

Council Agenda

July 7, 2014 6:30 p.m.
Council Chamber

PRAYER AND PLEDGE OF ALLEGIANCE:

ROLL CALL:

ANNOUNCEMENTS:

1. Proclamation to honor Delbert J. Schrems, former member of City Council and Mayor of the City of Saginaw.

PUBLIC HEARINGS:

PERSONAL APPEARANCES:

(A list will be provided following submittal deadline.)

REMARKS OF COUNCIL:

REPORTS FROM MANAGER:

Management Update:

1. Update on the Community Development Block Grant application process.

CONSENT AGENDA:

1. Approve the June 23, 2014 regular council meeting minutes.
2. Approve Petition 14-08 for Saginaw African Cultural Festival Committee to erect banners located at Court Street and East Genesee Avenue from July 18 through August 18, 2014 to promote the Saginaw African Cultural Festival Weekend.
3. Approve the HOME Grant Agreement from the Department of Housing and Urban Development for FY 2015 for the HOME Investment Partnership Program for \$345,628.
4. Approve the HOME Subrecipient Contracts for FY 2015 with Habitat for Humanity for \$15,000 for operating expenses and \$52,677 for rehabilitation activities.
5. Approve the Emergency Solutions Grant Agreement from the Department of Housing and Urban Development for FY 2015 in the amount of \$173,183.
6. Approve the Emergency Solutions Grant Subrecipient Contracts for FY 2015 to four organizations providing shelters and transitional housing for the homeless.

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7. Approve the Community Development Block Grant Agreement from the Department of Housing and Urban Development for FY 2015 for \$2,058,758.
8. Approve the Community Development Block Grant Subrecipient Contracts and Memorandums of Understanding for FY 2015 with various organizations for housing, economic development, public improvements, and public service activities.
9. Approve purchase orders to CMP Distributors for \$5,413.40 for four Pointblank Tactical vests; and to Unitex Direct for \$12,430 for 22 Ballistic GH Lite X Level II vests for the Police Department for FY 2015.
10. Approve a purchase order to Waddle's Tire Service, Inc. for \$4,200 for FY 2015 for tire recycling services at the City's Convenience Station; and pending approval of the FY 2016 and FY 2017 budgets, approve the bid from Waddle's Tire Services, Inc. for \$4,200 each year for the same services.
11. Approve a purchase order to Republic Services of Flint for \$12,600 for trash containers and trash disposal at the City's Convenience Station for FY 2015; and pending approval of FY 2016 budget, approve the bid from Republic Services of Flint for \$13,140 for the same services for FY 2016.
12. Approve the Saginaw Bay Watershed Initiative Network Grant Agreement for \$1,000 to purchase LED lighting retrofit kits for the existing street lights at Otto Roeser Park.
13. Approve a purchase order to Rohde Brothers Excavating, Inc. for \$286,420 for parking lot improvements at the property leased to the Veterans Administration located east of the Aleda E. Lutz VA Medical Center, 1500 Weiss Street.
14. Approve a purchase order to Michigan Meter, Inc. for \$64,750 for 1,000 cold water meters for the Maintenance and Service Division for FY 2015.
15. Approve the Grass Cutting Services Agreement for \$45,000 with the Saginaw County Land Bank Authority from July 8, 2014 through October 31, 2014. Further, approve a budget adjustment for FY 2015 to increase the General Fund Revenues - Saginaw County Account No. 101-0000-674.003 by \$45,000. This increase in revenues will be offset by an increase in the General Fund - Department of Public Services - Abatement of Nuisances Division's, Employment Agency Fees Account No. 101-7571-804.000 by the same amount.
16. Approve to increase purchase order #049061 to TruGreen Companies, Inc. by \$6,944 for lawn fertilization services.

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

1. Approval of City Council reappointment of William J. Ostash to the Historic District Commission with a term to expire July 11, 2017.
2. Approval of Mayoral reappointment of Blanche Clark to the Saginaw Economic Development Commission with a term to expire June 30, 2017.

INTRODUCTION OF ORDINANCES:

1. An Ordinance to amend §52.31, "Deposit," of Chapter 52, "Water," of Title V, "Public Works," of the City of Saginaw Code of Ordinances, O-1.

CONSIDERATION AND PASSING OF ORDINANCES:

RESOLUTIONS:

1. Authorizing the consent order to rescind the sewer use permit with the former Saginaw Malleable Iron Property at 77 W. Center Street.
2. Authorizing the resolution to extend Renaissance Zone time duration for SSP Associates, Inc., or its assigns, at 314 and 406 N. Hamilton Street for a period of 15 years, beginning January 1, 2015 through December 31, 2029.

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., 989.759.1480.

