

Council Agenda
March 05, 2012 6:30 p.m.
Council Chamber

PRAYER AND PLEDGE OF ALLEGIANCE

ROLL CALL

CORRECTION AND APPROVAL OF MINUTES OF PRECEDING SESSIONS:

February 20, 2012 regular Council meeting

ANNOUNCEMENTS:

PUBLIC HEARINGS:

PERSONAL APPEARANCES:

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

REMARKS OF COUNCIL:

PETITIONS:

12-06 Recognizing Aspire! Non-Profit as a non-profit organization in the City of Saginaw.

12-07 Rick Hayes, Wolverine Fireworks, permit for fireworks display; location is at the East Side Saginaw River between Johnson Street and I-675 on March 17, 2012.

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

From the Council Boards and Commission Committee:

1. Recommending removal of Clara Kinch from the Board of Review.
2. Recommending appointment of Mary Agnes Konieczka to the Board of Review for an indefinite term.
3. Recommending appointment of James R. Doane to the City Planning Commission with a term to expire on December 13, 2013.

REPORTS FROM MANAGER:

Management Update:

Recommended Actions:

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1. Recommending approval of a one-year Agreement with the Saginaw County Department of Public Health to provide a Youth Development Program. Agreement will not exceed \$40,000. Further recommending that the Assistant City Manager and/or his designee be authorized to sign all documents.
2. Recommending approval of a 9-month Agreement with the Saginaw County Department of Public Health to provide Substance Abuse Prevention Services. The city will be reimbursed by the SCDPH \$80 for each unit of direct face-to-face substance abuse prevention services provided by the Saginaw Police Department to the residents.
3. Recommending approval of the Gambling Proceeds Distribution Agreement between the City of Saginaw and the Saginaw County Prosecutor's Office in the amount not to exceed \$66,000.
4. Recommending approval of a service agreement with Paetec for phone services provided for a period of 3 years which will result in a savings of over \$6,000.
5. Recommending approval for the purchase of Trend Micro Enterprise Antivirus Software for all desktop PC's and servers through Yeo and Yeo Consulting. The cost for the software coverage and license fee is \$3,207.76. Yeo and Yeo submitted a bid within 5% of the lowest bid and agreed to reduce their bid to meet the lowest bid amount.
6. Recommending issuance of a purchase order to AIS Construction Equipment Company in Bridgeport, Michigan, a sole source provider, in the amount of \$3,185.27 for backhoe repairs in Streets Division.
7. Recommending issuance of a purchase order to 3M, at the state bid price, in the amount of \$3,218 for the purchase of vinyl sheeting to be used for street signs within the city.
8. Recommending issuance of a purchase order to Allmac Signs, the lowest bidder, in the amount of \$3,267.28 for the purchase of 599 aluminum sign blanks.
9. Recommending approval of the agreement with Consumers Energy for the Experimental Advanced Renewable Program (EARP) Phase 3 for electric energy produced from a solar photovoltaic generation plant.
10. Recommending payment in the amount of \$12,300 to A/C Service and Repair, Inc., for an emergency purchase order issued on 2/23/12 for a replacement 20-inch butterfly valve and repair of the existing 20-inch butterfly valve.

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11. Recommend approval of the Metro Act Right of Way Permit Extension issued to Michigan Bell Telephone Company d/b/a AT&T of Michigan.

INTRODUCTION OF ORDINANCES:

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Recognizing Aspire! Non-Profit as a non-profit organization in the City of Saginaw for the purposes of obtaining charitable gaming licenses.

UNFINISHED BUSINESS:

MOTIONS AND MISCELLANEOUS BUSINESS:

Darnell Earley
City Manager

From: Darnell Earley, City Manager

Subject: Saginaw County Department of Public Health Youth Development Program Agreement

Prepared by: M. Allen, Community Public Safety

Manager's Recommendation:

I recommend approval of the Youth Development Program Agreement ("Agreement") between the City of Saginaw ("City") and the Saginaw County Department of Public Health ("SCDPH"). The term of the Agreement is for one year. It is retroactive to October 1, 2011 and will terminate on September 30, 2012. I have approved the Agreement as to substance and the City Attorney as to form. It is further recommended that City Council authorize the Assistant City Manager for Public Safety and/or his designee to sign the Agreement and any related documents.

Justification:

The SCDPH and the City have entered into agreements for the past several years regarding youth development programs. The purpose of the program is to assess and reduce teen alcohol and drug use through education and outreach programs for high risk and underserved populations in the Saginaw community. The SCDPH will reimburse the City, Thirty Dollars and 00/100 (\$30.00) for each unit of direct face to face youth development services provided by the Saginaw Police Department ("SPD") to residents. The amount of the Agreement will not exceed Forty Thousand Dollars and 00/100 (\$40,000.00).

