

Council Agenda

July 24, 2017 6:30 p.m.
Council Chamber

PRAYER AND PLEDGE OF ALLEGIANCE:

ROLL CALL:

ANNOUNCEMENTS:

PUBLIC HEARINGS:

PERSONAL APPEARANCES:

(A list will be provided following submittal deadline.)

REMARKS OF COUNCIL:

REPORTS FROM MANAGER:

Management Update:

1. Sheriff William Federspiel, Proposed Jail Update.
2. Tom Miller, Jr., Saginaw Future V.P. of Urban Development, Brownfield Update.
3. Fire Chief Chris Van Loo, Proposed Purchase of Fire Apparatus.

CONSENT AGENDA:

1. Approve the July 10, 2017 regular council meeting minutes.
2. Approve the Fire Cost Reimbursement Fee Schedule as amended, effective July 1, 2017.
3. Approve a purchase order to CSI Emergency Apparatus, LLC for \$394,466.64 for a fire apparatus for the Fire Department.
4. Approve a purchase order to AirGas, Inc., at the State bid price of \$2,550 for tank rental charges for the Motor Pool Operations Division.
5. Approve blanket purchase orders for a combined total of \$44,000 to suppliers of local fleet vehicle services and repairs for the Garage Operations Division for FY 2018.
6. Approve a purchase order to ETNA Supply Company for \$26,108.40 for an annual supply of Ductile Iron water main and water main fittings for the construction and maintenance of the Water Distribution and Transmission System for FY 2018.

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7. Approve a purchase order to Sabiston Builder's Supply, Inc. for \$7,315 for Portland Cement for the Maintenance and Service Division for FY 2018.
8. Approve a purchase order to HD Supply Waterworks for \$9,120 for manhole blocks for the Maintenance and Service Division for FY 2018.
9. Approve a purchase order to ETNA Supply Company for \$70,995 for various brass water parts for the Maintenance and Services Division for FY 2018.
10. Approve blanket purchase orders for a combined total of \$191,900 to suppliers of various vehicle parts and supplies for the Garage inventory for the Garage Operations Division for FY 2018.
11. Ratification of an increase to purchase order No. 500036 to Blue Restoration, Inc. by \$5,000, for a new total of \$52,300, to spread and grade 850 tons of cold milling material at Oakwood Cemetery.
12. Approve a purchase order to J. Ranck Electric for \$20,000 for pole setting for the Traffic Maintenance Section of the Right of Way Division for FY 2018; and pending approval of the FY 2019 and FY 2020 budgets, approve the bid from J. Ranck Electric for the same amount for the same services for FY 2019 and FY 2020.
13. Adopt the Resolution to approve the amended and restated Member Contract with Mid-Michigan Waste Authority.
14. Approve blanket purchase orders to primary suppliers of electrical and mechanical equipment repair services for a total amount of \$25,000 for various equipment services and repairs for the Water Treatment Division for FY 2018.
15. Approve the agreement with The Crypsis Group and issue a purchase order in an amount not to exceed \$16,000 for the security audit of a Maintenance and Service Division computer server.

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

INTRODUCTION OF ORDINANCES:

CONSIDERATION AND PASSING OF ORDINANCES:

1. An Ordinance to amend Chapter 110, of Title XI, "Business Regulations," by amending §110.06 titled, "Suspension, Revocation, Denial of Renewal of License," of the City of Saginaw Code of Ordinances, O-1.

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2. An Ordinance to amend Chapter 96, of Title IX, "General Regulations," by amending §96.32 titled, "Curb Restoration," of the City of Saginaw Code of Ordinances, O-1.
3. An Ordinance to amend Chapter 14, titled "Finance and Purchasing," of Title I, "Administrative Code," of the City of Saginaw Code of Ordinances, O-1.

RESOLUTIONS:

1. Resolution concurring with the provisions of a Brownfield Plan for 107, 111 and 121 S. Water Street, Saginaw, Saginaw County.
2. Resolution concurring with the provisions of a Brownfield Plan for 126 N. Franklin Street, Saginaw, Saginaw County.
3. Resolution concurring with the provisions of a Brownfield Plan for 1010 Hess Avenue and 622 Ortman Street, Saginaw, Saginaw County.
4. Resolution authorizing the installment purchase contract for the purchase of a fire truck.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

ADJOURN:

Timothy Morales
City Manager

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.

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF SAGINAW, MICHIGAN, WAS HELD MONDAY, JULY 10, 2017, AT 6:30 P.M. IN THE COUNCIL CHAMBER AT CITY HALL, 1315 S. WASHINGTON AVENUE, SAGINAW, MICHIGAN.

PRAYER AND PLEDGE OF ALLEGIANCE

Mayor Browning offered a prayer and led the pledge of allegiance of the United States of America.

ROLL CALL

Mayor Browning called the meeting to order. Council Members present: John Milne, Demond Tibbs, Floyd Kloc, Brenda Moore, Clint Bryant, Michael Balls, John Humphreys, and Dennis Browning: 8. Council Members absent: Annie Boensch: 1.

PUBLIC HEARING

City Clerk Janet Santos announced the public hearing regarding an amendment of the Brownfield Plan for the SSP/Michigan Works Redevelopment Project, located at 312 E. Genesee Avenue. Mayor Browning called for comments. Tom Miller of Saginaw Future spoke in favor of the amendment. Mayor Browning called for comment two more times. No further comments were made.

Moved by Mayor Pro Tem Kloc, seconded by Council Member Moore, to close the public hearing. 8 ayes, 0 nays, 1 absent. Motion approved.

PERSONAL APPEARANCES

The following personal appearances addressed Council: Corneathia Harvey, Eric Karbin, Jim Bouliew, and Thomas Roy.

REMARKS OF COUNCIL

Remarks were heard from the following Council Members: Tibbs, Milne, Humphreys, Balls, Bryant, Moore, Kloc, and Mayor Browning.

Mayor Browning left the meeting at 7:18 p.m.

REPORTS FROM CITY MANAGER

Management Update

City Manager Tim Morales presented informational updates of City meetings and projects.

Manager Morales introduced Tom Miller, Jr., Saginaw Future V.P. of Urban Development. Mr. Miller presented and update regarding the Defense Manufacturing Assistance Program (DMAP).

CONSENT AGENDA:

1. Approve the June 19, 2017 regular council meeting minutes.
2. Approve the Workers Compensation Insurance Renewal with Safety National Casualty Company for an annual premium of \$78,043, for the term July 1, 2017 through June 30, 2019.
3. Approve the Workers Compensation Claims Management Service Agreement with York Risk Services Group, Inc. for \$40,200 for FY 2018, \$40,600 for FY 2019, and \$41,000 for FY 2020.

4. Approve the donation of an iRobot 510 Packbot Multi-Dimension Robot from the U.S. Department of Defense for use by the Police Department.
5. Approve a blanket purchase order to Douglass Safety Systems, LLC, a sole source, for \$7,000 for ISI self-contained breathing apparatus parts for the Fire Department.
6. Approve a blanket purchase order to Douglass Safety Systems, LLC, a sole source, for \$12,000 for Micro-Blaze Out Foam for the Fire Department for FY 2018.
7. Approve a blanket purchase order to Tire Centers, LLC at the State bid price of \$10,000 for tires for the Fire Department's heavy apparatus fleet for FY 2018.
8. Approve a purchase order to Innovative Software Services, Inc. for \$8,048 for the renewal of annual software maintenance/support for the Fiscal Services Department, Income Tax Division.
9. Approve a purchase order to Alexander Chemical Corporation for \$19,710 for FY 2018, and FY 2019 pending budget approval, for 30 tons of sulfur dioxide for the Wastewater Treatment Division.
10. Approve a purchase order to Global Environmental Consulting for \$5,600 for FY 2018, and FY 2019 pending budget approval, to perform Whole Effluent Toxicity (WET) analysis for the Wastewater Treatment Division effluent.

Moved by Council Member Bryant, seconded by Council Member Moore to approve consent agenda items 1 through 10, as presented. 7 ayes, 0 nays, 2 absent. Motion approved.

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

Moved by Council Member Bryant, seconded by Council Member Moore to approve the following:

1. the Mayoral appointment of Brian Dixon to the Hospital Finance Authority with a term to expire June 30, 2022.
2. the Mayoral appointment of Ana Hidalgo to the Saginaw Economic Development Corporation with a term to expire June 30, 2019.
3. the Mayoral reappointment of Kristin Karwat to the Saginaw Arts and Enrichment Commission with a term to expire June 30, 2020.

7 ayes, 0 nays, 2 absent. Motion approved.

Mayor Pro Tem announced the Mayoral reappointment of Peter Tyson to the Saginaw Housing Commission with a term to expire September 30, 2022.

INTRODUCTION OF ORDINANCES:

Moved by Council Member Balls, seconded by Council Member Moore, to introduce an ordinance to amend to amend Chapter 110, of Title XI, "Business Regulations," by amending §110.06 titled, "Suspension, Revocation, Denial of Renewal of License," of the City of Saginaw Code Of Ordinances, O-1. 7 ayes, 0 nays, 2 absent. Motion approved.

Moved by Council Member Humphreys, seconded by Council Member Moore to introduce an ordinance to amend to amend Chapter 96, of Title IX, "General Regulations," by amending §96.32 titled, "Curb Restoration," of the City of Saginaw Code of Ordinances, O-1. 7 ayes, 0 nays, 2 absent. Motion approved.

Moved by Council Member Bryant, seconded by Council Member Moore to introduce an ordinance to amend Chapter 14, titled "Finance and Purchasing," of Title I, "Administrative Code," of the City of Saginaw Code of Ordinances, O-1. 7 ayes, 0 nays, 2 absent. Motion approved.

CONSIDERATION AND PASSING OF ORDINANCES

Moved by Council Member Humphreys, seconded by Council Member Bryant, to adopt an ordinance to amend §52.15 "Water Meters", and §52.57 (A) "Water Billing," of Chapter 52, "Water," of Title V, "Public Works," of the City of Saginaw Code Of Ordinances, O-1. 7 ayes, 0 nays, 2 absent. Motion approved.

Moved by Council Member Moore, seconded by Council Member Humphreys to adopt an ordinance to amend Chapter 71, of Title VII, "Traffic Regulations," by adding a new section titled, "Cost Recovery," of the City of Saginaw Code of Ordinances, O-1. 7 ayes, 0 nays, 2 absent. Motion approved.

RESOLUTIONS

Motion by Council Member Bryant, seconded by Council Member Moore to adopt the resolution approving the amendment to the Brownfield Plan for the Michigan Works Redevelopment Project. 7 ayes, 0 nays, 2 absent. Motion approved.

ADJOURNMENT

Moved by Council Member Bryant, seconded by Council Member Moore to adjourn the meeting at 7:50 p.m. 7 ayes, 0 nays, 2 absent. Motion approved.

Janet Santos, CMMC/MMC
City Clerk

From: Timothy Morales, City Manager
Subject: Fire Cost Reimbursement Fee Schedule
Prepared by: Christopher Van Loo, Fire Chief

Manager's Recommendation:

I recommend the approval of the Fire Cost Reimbursement Fee Schedule as amended, effective July 1, 2017.

Justification:

According to § 92.15 "Fire Cost Reimbursement," of Chapter 92, "Fire Protection and Public Safety," of Title IX, "General Regulations," of the City of Saginaw Code of Ordinance, O-1, the reimbursement rates for the recoverable costs shall be established by the City. The Fire Department has reviewed its fire cost reimbursement fees, which include all emergency responses including fees for Haz-Mat clean-up. The amendment of the fees will ensure that the revenues from the fees cover the cost of providing services. The fees were last updated in September 2013. The chart below is the current fee schedule with the amended fees indicated.