PROCLAMATION

IN MEMORY OF DELBERT J. "DEL" SCHREMS

WHEREAS, on behalf of the Saginaw City Council, we offer our warmest condolences and heartfelt sympathy to the family of Delbert Schrems, whose life came to a close on June 21, 2014; and

WHEREAS, a beloved father and grandfather, he leaves to cherish his memory his loving wife, Nancy; four children, Michael Schrems, Andrew Schrems, Jennifer Busch, and John Schrems; seven grandchildren, of whom he was so proud, and a host of family and friends; and

WHEREAS, "Del", was born and raised in Saginaw and was known for his loyalty and devotion to our city. Del retired from Saginaw Malleable Iron in 1996 after 37 years of service. After retirement, he also worked for the Commission on Aging and Guardian Angels Respite Center; and

WHEREAS, Del served for 15 years on the Saginaw Midland Municipal Water Supply Corporation Board, Michigan Municipal League Board of Trustees, Saginaw County Solid Waste Authority, Habit for Humanity Board, and many other city and county committees; and

WHEREAS, Del took great pride in serving 15 years on the Saginaw City Council and as Mayor from 1987 to 1989. His death leaves our community with a deep feeling of sorrow for the loss of such an honored and respected citizen; and

WHEREAS, Del demonstrated his strong commitment to his faith and family by serving as a Eucharistic Minister at St. Helen and St. John Vianney Church and also as a coach and Cub Scout Leader for his sons; and

WHEREAS, Del was a member of the Knights of Columbus Council #4232 and served as Grand Knight for three years and was also a member of Monsignor Horton Fourth Degree. He will be remembered by family and friends as a man with absolute integrity, a man of courage, and a role model to all.

NOW, THEREFORE BE IT RESOLVED, I, Dennis D. Browning, Mayor of the City of Saginaw, hereby urge all citizens of Saginaw to recognize, honor, and celebrate the life, outstanding achievements, and contributions of Delbert J. Schrems to the City of Saginaw.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Saginaw to be affixed this 7th day of July in the year of our Lord two thousand fourteen.



Dennis D. Browning, Mayor



July 7, 2014

Councilpersons

*Amos O'Neal, Mayor Pro Tem
Michael Balls, Annie Boensch,
Larry Coulouris, Daniel Fitzpatrick,
Floyd Kloc, Brenda F. Moore, and
Demond L. Tibbs*

Timothy Morales, City Manager

REGULAR MEETING OF THE COUNCIL OF THE CITY OF SAGINAW, MICHIGAN, HELD MONDAY, JUNE 23, 2014, AT 6:30 P.M. IN THE COUNCIL CHAMBER OF CITY HALL.

PRAYER AND PLEDGE OF ALLEGIANCE

Pastor Robert Davis offered a prayer and led the pledge of allegiance. Mayor Browning invited those that wish to reflect on the passing of former Mayor Delbert J. Schrems.

ROLL CALL

Mayor Browning called the meeting to order. Council Members present: Dan Fitzpatrick, Demond Tibbs, Annie Boensch, Mayor Pro Tem Amos O'Neal, Larry Coulouris, Brenda Moore, Michael Balls, Floyd Kloc and Mayor Dennis Browning - 9. Council Members absent: 0.

ANNOUNCEMENTS

City Clerk Janet Santos announced that the last day to register to vote in the August 5, 2014 State Primary Election is Monday, July 7, 2014 and that City Hall will be closed Friday, July 4, 2014 for the Independence Day holiday.

PUBLIC HEARINGS

Clerk Santos announced the public hearing to create an Obsolete Property Rehabilitation District at 2302 State Street. Mayor Browning called for comments. Anthony Denha spoke in favor of the district creation. Mayor Browning called for comments two more times. There were no additional comments.

Moved by Council Member Coulouris, seconded by Council Member Kloc to close the public hearing. 9 ayes, 0 nays, 0 absent. Motion approved.

PERSONAL APPEARANCES

The following persons addressed the Council: John Stark, Terry Niederstadt, Diane Herman, Leo Romo and Charin Davenport.

REMARKS OF COUNCIL

Remarks were heard from the following Council Members: Fitzpatrick, Balls, Moore, Coulouris, Mayor Pro Tem O'Neal, Boensch, Tibbs and Mayor Browning.

REPORTS FROM CITY MANAGER

Management Updates

City Manager Tim Morales provided informational updates on various City activities and events.

Manager Morales introduced Pastor Robert Davis, Chair of the Citizen's Advisory Committee (CAC). Pastor Davis provided an update on the progress of the CAC.

Manager Morales announced the employee team members of himself, Jeff Klopcic, John Stemple and Tom Miller Jr. of Saginaw Future, Inc. Manager Morales stated that Mr. Miller was selected as the spokesperson to present "A Sustainable Approach to Property Management" plan created by the team.

Council Member Kloc left the meeting at 8:29 p.m. and returned at 8:33 p.m. Council Member Boensch left the meeting at 8:33 p.m. Mayor Browning left the meeting at 8:35 p.m. Council Member Boensch returned at 8:37 p.m. Mayor Browning returned at 8:38 p.m. Council Member Balls left the meeting at 9:08 p.m. and returned at 9:12 p.m.