Council Action:

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

From: Darnell Earley, City Manager

Subject: Saginaw County Department of Public Health Substance Abuse Prevention Services Agreement

Prepared by: M. Allen, Community Public Safety

Manager's Recommendation:

I recommend approval of the Substance Abuse Prevention Services Agreement ("Agreement") between the City of Saginaw ("City") and the Saginaw County Department of Public Health ("SCDPH"). The term of the Agreement is nine months. It is retroactive to January 1, 2012 and will expire on September 30, 2012. I have approved the Agreement as to substance and the City Attorney as to form. It is further recommended that City Council authorize the Assistant City Manager for Public Safety and/or his designee to sign the Agreement and any related documents.

Justification:

During the past several years, SCDPH and the City have entered into agreements regarding the prevention of substance abuse in the Saginaw community. The purpose of the program is to develop and deliver substance abuse prevention services to specific high risk and underserved populations in a variety of settings. The SCDPH will reimburse the City, Eighty Dollars and 00/100 (\$80.00) for each unit of direct face to face substance abuse prevention services provided by the Saginaw Police Department ("SPD") to residents. The amount of the Agreement will not exceed Forty Three Thousand Eight Hundred and Forty-Eight Dollars and 00/100 (\$43,848.00). The SPD uses the monies provided by the SCPHD to fund its drug prevention efforts through the Family Youth Initiative Program.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Saginaw County Prosecuting Attorney's Office Gambling Proceeds Distribution Agreement

Prepared by: J. Isquierdo, Community Public Safety

Manager's Recommendation:

I recommend approval of the Gambling Proceeds Distribution Agreement ("Agreement") between the City of Saginaw ("City") and the Saginaw County Prosecuting Attorney's Office ("SCPAO"). I have approved the Agreement as to substance and the City Attorney as to form. It is further recommended that City Council authorize the Assistant City Manager for Public Safety and/or his designee to sign the Agreement and any related documents.

Justification:

The SCPAO and the City have entered into an Agreement for distribution of gambling proceeds obtained pursuant to a long term investigation. The purpose of this Agreement is to establish distribution of seized assets. The terms of the Agreement state that the City will pay the SCPAO thirty-three (33) percent of the assets received from the settlement. Specifically, the City will pay the SCPAO Sixty-Six Thousand Dollars and 00/100 (\$66,000.00). The amount of the Agreement will not exceed Sixty-Six Thousand Dollars and 00/100 (\$66,000.00). Furthermore, proceeds received from the sale of any seized and forfeited items shall become the sole property of the Community Public Safety Police.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Paetec Phone Agreements

Prepared by: Chris Seager, Technical Services

Manager's Recommendation:

I recommend approval of the Service Agreement with Paetec, Addendum to Terms and Conditions and Acceptable Use Policy Agreement. Paetec will provide telephone service to the City of Saginaw ("City") over a three year period. The Agreements are approved by me as to substance and the City Attorney as to form.

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

Justification:

The City currently has a contract with Paetec. In this contract, the City is obligated to keep a minimum amount of lines in service. Since that date, we have eliminated a number of lines and PRI's [Primary Rate Interface] to reduce the cost to the City. Due to phone lines being terminated, the City is now below the minimum amount of lines necessary to benefit from additional savings. Paetec has agreed to renew the City's current contract early so that the savings can be realized but in return asked to extend the contract an additional 3 years. The savings per year will be over \$6000. Like many standardized contracts of this nature, there is a mutual limitation of liability provision that limits Paetec's liability to the total amount of fees paid by the City.

The Technical Services Department will continue to audit telephone services and terminate all underutilized phone lines, which will reduce costs to the City.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Trend Micro Enterprise Antivirus Annual Maintenance

Prepared by: Chris Seager, Technical Services

Manager's Recommendation:

Transmitted for your approval is a request from the Technical Services Department for the purchase of Trend Micro Enterprise Antivirus Software for all desktop pc's and servers. The cost for the software coverage and license fee is \$3,207.76. I recommend that a purchase order be issued to Yeo & Yeo Consulting (In-City), in the amount of \$3,207.76.

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

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

Justification:

On February 14, 2012 the City received bids for the annual maintenance renewal of Trend Micro Enterprise Antivirus Software to be used for the virus and spyware scanning of all City PC's and servers. The software subscription provides support, updates and license coverage. As with many standardized software license agreements of this nature, there are limitations on liability, limited warranties and governing law is in California.