- (1) Emergency response service charges based upon hourly pay rates of personnel.

	Current		Fiscal Year 2018		Fiscal Year 2019	
Personnel	Per Min	Per Hour	Per Min	Per Hour	Per Min	Per Hour
Battalion Chief	\$0.46	\$27.76	\$0.48	\$28.59	\$0.49	\$29.14
Fire Marshal / TSO	\$0.62	\$37.43	\$0.64	\$38.54	\$0.66	\$39.30
Captain	\$0.42	\$25.27	\$0.43	\$26.02	\$0.44	\$26.53
Lieutenant	\$0.38	\$23.00	\$0.39	\$23.69	\$0.41	\$24.15
Engineer	\$0.35	\$20.95	\$0.36	\$21.57	\$0.37	\$21.99
Firefighter	\$0.33	\$19.53	\$0.34	\$20.11	\$0.34	\$20.50

(2) Emergency response service charges based upon responding apparatus.

	Current		Fiscal Year 2018		Fiscal Year 2019	
Apparatus	Per Min	Per Hour	Per Min	Per Hour	Per Min	Per Hour
Engine	\$5.00	\$300.00	\$5.00	\$300.00	\$5.00	\$300.00
Truck	\$7.92	\$475.00	\$7.92	\$475.00	\$7.92	\$475.00
Fire Marshal Battalion Chief TSO	\$2.50	\$150.00	\$2.50	\$150.00	\$2.50	\$150.00

(3) Emergency response service charges based upon cost of clean-up supplies.

Supplies	Current Cost	Fiscal Year 2018	Fiscal Year 2019
Absorball (per bag)	\$6.00	\$7.00	\$7.50
Foam (per gallon)	\$25.62	\$28.00	\$29.40

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager

Subject: Purchase of a Fire Apparatus

Prepared by: Christopher Van Loo, Fire Chief

Manager's Recommendation:

In anticipation of securing an installment purchase agreement with Huntington Public Capital Corporation, it is recommended that a purchase order be approved and issued to CSI Emergency Apparatus LLC in the amount of \$394,466.64 for the purchase of a fire apparatus for the Community Public Safety – Fire Department.

Justification:

The Fire Department is replacing a 1997 Spartan fire engine with over 63,000 miles on the odometer and 11,500 hours on the engine hour meter. The National Fire Protection Association (NFPA) Standard 1901, Standard for Automotive Fire Apparatus, recommends removing apparatus 15 years or older from front line service. The 1997 Spartan fire engine that is being replaced exceeds industry standards for front line service life and has become increasingly more difficult to maintain. Increased electrical needs of modern firefighting equipment have exceeded this engine's capabilities and its pre-piped foam system is outdated, inadequate, and unreliable. Operating dependability, efficiency, operator safety, and maintenance difficulties are contributing factors for the need to replace this vehicle. This apparatus will be moved to reserve status when the new apparatus is placed in service.

The apparatus that will be purchased is a 2017 Spartan ERV fire engine. It has a pumping capacity of 1,500 gallons per minute, a 1,000 gallon onboard water tank, a 6,000 watt onboard generator, and an onboard foam system capable of supplying foam to all of its available discharge ports. This apparatus will also provide a maintenance savings as it comes with; a 2-year bumper-to-bumper warranty, 5-year engine-transmission-fire pump warranty, and a lifetime chassis and water tank warranty. The most important benefit this new apparatus will provide is improved firefighter safety as it will come with all of the modern safety devices that are found in modern automobiles. Examples of the safety devices include; full crew compartment air bags, anti-lock brakes, and an advanced crew member restraint indicator system.

The 2017 Spartan ERV fire engine is a stock demo unit that is functional but comes with no frills. This unit has been discounted by the vendor due to its demo status and represents a significant savings versus a new vehicle order. The price of \$394,466.64 is \$50,000 - \$60,000 dollars less than comparable apparatus from other manufacturers.

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 the purchase will be made available in the General Fund – Community Public Safety – Fire, Fire Apparatus Operations and Maintenance Division's Vehicle Account No (101-3554-982.000).

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation of the City Manager.

From: Timothy Morales, City Manager
Subject: Compressed Gas Tank Rental
Prepared by: Don Riley, Public Services Department

Manager's Recommendation:

I recommend approval of a purchase order to AirGas, Inc., Saginaw, Michigan (out-city) at the State bid price in the amount of \$2,550 for payment of tank rental charges for the Motor Pool Operations Division.

Justification:

The City's Municipal Garage requires the services of this vendor for supplying tank rentals, and the containment of welding & cutting gasses from July 1, 2017 to June 30, 2018. Under a separate purchase order, AirGas, Inc. is also supplying the City's Municipal Garage with compressed Oxygen, Acetylene, Argon, and Argon/CO2 mixes at State bid pricing for Fiscal Year 2018. The containment tanks must be obtained from the specific vendor who supplies the fuel for the fiscal year. This purchase order will cover the monthly rentals for the thirteen (13) tanks of various mixtures and sizes that the garage has on hand for daily use and emergency repairs. This cost represents a 0% price increase from the previous year.

AirGas, Inc. meet all requirements of §14.23, "Vendors", of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing", of Title I, "General Provisions" of the Saginaw Code of Ordinances O-1.

Funds are budgeted in the Motor Pool Operation Fund – Garage Operation Division's Parts & Supplies Account No. 661-4481-742.000.

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager
Subject: Blanket Purchase Orders for Services of Local Vendors
Prepared by: Don Riley, Public Services Department

Manager's Recommendation:

I recommend approving blanket purchase orders to the City's primary suppliers of local fleet vehicle services in the amounts listed below totaling \$44,000 for various vehicle services and repairs for Fiscal Year 2018.

Justification:

The City's Municipal Garage requires the services of local vendors for various repairs of fleet vehicles from July 1, 2017 to June 30, 2018. There is no feasible means to predetermine what type of services will be needed to include suspension, engine, and upholstery repairs, etc. These are random services that are needed in any given time period. Issuing individual purchase orders is costly and administratively time consuming. This represents a 12% increase from last year's requests, and more accurately reflects the previous year's expenditures to each vendor. The Municipal Garage personnel will price quote individual services and select the lowest and best vendor for each service, with the cost charged to the respective blanket purchase order. Therefore, it is clearly in the best interest of the City to continue this procedure for Fiscal Year 2018 as follows:

<u>Vendor</u>	<u>PO Amount</u>
AIS Bridgeport, MI	\$ 7,000
Bushey's Radiator & Glass Saginaw, MI (in-city)	\$ 4,000
Diesel Truck Sales Saginaw, MI (in-city)	\$ 4,000
General Top & Trim Saginaw, MI (in-city)	\$ 4,000
Interstate Truck Source Saginaw, MI (out-city)	\$ 3,000
McDonald Ford Saginaw, MI (out-city)	\$ 5,000

<u>Vendor</u>	<u>PO Amount</u>
Michigan Cat Saginaw, MI (out city)	\$ 3,000
Michigan Truck Spring Saginaw, MI (out-city)	\$ 5,000
Muffler Man Saginaw, MI (out-city)	\$ 3,000
West Michigan Automotive Saginaw, MI (in-city)	\$ 6,000

These vendors meet all requirements of §14.23, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "General Provisions" of the Saginaw Code of Ordinances O-1.

Funds for these services are budgeted in Motor Pool Operation Fund – Garage Operation Division's, Motor Vehicle Repairs Account No. 661-4481-931.000.

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager
Subject: Annual Supply of Ductile Iron Pipe
Prepared by: Josh Hoffman, Public Services Department

Manager's Recommendation:

I recommend that the low bid be accepted and a purchase order be issued to ETNA Supply Company, Grand Rapids MI, in the amount of \$26,108.40 for an annual supply of Ductile Iron water main and water main fittings for the construction and maintenance of the Water Distribution and Transmission System for Fiscal year 2018.

Justification:

On June 20, 2017, bids were received for 920 Ft. of Class 52 Ductile Iron water main in various diameters and Ductile Iron Pipe fittings for the Maintenance and Service Division. The water main fittings include crosses, tees, mechanical joint reducers, and joint bends in various sizes. A comparison to last year's bid shows a 1.9% decrease over previous year's cost. Following is a tabulation of the bids received:

ETNA Supply Grand Rapids, MI	\$26,108.40
HD Supply Waterworks Shelby Twp, MI	\$27,028.57
Michigan Pipe & Valve Saginaw, MI (Out of City)	\$27,494.00

ETNA Supply Company 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 Ordinance 0-1.

Funds for this purchase are budgeted in the Water Operation and Maintenance Fund, Maintenance and Service Division's Parts and Supplies account No. 591-4721-742.000 and will be accounted for the Water Operations and Maintenance Fund - Water Shop Inventory Account No. 591-0000-110.002

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager

Subject: Annual Supply of Portland Cement – Maintenance & Service

Prepared By: Josh Hoffman, Public Services Department

Manager's Recommendation:

I recommend that the sole bid from Sabiston Builder's Supply, Inc., Warren, MI be approved and a purchase order be issued to them in the amount of \$7,315.00 for Portland Cement for the Maintenance and Service Division for Fiscal Year 2018.

Justification:

On June 20, 2017, a sole bid was received for Portland Cement used to make repairs and to build concrete structures for the water distribution and sewage collection system in various City service areas. The Maintenance and Service Division uses the concrete to reset and rebuild manholes, catch basin, castings, and rebuild air relief manholes on the water transmission system. The concrete will also restrain hydrants with a foundation and provide support for the hydrant's break away design when struck during an accident. A comparison to last year's cost shows a 7% increase over previous year's cost. The following is a tabulation of the bids received:

<u>Vendor</u>	<u>Cost</u>
Sabiston Builder's Supply Warren, MI (94 lbs. bag)	\$7,315.00

Sabiston Builders Supply meets all requirements of §14.23, "Vendors," of Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "General Provisions" of the Saginaw Code of Ordinance O-1.

Funds are budgeted in the Water Operation and Maintenance Fund – Maintenance and Services Division's, Parts and Supplies Account No. 591-4721-742.000 (\$3,657.50), and the Sewer Operation and Maintenance Fund – Maintenance and Service Division's, Parts and Supplies Account No. 590-4821-742.000 (\$3,657.50), and will be accounted for in the Water Inventory Account No. 591-0000-110.002.

Council Action:

Moved by Council Member _____ seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Tim Morales, City Manager
Subject: Annual Supply of Manhole Blocks
Prepared by: Josh Hoffman, Public Services Department

Manager's Recommendation:

I recommend that the low bid from HD Supply Waterworks, Canton, MI, be accepted and that a purchase order be issued to them in the amount of \$9,120.00 for an annual supply of manhole blocks for FY 2018.

Justification:

On June 27, 2017, three bids were received for an annual supply of 6,000 manhole blocks. The manhole blocks will be used by the Maintenance and Service Division for the construction and repairs to the Sewage Collection System throughout the City. A cost comparison shows a 1.1% decrease for the same amount of manhole blocks from the previous year's bid. Per the bid specifications, all manhole blocks are required to meet the ASTM C-140 standard and be free from defects.

<u>Vendor</u>	<u>Total</u>
HD Supply Waterworks Canton, MI	\$9,120.00
Michigan Pipe & Valve Saginaw, MI (out of city)	\$9,600.00
Sabiston Builders Supply Warren, MI	\$12,600.00
Grand Valley Concrete Products Grand Rapids, MI	\$19,800.00

HD Supply Waterworks 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 Operation and Maintenance Fund – Maintenance and Service Division's Parts and Supplies Account No. 590-4821-742.000 and will be accounted for in the Water Operation and Maintenance Fund Water Inventory Account No. 591-0000-110.002.