Consent Agenda

1. Approve the June 9, 2014 regular Council meeting minutes.
2. Approve amendments to the FY 2014 Approved Budget to recognize any errors, omissions, or changes that have occurred during the 4th quarter.
3. Approve the Insurance Renewal for the City's General Liability, Automobile Liability, Michigan No Fault, Law Enforcement Liability, and Public Officials Liability for a total cost of \$469,192.
4. Approve to relocate the polling location for Precinct 19 from Jerome Elementary School to Handley Elementary School at 224 N. Elm Street.
5. Approve to receive the Michigan State Police/Emergency Management Homeland Security Division Grant to the Saginaw Fire Department for \$6,316. Further, approve a budget adjustment for FY 2014 to increase the General Fund Revenue State Grants Account No. 101-0000-539.000 by \$6,316 to recognize this grant.
6. Approve a purchase order to West Shore Fire for \$4,769 for the purchase of 19 pairs of structural firefighting boots for the Fire Department.
7. Approve a purchase order to Accurate Safety for \$5,532 for the purchase of 6 Level "A" Tyvek Haz Mat suits for the Fire Department.
8. Approve the option year contract prices from Legal Services of Eastern Michigan and issue a purchase order for \$21,895 for FY 2014/2015 for continued services of the Community Development Block Grant program.
9. Approve a purchase order to Ferguson Enterprises, a sole source, for \$2,345.50 for a pressure pump for the Maintenance and Service Division for FY 2015.
10. Approve a purchase order to Hotsy of Mid-Michigan for \$10,500 for a power washer for the Street Division.
11. Approve a purchase order to E.H. Wachs Company, a sole source, for \$14,000 for a used valve-turner reconditioned, upgraded, and installed in the city inspector's truck for FY 2015.
12. Approve a purchase order to Ace-Saginaw Paving Company for \$200,000 for hot and cold asphalt for the Maintenance and Service Division for FY 2015; and pending approval of the FY 2016 budget, approve the bid from Ace-Saginaw Paving Company for \$200,000 for hot and cold asphalt.

13. Approve the payment to Wohlfeil Hardware and Tool for \$8,990 for the emergency purchase of two Gravely Zero-Turn mowers for the Facilities Division.
14. Approve a purchase order to The Home Depot for \$6,020 for mason, sand, and gravel for the Maintenance and Service Division for FY 2015.
15. Approve a blanket purchase order to the City's primary suppliers of electrical parts and supplies for a total cost of \$8,000 for the Traffic Maintenance Section of the Right of Way Division for FY 2015.
16. Approve a blanket purchase order to Carrier and Gable, Inc. for \$6,000 for traffic signal repair costs for the Right of Way Division.
17. Approve a purchase order to Bay Outboard Marine for \$7,635.65 for a 65 HP boat motor for the Right of Way Division's pontoon boat.
18. Approve a purchase order to D.S. Power Service for \$10,000 for pole setting services for the Right of Way Division for FY 2015; and pending approval of the FY 2016 and 2017 budgets, accept the bid from D.S. Power Service for \$10,000 each year for the same services.
19. Approve two separate purchase orders to Rock Products Company for \$13,000 for ready-mix concrete for the Right of Way Division for FY 2015 and FY 2016, pending approval of FY 2016 budget.
20. Approve two separate purchase orders to Rock Products Company for \$150,000 for ready-mix concrete for the Maintenance and Service Division for FY 2015 and FY 2016, pending approval of FY 2016 budget.
21. Approve payment to Jack Doheny Companies, a sole source, for \$21,868.94 for emergency repairs to a 2007 Vector Jet for the Maintenance and Services Division.
22. Approve two separate purchase orders to Ace-Saginaw Paving Company for \$45,000 for hot and cold asphalt for the Right of Way Division for FY 2015 and FY 2016, pending approval of the FY 2016 budget.
23. Approve payment to Beck's Trailer Superstore for \$2,565 for the emergency purchase of a double-axle trailer for the Facilities Division for FY 2014.
24. Approve the Professional Service Agreements with six engineering firms in amounts not to exceed the annual amount of \$500,000 to provide engineering assistance on various projects for the Engineering Division.
25. Approve the River Bank Sampling Access Agreement with the Dow Chemical Company to evaluate the banks along the Tittabawasee River.
26. Approve the agreement with Saginaw County Mosquito Abatement Commission, and issue a purchase order for \$10,000 for routine vehicle maintenance service from July 1, 2014 through June 30, 2015 for the Motor Pool Operations Garage Division.