Please note the preference for local bidders calculation was applied and the original results did change. Following is a tabulation of the bids received:

	<u>Total</u>
Yeo & Yeo Consulting Saginaw, MI (In-City)	\$3,264.32
CDW-G Vernon Hills, IL	\$3,207.76
Technology Integration Group Ferndale, MI	\$3,232.00

Per Ordinance (14.26), Yeo & Yeo Consulting (In-City) was within 5% of the lowest bidder and agreed to lower their bid to \$3,207.76.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Streets Division Backhoe

Prepared by: Phillip Karwat, Director of Public Services

Manager's Recommendation:

I recommend that a purchase order be issued to AIS Construction Equipment Company of Bridgeport, MI, a sole source provider, in the amount of \$3,185.27.

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

Funds for this purchase are available in the Motor Pool Operation Fund – Garage Division's Motor Vehicle Supplies Account No. 661-4480-841.73-12.

Justification:

On January 10, 2012, the Hydraulic Tank assembly on backhoe 57-0821 was found to be leaking and deteriorated beyond repair. The backhoe is inoperable without the replacement parts needed to make the necessary repairs. The backhoe is used for emergency day-to-day maintenance and repairs of the city's streets, bridges, and compost site, and must be maintained in a constant state of readiness.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Vinyl Sheeting – ROW Division

Prepared by: Phillip Karwat – Director of Public Services

Manager's Recommendation:

I recommend that the state bid from 3M be accepted and a purchase order be approved and issued to them in the amount of \$3,218.00 for vinyl sheeting.

This vendor meets all requirements of §14.23, "Vendors", 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 Local Streets Fund - Traffic Engineering Division's Sign Supplies Account No. 203-4621-791.73-50, and will be accounted for in the Major Streets Fund – Inventory/Traffic Engineering Account No. 202-0000-171.11-36.

Justification:

The State of Michigan awarded the bid for vinyl sheeting and pavement marking tape to 3M of St. Paul, MN, per contract #071B8200201.

The Maintenance Section of the Right of Way Division is required to maintain and replace when necessary approximately 25,000 street signs within the City of Saginaw. These materials are used to replace signs that have been damaged, vandalized, or need to be replaced because of age.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Aluminum Sign Blanks – ROW Division

Prepared by: Phillip Karwat – Director of Public Services

Manager's Recommendation:

I recommend that the low bid from Allmac Signs be accepted and that a purchase order be approved and issued to them in the amount of \$3,267.28 for aluminum sign blanks for FY 2012.

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

Funds for this purchase are budgeted in the Local Streets Fund - Traffic Engineering Division's Sign Supplies Account No. 203-4621-791.73-50, and will be accounted for in Major Streets Fund – Inventory/Traffic Engineering Account No. 202-0000-171.11-36.

Justification:

On February 21, 2012, bids were received for 599 aluminum sign blanks to be used for the repair and installation of street signs in the City of Saginaw. The Maintenance Section of the Right of Way Division is required to maintain and replace when necessary approximately 25,000 street signs within the City of Saginaw. These materials are used to replace signs that have been damaged, vandalized, or need to be replaced because of age. The following is a tabulation of the bids received:

Allmac Signs Hardwich, MA	\$ 3,267.28
Vulcan Aluminum Foley, AL	\$ 3,517.50
Mandel Metals Franklin Park, IL	\$ 3,679.01
Custom Products Jackson, MS	\$ 3,886.13
Dornbos Sign Charlotte, MI	\$ 4,051.06

Rathco Safety Supply Portage, MI	\$ 4,193.30
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Rocal, Inc Frankfort, OH	\$ 4,274.96
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Comade, Inc Santa Ana, CA	\$ 4,289.11
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Council Action:

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

From: Darnell Earley, City Manager
Subject: EARP Agreement with Consumers Energy
Prepared by: Phillip Karwat, Public Services

Manager's Recommendation:

I recommend that the agreement with Consumers Energy for the Experimental Advanced Renewable Program (EARP) Phase 3 for electric energy produced from a solar photovoltaic generation plant be approved and that the City Manager or his designee be authorized to execute said Agreement. I have approved the agreement as to substance and the City Attorney as to form.

Justification:

The City of Saginaw applied for and was randomly selected from a pool of applicants to participate in Consumers Energy's EARP Phase 3. The application was for a solar generation plant to be installed on the roof of the Public Services building located at 1435 S. Washington Avenue. The estimated cost of this project is \$130,000.

Consumers Energy is offering a contract to purchase all electric energy produced from a solar photovoltaic generation system with a maximum capacity of 24.0 kilowatts at a base rate of \$0.229 per kilowatt-hour. The base rate offered is approximately 2.5 times the rate the City pays for metered energy. The contract duration is 15 years. After 15 years, the electric energy produced by the solar photovoltaic generation system, will be used by the City to offset energy purchased from Consumers Energy to power the Public Services building.