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager

Subject: No Lead Brass Water Parts – Maintenance & Service

Prepared by: Josh Hoffman, Public Service Department

Manager's Recommendation:

I recommend that the low bid from ETNA Supply Company, Grand Rapids, MI, be accepted and a purchase order be issued to them in the amount of \$70,995.00 for various brass water parts for the Maintenance and Services Division for Fiscal Year 2018.

Justification:

On June 27, 2017, the City received bids for an all or none on 68 various brass water parts totaling over 4,000 individual pieces. These brass parts will be used in the maintenance, repair and construction of the Transmission and Distribution Potable Water Systems. A cost comparison shows an average of 26% increase over the previous purchase FY 2017.

<u>Vendor</u>	<u>Total</u>
Etna Supply Grand Rapids, MI	\$70,995.00
Michigan Pipe and Valve Saginaw, MI (out-city)	\$77,545.00
Ferguson Waterworks Flushing, MI	\$78,455.11

ETNA Supply Company meets all requirements of §14.23, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing", of Title I, "General Provisions" of the Saginaw Code of Ordinances 0-1.

Funds for this purchase are budgeted in the Water Operation and Maintenance Fund – Maintenance and Service Division's, Parts and Supplies Account No. 591-4721-742.000 and will be accounted for in the Water Operation and Maintenance Fund Water Inventory Account No. 591-0000-110.002

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager
Subject: Blanket Purchase Orders for Vehicle Parts & Supplies
Prepared by: Don Riley, Public Services Department

Manager's Recommendation:

I recommend approving blanket purchase orders to the City's primary suppliers of local fleet parts and supplies for a combined total of \$191,900 for various vehicle parts and supplies for the Garage inventory for the Garage Operations Division for Fiscal Year 2018.

Justification:

The City's Municipal Garage requires the purchase of a vast array of Original Equipment Manufacturer/Distributor vehicle parts and supplies for the maintenance of the fleet vehicles from July 1, 2017 to June 30, 2018. A yearly contract proposal is not feasible because it is not possible to determine the parts and quantities that will be required in any given time period. Issuing individual purchase orders is costly and administratively time consuming. The Municipal Garage personnel will price quote parts and award purchases to the lowest and best vendor for each item. This represents a 1% increase from last year's requests, and more accurately reflects the previous year's expenditures to each vendor. It is clearly in the best interest of the City to continue this procedure for Fiscal Year 2018. Therefore, as in previous years, we are requesting authorization to issue blanket purchase orders as follows:

<u>Vendor</u>	<u>Cost</u>
A-1 Truck parts Bay City, MI (out-city)	\$ 2,100
AIS Bridgeport, MI (out-city)	\$19,000
Alta Equipment LLC New Hudson, MI (out-city)	\$ 3,600
Bell Equipment Lake Orion, MI (out-city)	\$ 5,000
Diesel Truck Sales Saginaw, MI (in-city)	\$ 2,100

<u>Vendor</u>	<u>Cost</u>
Jack Doheny Supplies Northville, MI (out-city)	\$ 5,000
Larry's Auto Saginaw, MI (in-city)	\$47,000
Martin Chevrolet Saginaw, MI (out-city)	\$15,000
Michigan Cat Saginaw, MI (out-city)	\$ 8,500
Michigan Truck Spring Saginaw, MI (out-city)	\$ 2,100
MTech Company Cleveland, OH (out-city)	\$ 7,000
Ritter Technologies Saginaw, MI (out city)	\$ 5,000
Saginaw Valley Ford Saginaw, MI (out-city)	\$ 5,000
Scientific Brake & Equipment (truck) Saginaw, MI (in-city)	\$ 7,000
Spartan Distributors Detroit, MI (out-city)	\$ 9,000
Tire Centers LLC Buena Vista, MI	\$13,000
Tireman Auto Service Bay City, MI (out-city)	\$30,000
Weiland Truck Center Saginaw, MI (out-city)	\$ 6,500

These vendors meet all requirements of §14.23, "Vendors", of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing", of Title I, "General Provisions" of the Saginaw Code of Ordinances O-1.

Funds for these purchases are budgeted in the Motor Pool Operation Fund – Garage Operation Division's, Motor Vehicle Supplies Account No. 661-4481-737.000, and will be accounted for in the Motor Pool Operation Fund – Garage Division's Inventory Account No. 661-0000-110.001.

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager

Subject: Ratification of Emergency Purchase Cemetery Stone Grading Services
– Cemeteries Division

Prepared by: Bruce Caradine, Public Services Department

Manager's Recommendation:

I recommend ratification of an increase to Purchase Order #500036 to Blue Restoration, Inc. of Millington, MI, in the amount of \$5,000, to spread and grade 850 tons of cold milling material at Oakwood Cemetery, which increases the current purchase order amount from \$47,300 to \$52,300, an 11% increase.

Justification:

On October 10, 2016, City Council accepted a bid from Blue Restoration and approved the issuance of a purchase order to them in the amount of \$43,000 for the construction of new cemetery roadways at Forest Lawn and Oakwood Cemeteries. On June 5, 2017, the purchase order to Blue Restoration was increased by \$4,300 (10%), to \$47,300, for additional cemetery site grading and drainage work to eliminate ponding water in and around the new roadway and pole structure at Forest Lawn Cemetery.

On June 19, 2017, City Council approved the milling and paving of various City streets and the issuance of a purchase order to Lois Kay Contracting for this work. Included in Lois Kay's bid was the transport of approximately 850 tons of cold milling materials to Oakwood Cemetery for the cemetery's roadways. The Public Service Department solicited a quote from Blue Restoration for the spreading and grading of the 850 tons of cold millings on the Oakwood Cemetery roadways. Blue Restoration provided a quote of \$5,000 to spread and grade the 850 tons of cold millings. This price is in line with their original bid of \$13,500 to strip topsoil and spread and grade 950 tons of aggregate at Oakwood Cemetery.

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

Funds for this purchase are available in the General Fund, Department of Public Services, Cemeteries Division's, Construction Projects Account No. 101-1747-822.000.

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager
Subject: Pole Setting Annual Purchase Order – ROW Division
Prepared by: Beth D. London, Public Services Department

Manager's Recommendation:

I recommend that an annual purchase order be approved and issued to J. Ranck Electric, Mt Pleasant, MI, in the amount of \$20,000 for pole setting for the Traffic Maintenance Section of the Right of Way Division for FY 2018. I further recommend, pending approval of the FY 2019 and FY 2020 budgets, acceptance of the bid from J. Ranck Electric in the same amount for the same services for FY 2019 and FY 2020.

Justification:

On June 20, 2017, the Right of Way Division received a single bid for pole setting for a three (3) year period (July 1, 2017 to June 30, 2020). These services are provided on an as needed basis for the Traffic Maintenance Section to replace streetlights and traffic signal poles damaged during storms or by vehicular accidents and other incidents. The pole setting costs include the cost to transport the pole from the Traffic Maintenance yard, digging the hole, and setting the pole. Some of these costs will be reimbursed through successful claims against City property damage offenders.

The following is a tabulation of the bid received:

<u>Vendor</u>	<u>Fiscal Year</u>	<u>Cost</u>
J. Ranck Electric	FY 2018	\$35,450
Mt. Pleasant, MI (out city)	FY 2019	\$35,450
	FY 2020	\$35,450

Bid quantities are given for bidding purposes only and do not constitute a minimum or maximum quantity that will be used. Based on current bid prices and past annual quantities used, it is estimated that less than \$20,000 annually will be needed for emergency streetlight and traffic signal pole replacements or removals for the next three years.

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

Funds for this purchase are budgeted in the FY 2018 General Fund – Department of Public Services, Street Lighting Division's, Operating Services Account No. 101-4620-805.000 (\$14,000), the Major Streets Fund – Traffic Engineering Division's, Operating Services Account No. 202-4621-805.000 (\$4,000), and the Local Streets Fund – Traffic

Engineering Division's, Operating Services Account No. 203-4621-805.000 (\$2,000), and will be made available in the same accounts for FY 2019 and FY 2020, pending Council approval of the FY 2019 and FY 2020 budgets.

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager
Subject: MMWA Amended and Restated Member Contract - ROW Division
Prepared by: Phillip Karwat, Public Services Department

Manager's Recommendation:

I recommend that the Amended and Restated Member Contract between the City of Saginaw and the Mid Michigan Waste Authority ("MMWA") be approved and that the proper City officials be authorized to execute it on behalf of the City. The Agreement has been approved by me as to substance and the City Attorney as to form. A resolution to approve the Agreement appears under the regular order of business.

Justification:

The Mid Michigan Waste Authority was originally incorporated under the Act 233 of the Michigan Public Acts of 1954, by nine Saginaw area communities in 1991, including the City of Saginaw, in order to provide solid waste services to its member communities. Since 1991, the Authority has expanded its membership to include 34 member communities, located in both Saginaw and Gratiot Counties, representing approximately 69,000 households.

In order to provide solid waste services to its Members, the Authority has entered into a series of service contracts which cover curbside collection and trash disposal, processing of recyclables and composting of yard waste. Over the 26 years of its existence, these service contracts have in some cases been amended and extended, and in other instances have been replaced by new contracts and providers. When the City first became a Member of the Authority, City Council took action to approve of the Authority's Articles of Incorporation and to become a Member of the Authority. City Council also took action to approve a contract for Member Services with MMWA. These contracts referenced solid waste service contracts which the Authority had entered into on behalf of its members. Although the solid waste service contracts have since changed, either through a contract extension or replacement, the Member contracts have not been updated to include the current service contracts, which is required under Public Act 233.

The City of Saginaw entered in to a contract for services when it became a Member of the Authority. Because the Authority's third party vendor contracts have in some cases been replaced by new contracts, the Member Contracts for Solid Waste Services need to be updated to reference the current service contracts. Under the Authority's governing documents and Act 233, and in order for the Authority to continue to provide services to its members, approval of the Amended and Restated Member Contract is required. At this time the City of Saginaw only wishes to continue its services related to trash collection and disposal and recyclables processing.

Council Action:

Moved by Council Member _____ seconded by Council Member
_____ to approve the recommendation from the City Manager.

RESOLUTION TO CONTINUE SERVICES WITH MID-MICHIGAN WASTE AUTHORITY

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS, the City of Saginaw has been a member of the Mid Michigan Waste Authority (Authority) since 1991; and

WHEREAS, since the commencement of its membership in the Authority, the contracts under which the Authority provides solid waste services have been amended, extended and/or replaced by new contracts; and

WHEREAS, the City desires to continue to receive services from the Authority as stated in the Amended and Restated Member Contract.

NOW, THEREFORE BE IT RESOLVED, the Council for the City of Saginaw approves the Amended and Restated Member Contract with the Mid Michigan Waste Authority, together with all agreements for services under said Contract, and authorizes the Mayor to execute same.

BE IT FURTHER RESOLVED, the City of Saginaw shall include in its budget the sum or sums necessary each year to meet the payment(s) due to the Authority for elected services rendered and its pro rata share of administrative costs based upon the number of household units that are assessed for service in each member municipality.

Ayes:
Nays:
Absent:
Abstain:

RESOLUTION DECLARED ADOPTED

I, Janet Santos, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on July 24, 2017; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Janet Santos, CMMC/ MMC
City Clerk

From: Timothy Morales, City Manager
Subject: Blanket Purchase Orders for Repair Services
Prepared by: Paul Reinsch, Water and Wastewater Services

Manager's Recommendation:

I recommend approving blanket purchase orders to the Water Treatment Division's primary suppliers of electrical and mechanical equipment repair services in the amounts listed below, totaling \$25,000, for various equipment services and repairs for Fiscal Year 2018.

