I recommend approval of the Investment Advisory Agreement to employ Galliard Capital Management, Inc. as core fixed income investment advisor for the City of Saginaw Police & Fire Pension System. The agreement is subject to the approval of the Manager as to substance and the City Attorney as to form. Further, recommend that the chairperson of the Police and Fire Pension System Board of Trustees be authorized to sign the agreement.

Funds are available in the Police & Fire Pension Custodial Fees Account No. 732-1765-701-80-16.

Justification:

Galliard Capital Management, Inc. will invest the Pension Fund's core fixed income portfolio presently consisting of approximately \$52M in cash assets with a base fee structure of 20 basis points (15 basis points for funds over \$50M). Galliard Capital Management, Inc. is expected to generate a higher return on investments than the Board's current core fixed income manager, Merrill Lynch, while charging a lower fee structure. This comes after a review of recommendations from the Board's pension consultant, Yanni Partners, and after meeting with top candidates during on-site presentations to the Board.

Council Action:

Council _____ moved that the recommendation of the City's Police & Fire Pension System Board of Trustees be approved.

COUNCIL COMMUNICATION

From: The City Manager

Subject: City Wide Lamps and Bulbs

Manager's Recommendation:

I recommend the acceptance of the offer from Standard Electric to extend the City's current purchase order for lamps and bulbs through June 30, 2006. Although the total cost will vary depending on various departmental needs, the estimated cost for the balance of this fiscal year is \$12,000.00.

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 these purchases are available in various departmental budgets for the remainder of fiscal year 2005/2006.

Justification:

On January 7, 2003, the City received bids for the purchase of citywide lamps and bulbs from January 2003 through December 31, 2005. The bid included the purchase of standard lamps (incandescent, fluorescent and street lighting, sealed beams, miniatures and photo lamps). Standard Electric has offered to extend the purchase order with current pricing through June 30, 2006. Standard is negotiating with its suppliers to secure an extension through June 30, 2007, but those negotiations have not been completed as of the date of this communication. After the negotiations are complete, another council communication will be submitted to Council for approval.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Liquor License for 100 S. Hamilton

Manager's Recommendation:

I recommend transfer of ownership of the 2005 Class C Licensed Business with Dance-Entertainment permit for 100 S. Hamilton, contingent upon final inspections and approval by the County Health Department, Police Department, Fire Department and Inspections Division.

Justification:

On or about February 2, 2006, the City received notice from the State of Michigan Liquor Control Commission that Step Above Enterprises I, Inc., requests a transfer of ownership of the 2005 Class C Licensed Business with Dance-Entertainment Permit being held in escrow from Blumfield, Inc. and transfer location (Governmental Unit) (MCL 436.1531 (1) to 100 S. Hamilton, Saginaw, MI 48602 Saginaw County.

The Saginaw County Health Department, City of Saginaw Fire Prevention and the City Building Inspections Division have approved 100 S. Hamilton for this transfer contingent upon final inspections and approval prior to 100 S. Hamilton being open to the public. Such contingent approval is being granted to expedite the approval process through the State of Michigan Liquor Control Commission so the license will be approved for use at or near the same time construction is complete.

Council Action:

This Council Communication is for informational purposes only to explain the Resolution in the subsequent part of the agenda.

COUNCIL COMMUNICATION

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

Council _____ offered and moved adoption of the following resolution:

WHEREAS, on or about January 30, 2006, the City Clerk's Office received a Local Approval Notice from the State of Michigan Liquor Control Commission; and

WHEREAS, said notice advised that Step Above Enterprises I, Inc. requests to transfer ownership of a 2005 Class C Licensed Business with Dance-Entertainment Permit, located in escrow at R2, 1305 W. Vassar, Reese, MI 48757, Blumfield Township, Saginaw County, from Blumfield, Inc.; and transfer location (Governmental Unit) (MCL 436.1531 (1) to 100 S. Hamilton, Saginaw, Michigan, 48602, Saginaw County.

WHEREAS, the Saginaw County Health Department, City of Saginaw Fire Prevention and the City Building Inspections Division have approved 100 S. Hamilton contingent upon final inspections for this transfer.

NOW, THEREFORE, BE IT RESOLVED, that the City Council for the City of Saginaw by this Resolution does hereby approve the transfer of ownership of the 2005 Class C Licensed Business with Dance-Entertainment permit, located at 100 S Hamilton Street, Saginaw, Michigan, 48602, Saginaw County, from Blumfield Inc., contingent upon final inspections and approval prior to 100 S. Hamilton being open to the public.

COUNCIL COMMUNICATION

From: The City Manager

Subject: Audra Francis Center (Precinct #6) Temporary Relocation of Polling Place

Manager's Recommendation:

I recommend that Saginaw High School, 3100 Webber, be utilized as a temporary polling location for Precinct #6 for the May 2, 2006 Public Safety Millage Election.