In April 2009, as part of the American Recovery and Reinvestment Act, the City received \$566,200 from the Department of Energy through the Energy Efficiency Conservation Block Grant (EECBG) program. The City has used \$514,841.57 of the EECBG funding for an energy conservation plan, City Hall boiler and steam system improvements, and upgrading of lights at several city buildings. The goal of the EECBG is to reduce energy usage and municipal operating costs, and create jobs.

The City plans to use a combination of grant funds and loans to finance the solar generation plant. Funds remaining in the City's (EECBG) program will contribute approximately \$35,000 and Saginaw County's EECBG revolving loan fund will be used to fund the remaining \$95,000 cost. Saginaw Future administers the revolving loan fund on behalf of the County. With revenue of approximately \$6,150 per year from the sale of electricity, the loan will have a payback of approximately 15 years. The EARP program lasts for 15 years. The Agreement provides for a limitation of liability in that neither party shall be liable to the other for damages and, with no indemnification clause, each party will be responsible for their own performance under the terms of the Agreement.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Emergency Butterfly Valve Replacement and Repair

Prepared by: Paul Reinsch, Water and Wastewater

Manager's Recommendation:

I recommend that payment be made to A/C Service and Repair, Inc. in the amount of \$12,300.00 for emergency purchase order 45541 issued on 2/23/12 for a replacement 20-inch butterfly valve and repair of an existing 20-inch butterfly valve.

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

Funds for this purchase are budgeted in the Water Operations and Maintenance Fund, Treatment and Pumping Division's Capital Outlay/Repairs and Replacement Account No. 591-4730-861.97-20 (\$7,800.00) and the Water Operations and Maintenance Fund, Treatment and Pumping Division's General Repairs Account No. 591-4730-861.80-40 (\$4,500.00).

Justification:

A quote for the supply of an Allis Chalmers replacement 20-inch butterfly valve (\$7,800.00) and repair of an existing 20-inch butterfly valve (\$4,500.00) for the Water Treatment Plant was received on February 9, 2012. These valves are direct replacements for 3 high service and 2 low service pumps at the Water Treatment Plant. High service pump number five's valve is leaking and will be repaired. The second valve will be placed in stock for future needs. Direct replacement is necessary for the valve stem to match up to the valve actuator and so the valve will fit in the current piping configuration. A/C Service and Repair, Inc. is the sole source distributor for Allis Chalmers valves.

Council Action:

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

From: Darnell Earley, City Manager

Subject: Metro Act Right of Way Permit Extension to AT&T of Michigan

Prepared by: André R. Borrello, City Attorney

Manager's Recommendation:

I recommend approval of the Metro Act Right of Way Permit Extension issued to Michigan Bell Telephone Company d/b/a AT&T of Michigan. The current permit expires on April 30, 2012 and the extension is for a three-year term to end on April 30, 2015. I further recommend that the City Manager be authorized to execute the permit extension. The City Manager has approved the permit extension as to substance and the City Attorney as to form.

Justification:

The Metropolitan Extension Telecommunications Rights-of-Way Oversight Act ("Metro Act") was created to, among other things, streamline the process for authorizing access to and use of public rights-of-way by telecommunications providers and ensure the reasonable control and management of public rights-of-way by municipalities. A telecommunications provider using or seeking to use the public rights-of-way for its facilities must obtain a permit from the municipality and pay all fees required under the Act. The Act determines all aspects of the permitting process, including application, dispute resolution and fees. The Act requires that municipalities act reasonably and promptly on all applications for a permit and must grant providers a permit for access to and use of all public rights-of-way.

The recommendation is to extend an already existing permit. It does not change the relationship between the parties, requirements regarding the payment of fees or requirements regarding construction and maintenance of telecommunications facilities within the City's rights-of-way.

Council Action:

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

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

**LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING
LICENSES FOR ASPIRE NONPROFIT OF SAGINAW**

Council _____ offered and moved adoption of the following resolution:

WHEREAS, Aspire Nonprofit of Saginaw has submitted a request (Petition No. 12-06) to be recognized as a nonprofit organization for purposes of obtaining a charitable gaming license; and;

WHEREAS, the Michigan Bureau of State Lottery, pursuant to MCL 432.103(9), requires a Resolution be adopted by the local governing body approving this recognition.

THEREFORE, BE IT RESOLVED that the request from Aspire Nonprofit of Saginaw of the City of Saginaw and County of Saginaw, asking that they be recognized as a nonprofit organization operating in the community for the purpose of obtaining charitable gaming licenses, be considered for approval.