Justification:

The City's Water Treatment Division requires the services of vendors for various repairs of electrical and mechanical equipment from July 1, 2017 to June 30, 2018. There is no feasible means to predetermine what type of services will be needed, some of which include impeller, wear ring and motor repairs, etc. These are random services that are needed in any given time period. Issuing individual purchase orders is costly and administratively time consuming. Water Treatment Plant staff will price quote individual services and select the lowest and best vendor for each service, with the cost charged to the respective blanket purchase order. The list of vendors is as follows:

<u>Vendor</u>	<u>PO Amount</u>
York Electric Bay City, MI	\$10,000
Hamilton Electric Saginaw, MI (out-city)	\$ 5,000
Central Metalizing Saginaw, MI (out-city)	\$10,000

These vendors meet all requirements of §14.23, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "General Provisions" of the Saginaw Code of Ordinances O-1.

Funds for these services are budgeted in Water Operations and Maintenance Fund, Treatment and Pumping Division's Repairs and Replacements Account Number 591-4730-974-000.

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

From: Timothy Morales, City Manager

Subject: Server Security Audit

Prepared by: Jeff Klopchic, Technical Services

Manager's Recommendation:

I recommend that a master service agreement be approved and that a purchase order be issued to The Crypsis Group, in the amount not to exceed \$16,000.00, for the security audit of a Maintenance and Service Division computer server. This agreement was approved by the City Manager as to substance and the City Attorney as to form.

Justification:

On May 16, 2017 the server which controls the traffic between the radio tower and the water meter database suffered an intrusion. The data on the server is non-sensitive and does not contain any personal information. The server was immediately removed from any access to the City's additional servers and network. The City had two independent service providers examine the server and both believe the incident was contained to the one server. It was advised that the City contact an additional company that specializes in forensic analysis to verify the findings of the service providers.

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 and available in the Department of Technical Services, Information Services Fund, Operating Services Account No. 658-1720-805.000 (\$8,000.00), the Sewer Operations and Maintenance Fund, Administration Division's Account Number 590-4810-801.000 (\$4,000.00), and the Water Operations and Maintenance Fund, Administration Division's Professional Services Account Number 591-4710-801.000 (\$4,000.00).

Council Action:

Moved by Council Member _____, seconded by Council Member _____ to approve the recommendation from the City Manager.

Moved by Council Member _____, seconded by Council Member _____ to adopt an ordinance introduced July 10, 2017, entitled and reading as follows, be taken up and enacted:

O- _____

AN ORDINANCE TO AMEND CHAPTER 110, OF TITLE XI, "BUSINESS REGULATIONS," BY AMENDING §110.06 TITLED, "SUSPENSION, REVOCATION, DENIAL OF RENEWAL OF LICENSE," OF THE CITY OF SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw ordains:

Section 1. An ordinance to amend Chapter 110, of title XI, "Business Regulations," by amending §110.06 titled, "Suspension, Revocation, Denial of Renewal of License," of the City of Saginaw Code of Ordinances, O-1, is hereby amended to read as follows:

(A) *Generally.* The City Manager or their designee may suspend, revoke, or deny renewal of a license for cause of any license or permit issued by the City in the manner herein provided. Divisions (A) through (D) of this section shall not apply to denial of new licenses.

(B) *Definitions.* For the purpose of this section, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

CAUSE. As used in this section shall include:

- (1) The doing or omitting of any act or permitting any condition to exist in connection with any trade, profession, business, or privilege for which a license or permit is granted under the provisions of this code, or any premises or facilities used in connection therewith, which act, omission, or condition is contrary to the health, morals, safety, or welfare of the public; is unlawful or fraudulent; is unauthorized or beyond the scope of the license or permit granted; or is forbidden by the provisions of this code or any duly established rule or regulation of the City applicable to the trade, profession, business, or privilege for which the license or permit has been granted;
- (2) The arrest and conviction of the licensee or permittee for any crime involving moral turpitude;
- (3) Fraud, misrepresentation, or any false statement made in the application of the license;

- (4) Fraud, misrepresentation, or any false statement made in the operation of a business;
- (5) Failure or inability of an applicant to meet and satisfy the requirements and provisions of this code;
- (6) Violation of any state or federal statute or duly adopted federal, state, or local rule and regulation as relates to the operation or business pertaining to the license or registration.

(C) *Notice.* Whenever the City Manager or their designee shall have evidence to warrant the suspension, revocation, or denial of renewal of a license or permit, the City Manager or their designee shall send a notice to the licensee or permittee by certified mail to their last known address, which notice shall contain a statement of the charge against the licensee or permittee and a definite time and place for a hearing of the charge, and shall order the licensee or permittee to show why the license or permit should not be suspended, revoked, or denied renewal, and that failure by the licensee or permittee to appear at the hearing may result in suspension, revocation, or denial of renewal of the license or permit. Unless the licensee or permittee requests a longer time, the hearing shall be conducted within five (5) days from the order of suspension, revocation, or denial of renewal of a license or permit.

(D) *Hearing.*

- (1) The City Manager shall appoint a Hearing Officer to conduct a public hearing at which the licensee or permittee shall be granted an opportunity to show cause why the license or permit should not be suspended, revoked, or denied renewal.
- (2) In any proceedings under this section, the Hearing Officer has the power to administer oaths and affirmations and to certify official acts. The Hearing Officer shall proceed with reasonable dispatch to conclude any matter before them. Due regard shall be shown for the convenience and necessity of the parties and their representatives.
- (3) The Hearing Officer shall cause a record of the entire proceeding to be made by tape recording or by other means of permanent recording determined appropriate by the Hearing Officer. A transcript of the proceedings shall be made available to all parties upon request and upon payment of a fee prescribed by the court reporter.
- (4) The hearing need not be conducted according to the technical rules of evidence adopted for the Courts of Record in the state.

- (5) The Hearing Officer shall take testimony from the licensee or permittee and any person having knowledge relevant to the suspension, revocation, or denial of renewal of a license or permit. Oral evidence shall be taken only upon oath or affirmation of the party offering the testimony.
- (6) Hearsay evidence may be used under the following guidelines:
 - (a) Hearsay evidence may be used to explain other direct evidence.
 - (b) Hearsay evidence may be used to support other direct evidence.
 - (c) Hearsay evidence shall not be used in itself to support a finding, unless it would be admissible in civil actions in courts of competent jurisdiction.
- (7) Any relevant evidence not otherwise excluded herein shall be admitted. **RELEVANT EVIDENCE** shall be defined, for the purpose of this section, as the type of evidence upon which responsible persons are accustomed to rely in the conduct of serious affairs. Such relevant evidence shall be admitted regardless of whether or not it may be admissible in civil actions in courts of competent jurisdiction.
- (8) Irrelevant and unduly repetitious evidence shall be excluded. Each party shall have these rights:
 - (a) To call and examine witnesses on any matter relevant to the issues of the hearing;
 - (b) To introduce documentary and physical evidence;
 - (c) To cross-examine opposing witnesses on any matter relevant to the witness to testify;
 - (d) To impeach any witness regardless of which party first called the witness to testify;
 - (e) To refute the evidence;
 - (f) To represent himself or herself or to be represented by anyone of their choice who is lawfully permitted to do so;
 - (g) To make a closing statement at the conclusion of the evidentiary portion of the hearing.
- (9) Failure of the licensee or permittee or their representative to appear at the hearing may be deemed to be an admission by the licensee or permittee of the facts set forth in the City Manager or their designee's notice and order.
- (10) The Hearing Officer shall make written findings of fact based upon the competent evidence and testimony admitted during the hearing.

- (11) The Hearing Officer shall make a finding whether or not the license or permit shall be denied, revoked, or suspended.

(E) Appeal upon denial, suspension, or revocation of a license.

- (1) Any party dissatisfied with the decision of the City Manager or other Hearing Officer shall have a right to appeal the decision. The appeal shall be in writing and shall contain a complete statement of the grounds for the appeal. It must be filed with the City Clerk, together with an appeal fee, within fourteen (14) days after notice of such denial, suspension, or revocation is mailed to the person's last known address. This appeal upon denial includes the denial of a new license.
- (2) Within ten (10) days of the receipt of the appeal by the City Clerk, the Clerk shall schedule an appeal hearing. Unless waived by the parties, the Clerk shall mail by first class mail a written notice of the time and location of the appeal hearing at least five (5) days prior to the hearing. The appeal hearing shall be an informal hearing held before a panel consisting of the City Manager or their designee, the affected department head or their designee, and the City Clerk or their designee.
- (3) The factual record made in the hearing, or license or permit application record in case of denial, shall constitute the basic record for the appeal. The appeal panel may, but need not, allow the presentation of additional evidence by a majority vote. Argument as to relevant factual and legal issues shall be permitted. The decision of the appeal panel shall be reached by majority vote and mailed to the parties within seven (7) days of the conclusion of the hearing. The decision of the appeal panel shall be final and conclusive.
- (4) A party aggrieved by the order or decision of the appeal panel may appeal the decision to a court of competent jurisdiction as provided by state statutes and court rules.

(F) *Immediate suspension.* Where the City Manager or their designee shall determine that in the interest of the public health, morals, safety, or welfare an immediate suspension is necessary, they shall order the same. In such case, the City Manager shall forthwith send a notice to the licensee or permittee by certified mail to their last known address, which notice shall contain a statement of the charge against the licensee or permittee and a definite time and place for a hearing of the charge and shall order the licensee or permittee to show why their license or permit should not be suspended for an additional period of time or revoked. Unless the licensee or permittee requests a longer time, the City Manager or their designee shall conduct said hearing within five (5) days from the order of suspension, at which time and place the licensee or permittee shall have an opportunity to present a defense to the charge and cross-

examine any witnesses and examine all evidence produced against them. The decision may be appealed pursuant to division (E) above.

(G) *Fee refund.* No fee for any license or permit which has been suspended or revoked pursuant to the provisions of this section shall be refunded.

This ordinance shall become effective August 3, 2017.

Enacted: July 24, 2017.

Yeas:

Nays:

Absent:

Abstain:

ORDINANCE DECLARED ADOPTED

Dennis D. Browning
Mayor

Janet Santos, CMMC/MMC
City Clerk

I, Janet Santos, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the ordinance adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on July 24, 2017; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Janet Santos, CMMC/MMC
City Clerk

Moved by Council Member _____, seconded by Council Member _____ to adopt an ordinance introduced July 10, 2017, entitled and reading as follows, be taken up and enacted:

O- _____

AN ORDINANCE TO AMEND CHAPTER 96, OF TITLE IX, "GENERAL REGULATIONS," BY AMENDING §96.32 TITLED, "CURB RESTORATION," OF THE CITY OF SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw ordains:

Section 1. An ordinance to amend Chapter 96, of title IX, "General Regulations," by amending §96.32 titled, "Curb Restoration," of the City of Saginaw Code of Ordinances, O-1, is hereby amended to read as follows:

§96.32 CURB RESTORATION

(A) *Restoration of unauthorized curb cuts.* Any curb cut for which any required permission or permit has not been obtained shall be restored by replacement of the curb as herein provided.

(B) *Restoration of abandoned curb cuts.* Any curb cut which has been abandoned shall be restored as hereinafter provided except where such abandonment shall have been at the request of or for the convenience of the City. Any curb cut shall be deemed to be abandoned where structural or other changes on the adjoining premises make it no longer useful thereto.