27. Approve the FY 2014 budget adjustment to increase the Andersen Enrichment Center Fund – Andersen Center Revenue Account No. 236-0000-580.001 by \$12,500 to cover the costs of emergency furnace and roof repairs at the Andersen Enrichment Center. This increase in revenues will be offset by an increase to the Andersen Enrichment Center Division's General Repairs Account No. 236-7540-930.000 for the same amount.
28. Approve the payment to GW Heating and Air Conditioning Company, Inc. for \$2,546 for the emergency replacement of a furnace at the Andersen Enrichment Center; and payment to Beyer Roofing Company for \$10,000 for the emergency replacement of a section of the roof at the Andersen Enrichment Center.
29. Adopt the Resolution authorizing the sale and consumption of alcoholic beverages at Morley Plaza during "Friday Night Live" outdoor concert events as scheduled.
30. Approve the Ojibway Island User Agreement with the Rock the Island Committee for "Rock the Island Event" on July 19, 2014.
31. Approve the payment to Wohlfeil Hardware and Tool for \$7,352 for the emergency purchase of power equipment for the Facilities Division.
32. Approve blanket purchase orders to ten of the City's primary suppliers of parts and supplies for various amounts for the Wastewater Treatment Division for FY 2015.
33. Approve a purchase order to Norkan, Inc. for \$3,415 for Devtar Epoxy Coating for the Wastewater Treatment Division for FY 2015; and pending approval of the FY 2016 budget, approve the bid from Norkan, Inc. for \$3,675 for Devtar Epoxy Coating for FY 2016.
34. Approve a purchase order to Synagro Central, LLC in an amount not to exceed \$594,500 for biosolids land application services for the Wastewater Treatment Division for FY 2015; and pending approval of the FY 2016 budget, approve the bid from Synagro Central, LLC in an amount not to exceed \$604,750 for the same services; and pending approval of the FY 2017 budget, approve the bid from Synagro Central, LLC in an amount not to exceed \$615,000 for the same services.
35. Approve two separate purchase orders to Glidden Professional Paint for \$10,584.30 for FY 2015 and \$11,094.30 for FY 2016 for paint products for the Wastewater Treatment Division; pending approval of the FY 2016 budget.
36. Approve two separate purchase orders to Airgas for \$1,464 for FY 2015 and FY 2016 for lab gasses for the Wastewater Treatment Division; pending approval of the FY 2016 budget.
37. Approve Petition 14-07 from Saginaw Area Fireworks Committee to display fireworks at the north end of Ojibway Island on Friday, July 4, 2014.

38. Approve two separate purchase orders to TBF Graphics for \$70,750 for FY 2015 and \$70,750 for FY 2016 for the printing and mailing of the water/sewer bills; pending approval of the FY 2016 budget.
39. Approve the Workers Compensation Insurance Renewal with Safety National Casualty Company from July 1, 2014 through June 30, 2015, for \$72,387.

Council Action:

Moved by Council Member Coulouris, seconded by Council Member Moore to approve consent agenda items 1, 3 through 12, 14, 15, 16, 18 through 23, and 25 through 39. 9 ayes, 0 nays, 0 absent. Motion approved.

Moved by Council Member Tibbs, seconded by Council Member Fitzpatrick to approve consent agenda item 2. 9 ayes, 0 nays, 0 absent. Motion approved.

Moved by Council Member Tibbs, seconded by Council Member Fitzpatrick to approve consent agenda item 13. 9 ayes, 0 nays, 0 absent. Motion approved.

Moved by Council Member Fitzpatrick, seconded by Council Member Tibbs to approve consent agenda item 17. 9 ayes, 0 nays, 0 absent. Motion approved.

Moved by Council Member Fitzpatrick, seconded by Council Member Kloc to approve consent agenda item 24. Mayor Browning asked Clerk Santos to conduct a roll call vote.

Ayes: Mayor Pro Tem O'Neal, Moore, Balls, Kloc, Fitzpatrick, Tibbs, Boensch

Nays: Coulouris

Absent: None

Abstain: Mayor Browning

Motion approved.

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

Council Member Tibbs reported that the Crime Free ordinance team met June 11, 2014.

Council Member Boensch reported that the City/School Liaison Committee met last week. The next meeting will be August 21, 2014 at City Hall.

Mayor Browning encouraged all Boards, Commissions and Committees to forward their meeting minutes to the Clerk's office.

Moved by Council Member Coulouris, seconded by Council Member Boensch to appoint Diana Gutierrez to the Saginaw Transit Authority Regional Services with a term to expire May 21, 2015. 9 ayes, 0 nays, 0 absent. Motion approved.

Moved by Council Member Boensch, seconded by Council Member Fitzpatrick to approve the Mayoral reappointment of JoAnn Cray to the Hospital Finance Authority with a term to expire June 30, 2019. 9 ayes, 0 nays, 0 absent. Motion approved.

Moved by Council Member Coulouris, seconded by Council Member Boensch to approve the Mayoral reappointment of Kristin Karwat to the Saginaw Arts and Enrichment Commission with a term to expire June 30, 2017. 9 ayes, 0 nays, 0 absent. Motion approved.