Justification:

On Saturday, September 24, 2005, Audra Francis Center, 2717 Webber, was severely damaged from fire. The Audra Francis Center building is owned by the City and has been established as Precinct #6 for elections. Due to the extent of the damage, and the cost to restore the building, the City is considering whether it would be feasible to restore the facility or demolish it. The facility in the past years has only been used as the precinct and as a Senior Center and the County has relocated the Senior Center to the Merrill Park Recreation Center. In any event, the building will not be restored and functional as a polling location for the May 2, 2006 Public Safety Millage Election. As such, it is recommended the polling location be changed to Saginaw High School, 3100 Webber. Saginaw High School is currently the City's Precinct #8 polling location and the Board of Education has again granted the City permission to use the gymnasium for this Election. As in the November 2005 Council/School Board Election, the gymnasium will be divided in half with the two precincts/polling locations clearly marked to direct voters. There was ample space for both precincts in the November 2005 Election. As required by the election law, letters will be mailed to all registered voters in Precinct #6 to advise them of this change. In addition, a notice will be posted on the Audra Francis building to direct voters to Saginaw High School on Election Day. The close proximity of the two locations will provide for voters to be easily rerouted.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Japanese Tea House Roof Replacement

Manager's Recommendation:

I recommend that a purchase order be approved and issued to Vondette Roofing in the amount of \$28,455 for the replacement of the cedar shake roof on the Japanese Teahouse.

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

The funds are available in the Japanese Teahouse Repair and Replacement Account No. 101-7534-811-97 20.

Justification:

The Teahouse was constructed in 1986 as a joint venture between the City of Saginaw and its Sister City, Tokushima, Japan. The Teahouse Board, which is part of a 501c3 non-profit organization that was formed to run the Teahouse operation, received three quotes to have the roof replaced during the summer of 2005. Two of the quotes exceeded \$48,000; however, the quote from Vondette Roofing was \$28,455. The City of Saginaw has an agreement with Tokushima, in which Saginaw agreed to maintain the Teahouse. The City of Saginaw has budgeted \$20,000 for this project and the Teahouse Board has secured a grant for the remaining funds. Vondette Roofing has agreed to hold its prices from last summer.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Purchase of Two Rosemount Flow Transmitters

Manager's Recommendation:

I recommend acceptance of the quote received from Emerson Process Management, Instrument & Valve Division of Midland, MI and that purchase order be approved and issued to them in the amount of \$6,115.50 for the purchase of two transmitters.

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

Funds for this purchase are available in the Sewer Operation and Maintenance Account No. 590-4830-861-7330.

Justification:

On March 27, 2006, the City received a quotation for the purchase of two Rosemount flow transmitters. These transmitters are used to control the flow from the primary treatment tanks to the aeration tanks where it must be split equally between the tanks in service. There are four aeration tanks, and Rosemount flow transmitters currently control the flows to two of them. Therefore, it is most cost effective to replace the two failing transmitters in the other tanks with Rosemount transmitters. Doing so will reduce the number of spare parts required and will standardize maintenance on the equipment. The Rosemount transmitters are only available from the manufacturer's distributor, which is Emerson Process Management, Instrument Valve Service Division and, therefore, is a sole source supplier.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Contract with Outside Law Firm

Manager's Recommendation:

I recommend Council approve an agreement for outside legal services with Varnum, Riddering, Schmidt and Howlett, LLP of Grand Rapids, Michigan. This is for the specific purpose of renegotiating a cable franchise agreement. This agreement is subject to approval by the City Manager as to substance and the City Attorney as to form.

Justification:

The cable television franchise agreement with Cox Cable and its successor, Charter Communication, expires on June 30, 2006. The law firm of Varnum, Riddering, Schmidt and Howlett, LLP ("Varnum") specializes in this area of law and has negotiated over a hundred cable franchise agreements in Michigan in the last year. Many of these franchise agreements have been between other communities and Charter Communications. The City has successfully used Varnum in the past on a matter dealing with telecommunications franchises before the Michigan Public Services Commission. Varnum is often used by the Michigan Municipal League's Legal Defense Fund for work in this area. Due to the particular characteristics of this type of representation, the City and Varnum have negotiated its rate as a flat fee of \$10,000. Payment for these services will be from the City Attorney's Legal Services Account NO. 101-1734-701-80-03.

Council Action:

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

COUNCIL COMMUNICATION

From: The City Manager

Subject: Dance Hall (Public/Special) License for 3504 State Street

Manager's Recommendation:

I recommend issuance of a Dance Hall (Public/Special) License for The Smokehouse located at 3504 State Street.

Justification:

On or about March 27, 2006, the City received an application for a Dance Hall (Public/Special) License from Sharrie Williams on behalf of The Smokehouse, located at 3504 State Street in the City of Saginaw. In accordance with the City's Ordinance §110.32 *Dancing and Dance Halls*, such license requires the certification by the Fire Chief and Police Chief, which approval and certification has been received by the City Clerk's Office. In addition, under Paragraph (2), any such application shall not be issued until it has been approved by City Council.

Council Action:

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