(C) *Notice to show cause.* Whenever the City Engineer shall have evidence that any curb cut exists in violation of the provisions of divisions (A) or (B) hereof, he or she shall cause written notice to show cause why the same should not be reconstructed and the expense thereof charged against the adjoining premises to be given to the owners thereof as indicated by the records of the City Assessor. Such notice shall be given in accordance with the provisions of §36.02, and shall set forth the time and place of the hearing by the City Manager, or their designee, which time shall not be less than five (5) days after the service of the notice.

(D) *Hearing.* The owner of the premises, the person obligated to pay the taxes thereon, any other person having an interest therein, and counsel, if any, shall have an opportunity to show cause why the curb should not be restored, and to cross-examine any witnesses and examine any evidence produced to establish that the curb cut exists in violation of divisions (A) or (B) hereof. The decision of the City Manager (or designee) shall be in writing and shall be final and conclusive.

(E) *Notice of decision; restoration of curb cut.* The City Manager (or designee) shall cause a copy of the decision to be served on the owner as shown by the records of the City Assessor and on any other persons who are interested in the affected property and who participated in the hearing, in accordance with the procedure established for the service of notices by §36.02. Thereupon, if the City Manager shall have found that the curb cut is required by the provisions of this subchapter to be restored, the City shall proceed to restore such curb cut by contract or force account and to charge the cost of such restoration against the adjoining premises and the owner thereof, and to collect such cost, all as provided in §33.26.

This ordinance shall become effective August 3, 2017.

Enacted: July 24, 2017.

Yeas:

Nays:

Absent:

Abstain:

ORDINANCE DECLARED ADOPTED

Dennis D. Browning
Mayor

Janet Santos, CMMC/MMC
City Clerk

I, Janet Santos, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the ordinance adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on July 24, 2017; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Janet Santos, CMMC/MMC
City Clerk

Moved by Council Member _____, seconded by Council Member _____ to adopt an ordinance introduced July 10, 2017, entitled and reading as follows, be taken up and enacted:

O- _____

AN ORDINANCE TO AMEND CHAPTER 14, TITLED "FINANCE AND PURCHASING," OF TITLE I, "ADMINISTRATIVE CODE," OF THE CITY OF SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw ordains:

Section 1. An ordinance to amend Chapter 14, Titled "Finance and Purchasing," of Title I, "Administrative Code," of the City of Saginaw Code of Ordinances, O-1, is hereby amended to read as follows:

§14.20 DEFINITIONS.

For purposes of this subchapter the following definitions shall apply unless the context clearly indicates or requires a different meaning.

CONFLICT OF INTEREST. A situation that arises when an employee or officer, or any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any such individuals, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

EMERGENCY PURCHASE or EMERGENCY CONTRACT. An immediate public improvement and purchase or contract of goods, professional or non-professional services, supplies, materials, equipment or construction projects, whose immediate procurement is essential to the continuation of the work of the department concerned.

PROFESSIONAL SERVICES. A vocation or occupation usually requiring advanced education, special knowledge and skill, such as, but not limited to, law or medical professions. The labor and skill involved in such a profession is predominantly mental or intellectual, rather than physical or manual. **PROFESSIONAL SERVICES** include consultants hired for employee training.

PROJECT. An endeavor undertaken with any and all goods, professional or non-professional services, materials, and/or equipment necessary to obtain full operation of any repair, replacement, or construction to the extent that it is considered complete.

PURCHASE OF TWO THOUSAND DOLLARS (\$2,000.00) OR MORE. Any public improvement and purchase or contract of goods, professional or non-professional services, supplies, materials, equipment and constructions projects, whose procurement and/or complete installation for intended use will exceed a cost of two thousand dollars

(\$2,000.00). Whenever possible, purchases of items whose individual cost is less than two thousand dollars (\$2,000.00), but the extended cost of which is two thousand dollars (\$2,000.00) or more, when purchased in quantity, is considered a purchase of two thousand dollars (\$2,000.00) or more. Whenever possible, purchases of items whose individual cost is less than two thousand dollars (\$2,000.00), but when combined with other items as part of the same project exceed two thousand dollars (\$2,000.00), is considered a purchase of two thousand dollars (\$2,000.00) or more.

PURCHASE ORDER. A document authorizing a seller to deliver goods with payment to be made later or a written authorization calling on the vendor or supplier to furnish goods to the person ordering such. It constitutes an offer, which is accepted when the vendor supplies the quantity and quality ordered.

PURCHASE ORDER CONTRACT. A standardized form contract on a form acceptable to the Purchasing Officer, or his/her designee, and City Attorney, or his/her designee, for the acquisition of goods, non-professional services, supplies, materials, equipment, etc., whereby no bid specifications are required, or where the bid specifications are so precisely detailed and defined that it is the purchaser's belief that such goods, non-professional services, supplies, materials and equipment will be provided without the necessity of a formal written contract.

SAGINAW-BASED BUSINESS.

(1) The physical and economic relationship to Saginaw determined by evidence of a building or office physically located in the City and the payment of:

- (a) City income taxes on the contractors' net profits; and
- (b) City property taxes on a plant or office and equipment such as is ordinarily required for the performance of the contract bid.

(2) Any business physically located in the City of Saginaw which operates under a City-authorized tax abatement or forgiveness program, or any other City-authorized tax credit program, is still considered a Saginaw-based business for purposes of this section.

TRANSACTION. The act of conducting or carrying out a request for public improvements, purchases or contracts for goods, professional and non-professional services, supplies, materials, equipment, and construction projects.

WRITTEN CONTRACT. An agreement in writing between two (2) or more parties for legal consideration, which creates an obligation to do or not to do a particular thing and is enforceable by law. It is within the discretion of the department head as to whether a formal written contract or a standardized written purchase order contract is necessary for the purchase of supplies, materials and equipment or for professional or non-professional services to be provided by the contractor. When considering the necessity of a formal written contract, the following may be considered:

- (1) The contract is for a large sum of money;
- (2) The City will incur obligations beyond the payment of the purchase price;

(3) There is a need for a more detailed accountability or description of scope of services by the contractor;

(4) The City may incur certain liability which needs specific insurance requirements; and

(5) More detailed remedies are necessary in the event the contractor breaches any of the terms and conditions of the contract.

§14.21 GENERAL POLICY.

(A) Procurement transactions shall be conducted in a manner providing full and open competition. Competitive bids and/or quotes for all purchases and public improvements shall be obtained where practicable and purchase orders and/or written contracts awarded to the lowest responsive and responsible best bidders. Sealed bids shall be asked for in all transactions involving the expenditure of two thousand dollars (\$2,000.00) or more and the transaction submitted to and approved by Council; provided that in cases where it is clearly to the City's advantage to contract without competitive bidding, the Council, upon recommendation of the City Manager, may so authorize.

(1) Acquisition of unnecessary or duplicative items must be avoided. Consideration should be given to consolidating or breaking out procurements to obtain more economical purchases.

(B) Professional services as defined in §14.20 are not subject to competitive bidding. Administrative Regulation No. 4-7 shall govern the securing of professional services.

§14.22 WRITTEN CONTRACT POLICY.

(A) All contracts two thousand dollars (\$2,000.00) or more must be in writing as required by the Saginaw City Charter, Chapter 5, §33.

(B) All contracts less than two thousand dollars (\$2,000.00) concerning the purchase of goods and services which cannot be fulfilled within one (1) year of the contract, because of the Statute of Frauds, must be in writing and signed by an authorized signature by the party to be charged in order to be legally enforceable.

(C) All written contracts must be approved by the City Attorney, or his/her designee, as to form and the City Manager as to substance.

(D) All contracts two thousand dollars (\$2,000.00) or more must be approved by City Council. City Council may approve the contract in the annual budget as long as there is a specific category line item and dollar amount listed in the annual budget.

(E) All contracts less than two thousand dollars (\$2,000.00) for professional services shall be approved by the City Manager.

(F) All contracts less than two thousand dollars (\$2,000.00) for goods, non-professional services, supplies, materials, equipment and construction projects shall be purchased pursuant to §14.24.

(G) Contracts involving the expenditure of Federal funds shall, where applicable, include those provisions set forth in 2 C.F.R. Part 200, Appendix II, and pertaining to the following:

- (1) Administrative, contractual, or legal remedies, including possible sanctions and penalties, in instances where vendors violate or breach contract terms.
- (2) Termination for cause and convenience by the City, including the manner by which it will be effected and the basis for any settlement.
- (3) Compliance with Federal equal employment opportunity laws and regulations.
- (4) Compliance with the Davis-Bacon Act as supplemented by U.S. Department of Labor regulations, and the Copeland "Anti-Kickback" Act.
- (5) Compliance with the Contract Work Hours and Safety Standards Act.
- (6) Compliance with Federal rights to inventions laws and regulations.
- (7) Compliance with the Clean Air Act and the Federal Water Pollution Control Act.
- (8) Compliance with Federal debarment and suspension laws and regulations.
- (9) Compliance with Federal anti-lobbying laws and regulations.
- (10) Compliance with Section 6002 of the Solid Waste Disposal Act with regard to the procurement of recovered materials.

§14.23 VENDORS.

(A) Applications to be placed on City of Saginaw vendor database will be submitted on a standardized form acceptable to the Purchasing Officer, or his/her designee.

(B) Vendor application forms shall contain a statement requiring that the applying vendor affirms that they do not discriminate against any subcontractor, employee or applicant on the basis of religion, race, creed, color, age, national origin, sex, height, weight, disability, familial status, or marital status.

(C) The Purchasing Office will be responsible for maintaining vendor applications and for affirming that such completed applications are subsequently added to the City's vendor database. The City of Saginaw will approve applications to be placed on the City's vendor database without prejudice, provided the aforementioned application form is complete.

(D) Vendors must be in the vendor database prior to issuance of a purchase order, purchase order contract, written contract, and/or professional or non-professional service.

(E) Any vendor entering into a purchase order, purchase order contract, or written contract with the City of Saginaw who will be performing a professional or nonprofessional service must also have provided to the Purchasing Office, in advance of such services, certificates of insurance in the types and amounts specified in the bid proposal. When such proof of insurance is required, it is to be carried out within the following parameters:

(1) Limits of liability and types of coverage required will vary depending on the specifications involved in the project and the indemnification needs of the City as set forth in such individual project specifications.

(2) All certificates of insurance submitted to the Purchasing Officer, or his/her designee, must list the City of Saginaw as the certificate holder, and be delivered, either by facsimile transmission or mail, directly from the issuing agent.

(3) It is the responsibility of the insured contractor to confirm that such proofs of insurance are on file with, and their form acceptable to, the City of Saginaw Purchasing Officer, or his/her designee, respective of the individual project specifications, prior to the issuance of any purchase order, purchase order contract, written contract, or professional service.

(4) Contracts will be awarded only to responsible vendors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as vendor integrity, compliance with public policy, record of past performance, and financial and technical resources.

(5) Upon award of a contract to a vendor, the department head and/or his/her designee shall be responsible for maintaining an updated certificate of insurance from the vendor for the length and/or term of the contract or until completion of the project.

(6) The Purchasing Officer, or his or her designee, shall ensure that all prequalified lists of vendors are current and include enough qualified sources to ensure maximum open and free competition.

(7) The Purchasing Officer, or his or her designee, shall take affirmative steps to assure that small and minority businesses and women's business enterprises are in the vendor database and solicited whenever they are potential sources.

§14.24 BIDS AND BONDS.

(A) Notices inviting sealed bids.