Moved by Council Member Boensch, seconded by Council Member Fitzpatrick to approve the Mayoral reappointment of William Scharffe to the Saginaw Economic Development Corporation with a term to expire June 30, 2017. 9 ayes, 0 nays, 0 absent. Motion approved.

RESOLUTIONS

Moved by Council Member Kloc, seconded by Council Member Boensch to adopt a resolution establishing an Obsolete Property Rehabilitation District located at 2302 State Street. 9 ayes, 0 nays, 0 absent. Motion approved.

Council Member Coulouris left the meeting at 9:56 p.m.

Moved by Council Member Kloc, seconded by Council Member Moore to adopt a resolution to seek Transportation Economic Development Fund – Category F funds for FY 2016 for road rehabilitation. 8 ayes, 0 nays, 1 absent. Motion approved.

Council Member Coulouris returned at 10:00 p.m.

MOTIONS AND MISCELLANEOUS BUSINESS

Moved by Council Member Kloc, second by Council Member Moore to go into a closed session under MCL 15.268(c) for a strategy session connected with the negotiation of collective bargaining agreements. Mayor Browning asked Clerk Santos to conduct a roll call vote.

Ayes: Coulouris, Moore, Balls, Kloc, Fitzpatrick, Tibbs, Boensch, Mayor Pro
Tem O'Neal and Mayor Browning

Nays: None

Absent: None

Motion approved.

Moved by Council Member Kloc, seconded by Council Member Moore to return to regular session at 10:34 p.m. 9 ayes, 0 nays, 0 absent. Motion approved.

Moved by Council Member Kloc, seconded by Council Member Moore to approve the Tentative Agreement between the City of Saginaw and the Service Employees International Union (SEIU), Local 517M, Part-Time Bargaining Unit, with the conditions that were discussed this evening in closed session, for the contract term to commence on July 1, 2014 and to expire on June 30, 2016. 9 ayes, 0 nays, 0 absent. Motion approved.

ADJOURNMENT

Moved by Council Member Fitzpatrick, seconded by Council Member Boensch to adjourn the meeting at 10:34 p.m. 9 ayes, 0 nays, 0 absent. Motion approved.

Janet Santos, CMC/MMC
City Clerk

Petition for Banner

RECEIVED
CITY CLERK
CITY OF SAGINAW

JUN 26 2014

Petition 14-08

PLEASE NOTE: PETITION WILL NOT BE ACCEPTED PRIOR TO SIX (6) MONTHS BEFORE YOUR EVENT.

TO SAGINAW CITY COUNCIL:

We, the undersigned, do hereby petition your Honorable Body to give favorable consideration to the erection of a banner at not more than two (2) of the locations listed below. We are aware of the \$150.00 banner fee and understand that the fee must be paid to the Department of Engineering prior to hanging the banner. (Note: Fee set by Resolution of Council at a regularly scheduled meeting held 6/7/04.)

- 500 Block of Court Street
- 200 Block of West Genesee
- 300 Block of South Michigan
- 1000 Block of East Genesee Avenue

For: Saginaw African Cultural Festival
(Organization)

Purpose of Banner: To notify the public of the event

MESSAGE ON BANNER: 46th Annual Saginaw Cultural Festival

Time Period Requested: ~~June 18, 14~~ July 18, 14 to Aug. 18, 14
(Not to exceed 30 days)

PETITIONERS

NAME, ADDRESS AND TELEPHONE NUMBER OF CONTACT PERSON:

NAME: Charles W. McNeil PHONE: 989-753-7340

ADDRESS: 4038 Harold, Saginaw, MI

-----FOR OFFICE USE ONLY-----

DATE APPROVED BY COUNCIL: _____

CITY CLERK

From: Timothy Morales, City Manager
Subject: HUD HOME Investment Partnership Program Grant Agreement
Prepared by: Leticia Trevino, CDBG Specialist

Manager's Recommendation:

I recommend that the City Council approve the HOME Grant Agreement for 2014-15 in the amount of \$345,628. This agreement has been approved by the City Manager as to substance and the City Attorney as to form. Further, it is recommended that the Mayor or his designee be authorized to sign the agreement.

Justification:

The City of Saginaw has received a Grant Agreement from the Department of Housing and Urban Development (HUD) for FY 2015 for the HOME Investment Partnership Program. The funding agreement is in the amount of \$345,628. The City will use \$277,951 for the single-family, owner-occupied residential grant program for very low-income homeowners. In addition, Habitat for Humanity will use \$52,677 for rehabilitation of houses, and \$15,000 for operating fees in conjunction with these activities.

In accepting this grant agreement, the City agrees that it will comply with all the terms and conditions of the agreement, applicable laws, regulations, and all other requirements of HUD now or hereafter in effect pertaining to the HOME Investment Partnership Grant Program and other applicable laws. These conditions are also made a part of all contracts with third parties or subgrantees financed with HOME monies.