(1) Notices inviting sealed competitive bids in all cases where required by this section, state or federal law or regulation, shall be posted and publicly advertised at least five (5) calendar days prior to the final date for submitting bids in the City Clerk's Office, on the City's cable channel and website and/or through other alternative electronic bidding resources as deemed by the Purchasing Officer to provide sufficient notification to prospective bidders.

(2) Such notice shall indicate the goods, non-professional services, supplies, materials or equipment desired, or the construction project to be undertaken, the place where bid specifications are available to be obtained, and the date, time and place the bids are due. Bid specifications shall incorporate a clear and accurate description of the

technical requirements for the material, product, or service to be procured, as well as identify all requirements which the bidders must fulfill and all other factors to be used in evaluating bids or proposals.

(3) In all cases where sealed bids are invited, the Purchasing Office shall mail, and/or make available copies of bid forms, sealed bid instructions, and specifications to at least three (3) qualified vendors or contractors where possible in order to obtain competitive bidding. Bid lists shall be maintained by the Purchasing Officer, or his/her designee, and shall be available for public inspection.

(B) Items not subject to competitive bidding.

(1) The City Council has determined that the following list of goods, services, materials and supplies need not be subject to the competitive bidding process, as it may not be to the City's advantage to contract these services through competitive bidding:

- (a) Advertisements in periodicals;
- (b) Payments to arbitrators;
- (c) Firms providing deposition and court transcript services;
- (d) Dues and subscriptions;
- (e) Medical services;
- (f) Publications and copyrighted materials;
- (g) Conferences, seminars and classes;
- (h) Travel expenses;
- (i) Purchases covered by use of petty cash checks;
- (j) Utility bills, including gas, electric, water, sewage, and local telephone service;
- (k) Television and radio advertisements;
- (l) Fuel purchases;
- (m) Employee benefits payments, including, but not limited to, health, dental, vision and life insurance, pension, etc.; and
- (n) U.S. Postal, United Parcel Service, Federal Express, Airborne, or other delivery services.

(2) For the purpose of this provision, the City Manager may recommend and approve payment and purchase of the above items without submitting proposed invoices for such services to City Council as long as the amounts are a specific category line item in the annual budget approved by City Council, and the City Attorney, or his/her designee, and City Manager have approved the contract as to form and substance.

(C) Bid, performance and labor and material bonds.

(1) Except as otherwise required by any applicable law or regulation, any bid in excess of one hundred thousand dollars (\$100,000.00) shall be accompanied by a bid bond, bank money order, certified check, or cashier's check in the amount of five percent (5%) of the total amount bid.

(2) Except as otherwise required by any applicable law or regulation, a performance bond and a labor and material bond shall be furnished with the contract documents executed by the bidder prior to the award of each contract exceeding fifty thousand dollars (\$50,000.00) for the construction, alteration or repair of any public

building or public work or improvement as provided by MCL 129.201 *et seq.*, and each such bond shall be in an amount equal to the total amount of the contract and executed by the contractor and a corporate surety company authorized to do business in Michigan.

(D) *Disqualification of bidders.*

(1) In addition to any other remedies authorized by law, a bidder may be disqualified from bidding on any City contracts for up to three (3) years by the City Manager if it has been determined that the bidder, after an award of a contract:

- (a) Failed to provide the service or supplies required;
- (b) Provided the service or supplies in an untimely manner causing delays and interference;
- (c) Lacked financial resources and the ability to satisfactorily perform the contract or provide the services or supplies;
- (d) Exhibited poor quality of performance in delivering the service;
- (e) Delivered poor quality of goods;
- (f) Failed to comply with laws and ordinances relating to contract performance;
- (g) Defaulted on its quotations; and/or
- (h) Such other action that leads the City to believe that the contractor's duties will not comport or comply with the bid requirements.

(2) The City Manager may determine that the bidder has good cause not to abide by the bid for reasons such as, but not limited to, honest and reasonable mistake, contractual impossibility, or fraud or misrepresentation by another.

(3) When the City Manager believes grounds for disqualification exist, a notice shall be sent to the vendor of the proposed disqualification indicating the grounds for disqualification and procedure for requesting a hearing. If the vendor does not respond with a written request for a hearing within twenty (20) calendar days, the City Manager will issue a final disqualification order without a hearing. If a hearing is requested, the City Manager will select a designee for the purpose of taking testimony from the contractor, or any other witnesses, concerning the decision to disqualify said contractor. The recommendation of the designee shall be sent to the City Manager for approval or denial. The decision of the City Manager is final.

(4) Any contractor disqualified a second time for any of the reasons set forth in division (D)(1) above, may be permanently disqualified.

(5) Any contractor disqualified for fraudulent actions, theft or other similar criminal behavior may not be reinstated and may be permanently disqualified.

(6) Such disqualification of a bidding contractor, company, corporation, partnership, or firm, shall also apply to its successors, assigns, officers and/or principals.

(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 or enter into a payment plan with the City. Failure to file yearly income tax returns for taxable income under one thousand dollars (\$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.

(E) *Form of bids.*

(1) Bids submitted in response to any such notice shall be submitted according to the following instructions or the bid may be disqualified:

- (a) Bids must be submitted on printed forms furnished by the City Purchasing Officer, or his/her designee. Voluntary alternates may be attached to the bid form, if necessary.
- (b) Bids must be in ink or typewritten.
- (c) Bids must contain bidder's complete name, address, and telephone number.
- (d) Bids must be signed in ink by an authorized agent of the bidder and dated.
- (e) Bids must include delivery or completion time.
- (f) If an addendum is issued, it must be signed, dated, and returned with the bid.
- (g) A bid bond, bank money order, certified check or cashier's check in the amount of five percent (5%) of the total amount bid must be submitted with any bid in excess of one hundred thousand dollars (\$100,000.00), unless any applicable law or regulation requires a different percentage.
- (h) All erasures or corrections to pricing information must be initialed and dated in ink by the same individual signing the bid.
- (i) In case of a discrepancy between a unit price and its extension, the unit price will be considered correct and the bid will be recalculated to determine the amount bid. All addition errors will be corrected and the total bid will be adjusted to reflect the corrections. All unit prices must be stated where requested.
- (j) All bids must be in the City Purchasing Office by the date and time specified on the bid form.
- (k) Each bid must be enclosed in a separate sealed envelope with "SEALED BID" and the bid number marked on the front.

(2) The City reserves the right to accept or reject any and all bids, or parts thereof, and to waive any irregularities which do not materially affect the bid document or otherwise conflict with statute or ordinance. Any rejections of bids shall be made only if there is a sound documented reason for same.

(3) By signature, the bidder acknowledges that the signer has complete authority to execute the bid on behalf of the bidder and that the bid is genuine and not collusive in any manner; and that no other bidders were improperly induced to refrain from bidding or induced to submit a sham bid; and that the bidder agrees to have withheld from any payment due them, any amounts owed for taxes or other charges due the City of Saginaw; and that successful bidders are subject to mandatory City of Saginaw income tax withholdings.

(4) All bids for supplies, materials, or other commodities necessary for the regular operation of City functions must contain the following language: "The Vendor hereby agrees to maintain the bid price for one year from the date of this bid, and the City reserves the right, in its sole discretion, to purchase such additional supplies as it deems necessary at said rate in an amount not to exceed the total contract price of the original bid."

(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.

(G) *Review of bids.*

(1) After opening the sealed bids, the Purchasing Officer, or his/her designee, shall refer the bids to the affected department head and/or his/her designee for tabulation and review. The Purchasing Officer, or his/her designee, may require a reference check for suitability prior to referring the bids to the affected department head.

(2) Upon review, the department head, or his/her designee, shall complete a Bid Evaluation Form and electronically submit the tabulation to the Purchasing Committee for review and approval. The form must contain the following:

- (a) The bid number and date of opening;
- (b) The department name;
- (c) A brief description of each of the item(s) as it appeared on the actual bid document;
- (d) The quantity requested, unit cost of each item (where applicable) and extended cost;
- (e) The total amount submitted;
- (f) The name of the company submitting the bid; and
- (g) The company the department head, or his/her designee, recommends with an explanation for the recommendation.
- (h) The City, where applicable, shall perform a cost or price analysis in connection with every procurement involving the expenditure of Federal funds, as well as negotiate profit as a separate element of the price for each such contract. Estimated costs for contracts are allowable only to the extent such estimations are allowed under Federal regulation. In no case, may the cost plus a percentage of cost and percentage of construction cost methods of contracting be used.

(3) The members of the Purchasing Committee will review the recommended bid(s), and electronically give its approval/disapproval response to the Purchasing Officer, or his/her designee, or request further clarification. In the event such explanation cannot be satisfied by electronic means, the Purchasing Committee will

formally meet to further discuss the recommendation. A majority vote of the Purchasing Committee is needed for approval.

(4) Upon approval of the recommended bid(s), the Purchasing Officer, or his/her designee, shall instruct the department head, or his/her designee, to prepare the appropriate Council Communication, which shall be transmitted to the City Manager with his/her recommendation for Council approval.

(5) The bids and the tabulation shall be available for public inspection in the City Purchasing Office.

(H) Council action on sealed bids.

(1) Upon receipt of the tabulation of bids and the recommendation from the City Manager, the Council may reject the bids or determine the lowest and best bidder or bidders and award the transaction or transactions accordingly.

(2) In case the Council determines that it is not possible to choose between two (2) or more suppliers of a commodity purchased regularly because the bids are equal, the transaction may be awarded to the bidder who was awarded the last transaction for the same commodity.

(I) Execution of transaction.

(1) Upon the approval of a transaction as hereinbefore provided, the Purchasing Officer, or his/her designee, shall execute the transactions in the manner set forth in §14.32, Approval of Purchase Orders and §14.22, Written Contract Policy (where applicable).

(2)(a) All forms of acceptable cash, including bank money orders, certified checks or cashier's checks accepted in accordance with division (C)(1) above will be processed as follows:

1. Funds received from the top three (3) companies/bidders shall be deposited by the Treasurer's Office.

2. Funds received from all other bidders shall be promptly returned to the respective companies following the opening of the bid(s).

3. Upon approval by City Council of the transaction/bid award, the Treasurer's Office will refund all funds held and deposited by way of City check.

(b) If any successful bidder fails or refuses to enter into the transaction as herein provided, the deposit accompanying the bid shall be forfeited and the Council may award the transaction to the next lowest and best bidder, or reject all bids and re-advertise.

(3) All transactions shall be executed by the vendor and Purchasing Officer, or his/her designee. For all transactions two thousand dollars (\$2,000.00) or more, the Purchasing Officer or his/her designee, must first have Council's approval before execution of the transaction.

(4) An executed copy of all written contracts shall be filed with the City Clerk, or his/her designee. An executed copy of all purchase order contracts shall be filed with the Purchasing Officer, or his/her designee.

(5) The department head or his/her designee, with the approval of the Finance Director and/or Budget Director, may allow for an increase or decrease in cost not to exceed ten percent (10%) of the total purchase order contract for goods,

nonprofessional services, supplies, materials, equipment, etc., due to unforeseen circumstances, necessity or redundancy not contemplated in the bid. Such increase or decrease shall be mutually agreed upon in writing between the department head or his/her designee (with the approval of the Finance Director and/or Budget Director) and the Contractor. Upon such authorization, a change order shall be processed by the Purchasing Office to effectuate the increase or decrease. Any and all bids/purchase order contracts for goods, non-professional services, supplies, materials, equipment, etc., shall contain the following language:

"The Department Head or his/her designee, with the approval of the Finance Director and/or Budget Director, may allow for an increase or decrease of this purchase order contract/written contract by 10% of the total purchase order due to unforeseen circumstances, necessity or redundancy not contemplated in the bid. Such increase or decrease shall be mutually agreed upon in writing with the Contractor. In no event, however, will this purchase order contract/written contract be increased over 10% of the total purchase order without the prior approval of City Council."

(6) The City Engineer or his/her designee, with the approval of the Finance Director and/or Budget Director, may allow for an increase or decrease in cost not to exceed twenty percent (20%) of the total contract for construction projects for building, altering, repairing, improving or demolishing any public structure or building, or other public improvements of any kind to any public property due to unforeseen circumstances, necessity or redundancy not contemplated in the bid, or an expansion or reduction of the scope of services due to unforeseen conditions. Such increase or decrease shall be mutually agreed upon in writing between the City Engineer or his/her designee (with the approval of the Finance Director and/or Budget Director) and the Contractor. Upon such authorization, a change order shall be processed by the Purchasing Office to effectuate the increase or decrease. Any and all bids shall contain the following language:

"The City Engineer or his/her designee, with the approval of the Finance Director and/or Budget Director, may allow for an increase or decrease of this purchase order contract/written contract by 20% of the total purchase order due to unforeseen circumstances, necessity or redundancy not contemplated in the bid. Such increase or decrease shall be mutually agreed upon in writing with the Contractor. In no event, however, will this purchase order contract/written contract be increased over 20% of the total purchase order without the prior approval of City Council."

(J) *Records*. The Purchasing Officer, or his or her designee, shall maintain records sufficient to detail the history of the procurement.

(K) *Conflict of Interest*. No employee or officer of the City may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest.

§14.25 PURCHASES UNDER TWO THOUSAND DOLLARS (\$2,000.00).

(A) All public improvements and purchases for goods, non-professional services, professional services, supplies, materials, equipment and construction

projects, the cost of which is less than two thousand dollars (\$2,000.00), may be made in the open market, without official notice and irrespective of the procedure prescribed for purchases over two thousand dollars (\$2,000.00).

(B) All open market purchases shall, whenever possible, be based on at least three (3) competitive bids solicited by telephone, fax, electronic mail, or by direct mail request from prospective vendors. The Purchasing Officer, or his/her designee, shall award open market purchases to the lowest and/or best bidder and shall keep a record of all such purchases and the bids submitted in competition thereon. These records shall be available for public inspection in the City Purchasing Office.

(C) To the extent practicable, such purchases shall be distributed equitably among qualified vendors.

§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 five percent (5%) but not more than five thousand dollars (\$5,000.00) 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 five percent (5%) but not less than five thousand dollars (\$5,000.00) 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 five percent (5%) but not more than five thousand dollars (\$5,000.00) 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 section shall be sublet in any manner that permits fifty percent (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 business."

(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 division of this section, or to reject a bid which is in any way incomplete, irregular, not responsive or not responsible.

(G) Local preferences shall not be applied in cases of procurements funded, even in part, with Federal dollars, unless such procurement is for architectural and engineering services. When contracting for architectural and engineering services, local preference may be a selection criterion provided its application leaves an appropriate number of qualified vendors, given the nature and size of the project, to complete the contract.

§14.27 SOLE SOURCE.

In the event there is only one (1) vendor capable of providing a particular product or service, then the competitive bidding procedures outlined in this subchapter may be waived by the Purchasing Committee. Whenever a department head or his/her designee determines that they must purchase goods or services from a "sole source" vendor, they must document why only one (1) company or individual is capable of providing the goods or services required. This documentation will then be forwarded to the Purchasing Committee for approval.

§14.28 "BRAND NAME OR EQUAL."

(A) The use of "brand name or equal" specifications may be used when the department head or his/her designee determines that use of a "brand name or equal" specification is in the City's best interest.

(B) The department head or his/her designee shall seek to identify sources from which the designated brand name item or items can be obtained and shall solicit such sources to achieve whatever degree of price competition is practicable. If only one (1) source can supply the requirement, the procurement shall be made under §14.26, Sole Source.

§14.29 RECYCLING.

In recognition of the continuing need to be environmentally responsible, recycled goods should be considered when deemed appropriate and fiscally responsible.

§14.30 COOPERATIVE PURCHASING.

The City Manager or his/her designee, upon City Council approval, is authorized to join with other units of government in cooperative purchasing plans when the best interests of the City would be served thereby.

§14.31 EMERGENCY PURCHASES.

In the case of an emergency, any department head or his/her designee may purchase or contract directly for any public improvements, goods, non-professional services, supplies, materials, equipment and construction projects, whose immediate procurement is essential to the continuance of the work of the department concerned. Wherever possible, the department head or his/her designee shall contact the Purchasing Office for authorization prior to making any emergency purchases. A record of emergency purchase order authorizations shall be available for public inspection in the Purchasing Office. All purchases or contracts shall be submitted to City Council after the fact for subsequent ratification and/or approval for all purchases two thousand dollars (\$2,000.00) or more.

§14.32 APPROVAL OF PURCHASE ORDERS.

The Purchasing Officer, or his/her designee, shall approve and execute all purchase orders, purchase order contracts, and emergency purchases.

§14.33 INSPECTION OF MATERIALS.

The responsibility for the inspection and acceptance of all goods, materials, supplies, and equipment shall rest with the ordering department.

§14.34 SALE OF PROPERTY.

(A) Whenever any City property, real or personal, is not needed for corporate or public purposes, the same may be sold.

(B) Real and personal property not exceeding one thousand five hundred dollars (\$1,500.00) in value may, upon approval of the City Manager, either be sold for cash by the Purchasing Officer or his/her designee, after receiving quotations or competitive bids therefore for the best price obtainable, or traded to the vendor of new equipment replacing it.

(C) Personal property with a value in excess of one thousand five hundred dollars (\$1,500.00), may be sold after advertising and receiving competitive bids, as provided in §14.24, inclusive, of this subchapter, and after approval of the sale has been given by the City Council; or such personal property may be traded to the vendor of the new equipment replacing it, upon approval of the City Manager.

(D) In addition to the provisions above made for the sale of personal property, in general, the City Manager may:

(1) Authorize the sale of goods or supplies which have become obsolete, worn out or scrapped, unsuitable for use by the City, or otherwise lawfully acquired by the City and having no value or use to the City at private or public auction, including on-line auction services. In this regard, the department head, and/or his/her designee, with

the assistance of the Purchasing Officer, or his/her designee, shall explore the various services available and select a public auction service which shall dispose of such personal property in the most efficient and cost effective means for the City. All such sales under this section shall be made to the highest bidder, subject, however, to the published terms of such sale.

(2) Authorize the donation of goods or supplies which have become obsolete, worn out or scrapped, unsuitable for use by the City, or otherwise having no value or use, to one (1) or more charitable organizations having need and/or use of the defunct item(s), giving first preference to those Saginaw-based organizations.

(3) Authorize the transfer of surplus supplies or equipment within any department in order to maximize the use and benefit thereof.

(E) Real property exceeding one thousand five hundred dollars (\$1,500.00), shall be sold in the same manner as personal property over one thousand five hundred dollars (\$1,500.00) in value, unless the Council shall determine that it is clearly to the City's advantage either to sell such property without competitive bidding or to exchange the same for other land required by the City. The sale of land which shall have been approved by three-fifths (3/5) of the City electors voting thereon at any general or special election, and property sold pursuant to federal and state statute and regulations, shall not be subject to the provisions of this subchapter.

(F) Any and all tax reverted properties may be acquired and disposed of pursuant to state law and administrative regulation established by the City Manager.

§14.35 VALIDITY OF CONTRACTS.

The foregoing provisions of this subchapter shall be deemed to establish, in general, the procedure to be followed in purchases and contracts by the City, but shall not be held to be mandatory, except those provisions which may be contained in state or federal law or in the Charter. Any contract approved by the Council and not prohibited by state or federal law or the provisions of the Charter, shall be valid even though one (1) or more of the provisions of this subchapter may not have been observed. Only a majority of City Council can authorize and bind the City for any contract two thousand dollars (\$2,000.00) or more.

This ordinance shall become effective August 3, 2017.

Enacted: July 24, 2017.

Yeas:

Nays:

Absent:

Abstain:

ORDINANCE DECLARED ADOPTED

Dennis D. Browning
Mayor

Janet Santos, CMMC/MMC
City Clerk

I, Janet Santos, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the ordinance adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on July 24, 2017; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Janet Santos, CMMC/MMC
City Clerk

From: Saginaw County Brownfield Redevelopment Authority

Subject: Concurring with the Provision of a Brownfield Plan for the Saginaw River Development Project at 107, 111, and 121 S Water Street

Prepared by: Tom Miller, Jr, Saginaw Future, Inc.

Manager's Recommendation:

It is recommended that City Council adopt the resolution approving the brownfield plan for the Saginaw River Development Project at 107, 111, and 121 S Water Street, Saginaw MI. with the Saginaw County Brownfield Redevelopment Authority. Furthermore, City Council authorizes the Mayor and/or his designee to sign all necessary and related documents.

Justification:

On June 29, 2017, the Saginaw County Brownfield Redevelopment Authority approved the Brownfield Plan for Saginaw River Development Project at 107, 111, and 121 S Water Street, Saginaw MI. This project will include any necessary hazardous material abatement and the demolition of the existing structure. This property is being included in the Saginaw County's Brownfield Plan in order to qualify for a loan. This Brownfield Plan will use the Saginaw County Brownfield Redevelopment Authority's Local Brownfield Revolving Funds to promote future redevelopment.

It is also anticipated that the Brownfield Plan will be amended in the future to include the capture of Tax Increment Revenues (TIR) when new construction plans are completed. This project will put an underutilized property back into productive use. Demolition activities are currently underway.

The Saginaw County established the Saginaw County Brownfield Redevelopment Authority, in compliance with Public Act 381 of 1996. The purpose of Brownfield legislation is to assist in the development of vacant and/or underutilized sites. Public Act 381 of 1996 requires that Saginaw County Brownfield Redevelopment Authority obtain the approval of the local government prior to the establishment of the brownfield plan.

Council Action:

This Council Communication is for explanation purposes only of the Resolution to be adopted.

CONCURRING WITH THE PROVISIONS OF A BROWNFIELD PLAN
FOR 107, 111 AND 121 S. WATER STREET,
SAGINAW, SAGINAW COUNTY

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: pursuant to and in accordance with the provisions of State of Michigan Public Act 381 of 1996, as amended; and

WHEREAS: the Saginaw County established the Saginaw County Brownfield Redevelopment Authority (the "Authority") pursuant to the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"); and

WHEREAS: pursuant to the Act, the Authority shall exercise its powers with respect to eligible property within a city within the county only if that city has concurred with the provisions of a brownfield plan that applies to that eligible property within the city; and

WHEREAS: the Authority has determined the property located at 107, 111, and 121 S. Water Street in Saginaw is eligible property, as defined by the Act; and

WHEREAS: the eligible property is being included in a Brownfield Plan in order to qualify for a loan or grant from the Authority's Local Brownfield Revolving Fund; and

WHEREAS: the Authority has determined that the Brownfield Plan (the "Plan") submitted for 107, 111, and 121 S. Water Street in Saginaw meets all the requirements for a Brownfield Plan set forth in Section 13 of the Act; and

WHEREAS: the Authority, pursuant to and in accordance with the Act, has reviewed the Plan and, contingent upon concurrence by the Saginaw City Council, recommends its approval by the Saginaw County Commission; and

WHEREAS: as a result of its review of the Plan and upon consideration of the views and recommendations of the Authority, the Saginaw City Council desires to proceed with approval of the Plan.