Council approved the City's submission to the Department of Housing and Urban Development (HUD) for these funds on February 3, 2014 and approved the allocation of these funds again on May 19, 2014 with the adoption of the 2015 Budget.

Council Action:

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

From: Timothy Morales, City Manager
Subject: HUD HOME Community Housing Development Organization (CHDO)
Subrecipient Contracts

Prepared by: Leticia Trevino, CDBG Specialist

Manager's Recommendation:

I recommend that the City Council approve the HOME Subrecipient Contracts for 2014-2015 for a total amount of \$67,677. The contracts have been approved by the City Manager as to substance and the City Attorney as to form. Further, it is recommended that the Mayor or his designee be authorized to sign the contracts.

Justification:

Transmitted herewith to the Mayor are two contracts from the HOME Program, which would include the purchase of materials for rehabilitation of property, and operation expenses. The following information outlines the scope of activity and funding level for the two projects under contract with the City.

1. Community Housing Development Organization Operating Expenses \$15,000
This activity is administered by Habitat for Humanity. It provides operating funds for Habitat to act as the Community Housing Development Organization (CDHO) for the City of Saginaw.
2. Habitat for Humanity Rehabilitation Activities \$52,677
This activity is also operated by Habitat for Humanity acting as the CHDO for the City of Saginaw. These funds will be used to rehabilitate houses to be occupied by low and very low-income households.

Council approved the City's submission to the Department of Housing and Urban Development (HUD) for these funds on February 3, 2014 and approved the allocation of these funds again on May 19, 2014 with the adoption of the 2015 Budget.

Council Action:

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

From: Timothy Morales, City Manager
Subject: Emergency Solutions Grant (ESG) Agreement
Prepared by: Leticia Trevino, CDBG Specialist

Manager's Recommendation:

I recommend that the City Council approve the Emergency Solutions Grant (ESG) Agreement for 2014-15 in the amount of \$173,183. This grant agreement has been approved by the City Manager as to substance and the City Attorney as to form. Further, it is recommended that the Mayor or his designee be authorized to sign the agreement.

Justification:

The City of Saginaw has received a grant agreement from the Department of Housing and Urban Development (HUD) for FY 2015 for the Emergency Solutions Grant (ESG) Program. The funding agreement is in the amount of \$173,183. This is the City's entitlement amount approved by the federal government.

The activities referred to in the funding agreement include all the activities listed in the submission and approved by the City Council on February 3, 2014 and approved the allocation of these funds again on May 19, 2014 with the adoption of the 2015 Budget.

In accepting this grant agreement, the City agrees that it will comply with all the terms and conditions of the agreement, applicable laws, regulations, and all other requirements of HUD now or hereafter in effect pertaining to the ESG Program and other applicable laws. The agreement is for an eighteen (18) month period that began on July 1, 2014 and will terminate on December 31, 2015. In accepting this grant agreement, the City also agrees that it will comply with standard federal regulations on employment and training of area residents, affirmative action in hiring employees, equal employment opportunity and third-party agreements. These conditions are also made part of contracts with third parties or subgrantees financed with ESG monies.

Council Action:

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

From: Timothy Morales, City Manager
Subject: HUD Emergency Solutions Grant (ESG) Subrecipients Contracts
Prepared by: Leticia Trevino, CDBG Specialist

Manager's Recommendation:

I recommend that the City Council approve the Emergency Solutions Grant (ESG) Subrecipient Contracts for 2014-15. The contracts have been approved by the City Manager as to substance and the City Attorney as to form. Further, it is recommended that the Mayor or his designee be authorized to sign the contracts.

Justification:

Transmitted herewith to the Mayor are four contracts from the ESG Program to provide \$173,183 assistance to four organizations providing shelters and transitional housing for the homeless.

The following information outlines the scope of activity and funding level for each project under contract with the City:

1. Underground Railroad \$42,540
This activity is operated by Underground Railroad, Inc. These funds will be used to supplement the agency in funding the maintenance costs of the emergency shelter including: operating utilities, food, supplies, professional fees, communication costs, transportation, and furnishings for the facility.
2. Youth Protection Council \$31,112
This activity is operated by the Saginaw County Youth Protection Council. The funds will be used to supplement the agency in providing services to the three shelters for the homeless: Innerlink Emergency Shelter, Innerlink Transitional Living Program, and Teen Parent Services Transitional Living Program.
3. Restoration Community Outreach \$62,873
This activity is operated by Restoration Community Outreach. These funds will be used to supplement the agency in providing emergency housing and supportive services to the homeless, recovering addicts, and ex-prisoners reentering the community.
4. United Way of Saginaw Co. HMIS \$17,963
This activity is administered through the United Way of Saginaw County. This project is the maintenance of the Homeless Management Information System, which is a requirement of HUD for grantees to receive ESG funds. This is a match of funds received directly from HUD.

5. United Way of Saginaw Co. HPRP \$18,695

This activity is administered through the United Way of Saginaw County. This activity will provide and promote affordable housing, along with improving health and stability in order to increase economic security. They will also work with other agencies in collaborating efforts in homelessness prevention and rapid re-housing which is a requirement of HUD for grantees to receive ESG funds.

Council approved the City's submission to the Department of Housing and Urban Development (HUD) for these funds on February 3, 2014 and approved the allocation of these funds again on May 19, 2014 with the adoption of the 2015 Budget.

Council Action:

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

From: Timothy Morales, City Manager
Subject: Community Development Block Grant (CDBG) Agreement
Prepared by: Leticia Trevino, CDBG Specialist

Manager's Recommendation:

I recommend that the City Council approve the Community Development Block Grant (CDBG) Agreement for 2014-15 in the amount of \$2,058,758. This grant agreement has been approved by the City Manager as to substance and the City Attorney as to form. Further, it is recommended that the Mayor or his designee be authorized to sign the agreement.

Justification:

The City of Saginaw has received a grant agreement from the Department of Housing and Urban Development (HUD) for FY 2015 for the CDBG Program. The funding agreement is in the amount of \$2,058,758. This is the City's entitlement amount approved by the federal government.

The activities referred to in the funding agreement include all the activities listed in the submission and approved by the City Council on February 3, 2014 and approved the allocation of these funds again on May 19, 2014 with the adoption of the 2015 Budget.

In accepting this grant agreement, the City agrees that it will comply with all the terms and conditions of the agreement, applicable laws, regulations, and all other requirements of HUD now or hereafter in effect pertaining to the CDBG Program and other applicable laws. The agreement is for a one-year period that began on July 1, 2014 and will terminate on June 30, 2015. In accepting this grant agreement, the City also agrees that it will comply with standard federal regulations on employment and training of area residents, affirmative action in hiring employees, equal employment opportunity and third-party agreements. These conditions are also made part of contracts with third parties or subgrantees financed with CDBG monies.

Council Action:

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

From: Timothy Morales, City Manager
Subject: HUD Community Development Block Grant (CDBG) Subrecipients
Contracts
Prepared by: Leticia Trevino, CDBG Specialist

Manager's Recommendation:

I recommend that the City Council approve the Community Development Block Grant (CDBG) Subrecipient Contracts and Memorandums of Understanding for 2014-15. The contracts have been approved by the City Manager as to substance and the City Attorney as to form. Further, it is recommended that the Mayor or his designee be authorized to sign the Contracts and Memorandums of Understanding.

Justification:

Transmitted herewith to the Mayor are fifteen (15) contracts and three (3) memorandums of understanding for housing, economic development, public improvements, and public service activities to be carried out under the City's 41st year of the CDBG Program. The following information outlines the scope of activity and funding level for each project under contract with the City:

1. Elderly and Disabled Repair \$118,149
This activity is operated by Saginaw County Community Action Committee (CAC). It provides one-time home repair for the elderly and/or disabled residents in the City who could not otherwise afford to make improvements to their homes. Pre-inspections will determine the priority of homes to be completed.
2. Saginaw Economic Development Corp \$497,815
This activity is operated by the Saginaw Economic Development Corporation. It provides funds to make business loans to credit worthy entrepreneurs and firms that wish to start or expand businesses in the targeted areas. Each business loan is based on the number of jobs to be created and made available to low and moderate-income residents in the City. The budget is comprised of entitlement funds, loan repayments, and carryover funds.
3. Downtown Development Authority \$64,598
This activity is operated by the Downtown Development Authority (DDA). These funds will be utilized by the DDA in their efforts to redevelop properties and recruit businesses to Downtown Saginaw.

4. Habitat for Humanity Housing Counseling \$13,854
This activity is sponsored by Habitat for Humanity. It will include assisting low and moderate-income households with pre-loan housing counseling services, credit counseling, financial management, and homebuyer education. Participants will also receive post-loan support once they have received a loan.
5. Habitat for Humanity Home Maintenance \$13,556
This activity is operated by Habitat for Humanity in the City of Saginaw. It provides for home maintenance classes for basic plumbing, electrical, interior and exterior repairs. This service is provided to households with income that falls between 30-60% of the area median income for the number of members in their household.
6. Youth Protective Services \$18,268
This activity is operated by the Saginaw County Youth Protection Council. The program seeks to provide intensive long-term social casework intervention for 20 low to moderate-income families whose personal problems have led to degeneration of the family unit. This activity will not be effective until October 1, 2014, when the current contract expires.
7. Teen Parent Support \$18,268
This activity is operated by the Saginaw County Youth Protection Council. The program seeks to provide assistance directed toward high-risk pregnant and parenting females under the age of 21. Teen Parent Support works to: reduce infant mortality and child abuse, delay subsequent pregnancies, and help young mothers work toward self-sufficiency. This activity will serve 55 clients eligible to be assisted with CDBG funds. This activity will not be effective until October 1, 2014, when the current contract expires.
8. Mission in the City \$6,699
This activity is sponsored by Mission in the City. It provides a venue for after school and summer programs for the youth while providing recreational opportunities for adults. It will function as social hub for a very depressed area by having fitness activities. Mission in the City expects to serve hundreds of people daily on the sports equipment and walking trails.
9. Parishioners on Patrol \$15,245
The purpose of the project is to improve the quality of life of residents within the City. Its members will walk the streets of the City promoting non-violence and engaging with the residents through door-to-door contacts.
10. Women of Colors, Inc. -Youth Mentoring \$9,570
This activity is sponsored by Women of Colors, Inc. Three unique programs are offered to nurture and promote responsibility in the lives of Saginaw's youth from