NOW THEREFORE, BE IT RESOLVED THAT:

1. **Plan Concurrence.** Pursuant to the authority vested in the Saginaw City Council by the Act, and pursuant to and in accordance with the provisions of Section 3 of the Act, the City of Saginaw hereby concurs with the provisions of the Plan for 107, 111, and 121 S. Water Street.

2. **Severability.** Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.

3. **Repeals.** All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

Ayes:

Nays:

Absent:

Abstain:

RESOLUTION DECLARED ADOPTED

I, Janet Santos, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on July 24, 2017; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Janet Santos, CMMC/MMC
City Clerk

From: Saginaw County Brownfield Redevelopment Authority

Subject: Concurring with the Provision of a Brownfield Plan for the Bearinger Building Redevelopment Project at 126 N. Franklin

Prepared by: Tom Miller, Jr, Saginaw Future, Inc.

Manager's Recommendation:

It is recommended that City Council adopt the resolution approving the brownfield plan for the Bearinger Building Redevelopment project at 126 N. Franklin, Saginaw MI. with the Saginaw County Brownfield Redevelopment Authority. Furthermore, City Council authorizes the Mayor and/or his designee to sign all necessary and related documents.

Justification:

On June 29, 2017, the Saginaw County Brownfield Redevelopment Authority approved the Brownfield Plan for Bearinger Building Redevelopment project at 126 N. Franklin, Saginaw, MI. This project will include necessary environmental response activities and demolition of non-historic portions of the existing structure. This property is being included in the Saginaw County's Brownfield Plan in order to qualify for a grant. This Brownfield Plan will use the Saginaw County Brownfield Redevelopment Authority's Local Brownfield Revolving Funds to pay for an asbestos survey of the building. The environmental condition of the building is a significant variable in the redevelopment viability of the property.

It is also anticipated that the Brownfield Plan will be amended in the future to include the capture of Tax Increment Revenues (TIR) when new construction plans are completed. This project will put an underutilized property back into productive use and will provide a safer and healthier downtown for the public.

The Saginaw County established the Saginaw County Brownfield Redevelopment Authority, in compliance with Public Act 381 of 1996. The purpose of Brownfield legislation is to assist in the development of vacant and/or underutilized sites. Public Act 381 of 1996 requires that Saginaw County Brownfield Redevelopment Authority obtain the approval of the local government prior to the establishment of the brownfield plan.

Council Action:

This Council Communication is for explanation purposes only of the Resolution to be adopted.

CONCURRING WITH THE PROVISIONS OF A BROWNFIELD PLAN FOR 126 N FRANKLIN, SAGINAW, SAGINAW COUNTY

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: pursuant to and in accordance with the provisions of State of Michigan Public Act 381 of 1996, as amended; and

WHEREAS: the Saginaw County established the Saginaw County Brownfield Redevelopment Authority (the "Authority") pursuant to the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"); and

WHEREAS: pursuant to the Act, the Authority shall exercise its powers with respect to eligible property within a city within the county only if that city has concurred with the provisions of a brownfield plan that applies to that eligible property within the city; and

WHEREAS: the Authority has determined the property located at 126 N. Franklin in Saginaw is eligible property, as defined by the Act; and

WHEREAS: the eligible property is being included in a Brownfield Plan in order to qualify for a loan or grant from the Authority's Local Brownfield Revolving Fund; and

WHEREAS: the Authority has determined that the Brownfield Plan (the "Plan") submitted for 126 N. Franklin in Saginaw meets all the requirements for a Brownfield Plan set forth in Section 13 of the Act; and

WHEREAS: the Authority, pursuant to and in accordance with the Act, has reviewed the Plan and, contingent upon concurrence by the Saginaw City Council, recommends its approval by the Saginaw County Commission; and

WHEREAS: as a result of its review of the Plan and upon consideration of the views and recommendations of the Authority, the Saginaw City Council desires to proceed with approval of the Plan.

NOW THEREFORE, BE IT RESOLVED THAT:

1. **Plan Concurrence.** Pursuant to the authority vested in the Saginaw City Council by the Act, and pursuant to and in accordance with the provisions of Section 3 of the Act, the City of Saginaw hereby concurs with the provisions of the Plan for 126 N. Franklin.

2. **Severability.** Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.

3. **Repeals.** All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

Ayes:

Nays:

Absent:

Abstain:

RESOLUTION DECLARED ADOPTED

I, Janet Santos, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on July 24, 2017; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Janet Santos, CMMC/MMC
City Clerk

From: Saginaw County Brownfield Redevelopment Authority

Subject: Concurring with the Provision of a Brownfield Plan for the Baker Perkins Redevelopment Project at 1010 Hess Avenue and 622 Ortman Street

Prepared by: Tom Miller, Jr, Saginaw Future, Inc.

Manager's Recommendation:

It is recommended that City Council adopt the resolution approving the brownfield plan for the Baker Perkins Redevelopment Project at 1010 Hess Avenue and 622 Ortman Street, Saginaw MI with the Saginaw County Brownfield Redevelopment Authority. Furthermore, City Council authorizes the Mayor and/or his designee to sign all necessary and related documents.

Justification:

On June 29, 2017, the Saginaw County Brownfield Redevelopment Authority approved the Brownfield Plan for Baker Perkins Redevelopment Project at 1010 Hess Avenue and 622 Ortman Street, Saginaw MI. This project will include necessary lead and asbestos abatement activities and demolition of obsolete portions of the existing structure. This property is being included in the Saginaw County's Brownfield Plan in order to qualify for a loan. This Brownfield Plan will use the Saginaw County Brownfield Redevelopment Authority's Local Brownfield Revolving Funds to demolish blighted portions of the property.

It is also anticipated that the Brownfield Plan will be amended in the future to include the capture of Tax Increment Revenues (TIR) when new construction plans are completed. This project will put an underutilized property back into productive use and will provide a safer and healthier environment to the public.

The Saginaw County established the Saginaw County Brownfield Redevelopment Authority, in compliance with Public Act 381 of 1996. The purpose of Brownfield legislation is to assist in the development of vacant and/or underutilized sites. Public Act 381 of 1996 requires that Saginaw County Brownfield Redevelopment Authority obtain the approval of the local government prior to the establishment of the brownfield plan.

Council Action:

This Council Communication is for explanation purposes only of the Resolution to be adopted.

**CONCURRING WITH THE PROVISIONS OF A BROWNFIELD PLAN
FOR 1010 HESS AVENUE AND 622 ORTMAN STREET,
SAGINAW, SAGINAW COUNTY**

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: pursuant to and in accordance with the provisions of State of Michigan Public Act 381 of 1996, as amended; and

WHEREAS: the Saginaw County established the Saginaw County Brownfield Redevelopment Authority (the "Authority") pursuant to the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"); and

WHEREAS: pursuant to the Act, the Authority shall exercise its powers with respect to eligible property within a city within the county only if that city has concurred with the provisions of a brownfield plan that applies to that eligible property within the city; and

WHEREAS: the Authority has determined the property located at 1010 Hess Avenue and 622 Ortman Street in Saginaw is eligible property, as defined by the Act; and

WHEREAS: the eligible property is being included in a Brownfield Plan in order to qualify for a loan or grant from the Authority's Local Brownfield Revolving Fund; and

WHEREAS: the Authority has determined that the Brownfield Plan (the "Plan") submitted for 1010 Hess Avenue and 622 Ortman Street in Saginaw meets all the requirements for a Brownfield Plan set forth in Section 13 of the Act; and

WHEREAS: the Authority, pursuant to and in accordance with the Act, has reviewed the Plan and, contingent upon concurrence by the Saginaw City Council, recommends its approval by the Saginaw County Commission; and

WHEREAS: as a result of its review of the Plan and upon consideration of the views and recommendations of the Authority, the Saginaw City Council desires to proceed with approval of the Plan.

NOW THEREFORE, BE IT RESOLVED THAT:

1. **Plan Concurrence.** Pursuant to the authority vested in the Saginaw City Council by the Act, and pursuant to and in accordance with the provisions of Section 3 of the Act, the City of Saginaw hereby concurs with the provisions of the Plan for 1010 Hess Avenue and 622 Ortman Street.

2. **Severability.** Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.

3. **Repeals.** All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

Ayes:

Nays:

Absent:

Abstain:

RESOLUTION DECLARED ADOPTED

I, Janet Santos, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on July 24, 2017; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Janet Santos, CMMC/MMC
City Clerk

AUTHORIZING INSTALLMENT PURCHASE CONTRACT FOR FIRE TRUCK

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: the City of Saginaw (the "City") has approved a contract with CSI Emergency Apparatus, LLC (the "Vendor"), providing for the acquisition of one fire truck (the "Property"); and

WHEREAS: it is determined to be necessary and desirable and in the best interest of the City that the acquisition of the Property be partially financed by installment purchase authorized under the provisions of Act No. 99, Public Acts of Michigan, 1933, as amended ("Act 99"), and more specifically by the acquisition of the Property pursuant to an installment purchase contract with the Vendor and Huntington Public Capital Corporation to be dated the date of delivery thereof (the "Contract"); and

WHEREAS: the aggregate outstanding balance, exclusive of interest, of all purchases made by the City pursuant to Act 99, including the Contract, does not exceed 1- $\frac{1}{4}$ % of the taxable value of the real and personal property in the City.

NOW, THEREFORE, BE IT RESOLVED, that

1. It is hereby found to be necessary and desirable for the City to finance a portion of the cost of the Property in the aggregate principal amount of not to exceed \$344,466 by purchasing the Property pursuant to the terms and conditions of the Contract; and the City hereby pledges its full faith and credit for the payment of its obligations thereunder.
2. The City shall include in its budget and pay the sum or sums necessary each year to meet the payments due pursuant to the provisions of the Contract.
3. The Contract shall be dated the date of delivery thereof. The interest rate on the outstanding principal balance of the Contract shall equal 3.00% per annum, and the Contract shall be payable as to principal and interest in ten annual installments on the dates and in the amounts set forth in Exhibit A to the Contract. The Contract shall be subject to prepayment at any time (in whole, but not in part) at a price equal to the then outstanding principal balance thereof (the "Balance"), plus accrued interest to the date of prepayment, plus a prepayment premium calculated as follows: 3% of the Balance if prepaid in the first 12 months of the term of the Contract (the "Term"); 2% of the Balance if prepaid in the second 12 months of the Term; and 1% of the Balance if prepaid after the second 12 months of the Term.
4. The Contract, in the form presented to this meeting, is hereby approved, and the Mayor and the City Clerk are hereby authorized to execute and deliver the Contract in

substantially the form approved, with such changes approved by them and consistent with the terms of this resolution. The approval of such changes shall be conclusively evidenced by their signatures on the Contract. The Contract may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

5. The City covenants to comply with all provisions of the Internal Revenue Code of 1986, as amended (the "Code"), necessary to maintain the exclusion of interest on the Contract from gross income for federal income tax purposes.

6. The Mayor, the City Clerk, the Treasurer, the City Manager and other officers of the City as may be necessary are each hereby authorized to execute and deliver such documents, instruments and certificates as are necessary or desirable to consummate the described transactions and to maintain the exclusion of the interest on the Contract from gross income for federal income tax purposes.

7. The City hereby designates the Contract as a "qualified tax exempt obligation" for the purpose of deduction of interest expense by financial institutions under Section 265(b)(3)(B) of the Code.

8. The useful life of the Property is determined to be 10 years and upwards.

9. Dickinson Wright PLLC, Troy, Michigan, is hereby appointed as bond counsel with respect to the Contract.

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

Ayes:

Nays:

Absent:

Abstain:

RESOLUTION DECLARED ADOPTED

I, Janet Santos, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on July 24, 2017; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Janet Santos, CMC/MMC
City Clerk