ages 5 to 18 to mentor at-risk youth and instill values of respect and accountability. Each program was also established to challenge and prepare youth to become positive peers, responsible role models, and leaders.

11. First Ward LACER \$27,971

This activity is sponsored by First Ward Community Services. The purpose of this program is to implement Literacy Arts Cultural Enrichment and Recreation (LACER) Program. It is an after-school and summer program whose goal is to enhance and expand the number and variety of programs serving youth in the K-12th grades and increasing the number of youth who do not access to positive opportunities in safe environments in the City of Saginaw.

12. Houghton-Jones Neighborhood Task Force \$31,887

This organization promotes “community” in their area of the City. The activities they oversee promote and encourage beautification efforts throughout the neighborhood and seek to have a paid staff person to handle the day-to-day operations and oversee event planning with the continued help of volunteers in the community.

13. Power of Dad Ministries – Youth Mentoring \$16,269

This program is focused on educating and encouraging quality relationships between fathers and their children. The target age for this mentoring program is youth from the ages of 13-19 and their fathers.

14. Health Delivery, Inc. – Dental Facility \$26,611

This organization provides health care and dental services for low income, uninsured or underinsured citizens. The funds requested would be used to renovate existing space that will expand their dental care facilities. This will enable this subgrantee to provide dental care services to more people in the community.

15. Project Unify, Inc. \$9,570

This organization will continue with revitalization efforts at Veterans Lawrence H. McKinney Park in the City of Saginaw. The goal is to provide a clean, safe and friendly environment for the youth and the residents of the community.

The following information outlines the scope of activity and funding level for each project under a Memorandum of Understanding (MOU) with City departments outside of the Development Department:

1. Street Improvements \$186,615

This activity is under the City of Saginaw’s Department of Public Services. The purpose of the program is to resurface streets, replace deteriorated pavement sections, adjust manhole structures, and construct ADA compliant sidewalk ramps within CDBG-eligible neighborhoods.

2. Community Policing \$186,615
This activity is under the City of Saginaw's Police Department. The purpose of this program is to continue to fund three Community Police Officers (CPOs) in designated CDBG-eligible neighborhoods. The CPOs have been able to develop close relationships with the residents, business owners/employees and other stakeholders within these neighborhoods. These relationships have resulted in an improved quality of life for the residents of these neighborhoods.

3. Demolition of Dangerous Buildings \$236,414
This activity is administered under the City of Saginaw's Inspections Division. The purpose of the program is to reduce the presence of blighted, vacant, unsafe structures within the City of Saginaw.

Council approved the City's submission to the Department of Housing and Urban Development (HUD) for these funds on February 3, 2014 and approved the allocation of these funds again on May 19, 2014 with the adoption of the 2015 Budget.

Council Action:

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

From: Timothy Morales, City Manager
Subject: Pointblank Tactical Vests & Ballistic Bulletproof Vests
Prepared by: Sienna Rendon, Public Safety-Police

Manager’s Recommendation:

It is recommended that separate purchase orders be issued to CMP Distributors (CMP) of Lansing, MI, in the amount of \$5,413.40 for four Pointblank Tactical vests; and to Unitex Direct of Walled Lake, MI, in the amount of \$12,430 for 22 Ballistic GH Lite X Level II vests, for the Police Department.

Justification:

On June 3, 2014, three qualified vendors submitted bids in response to the City of Saginaw’s request for Proposal #1239-14 for twenty-two Ballistic GH Lite Bulletproof vests and four Pointblank Tactical vests for the Saginaw Police Department.

The following is a tabulation of the bids received:

| Vendor & Location | Ballistic GH Lite X Level II Vest | Pointblank Tactical Vest | Shipping | Total Cost |
|------------------------------------|-----------------------------------|--------------------------|----------|-------------|
| Lansing Uniform Co. Lansing, MI | \$12,848.00 | No bid | \$100.00 | \$12,948.00 |
| CMP Distributors Lansing, MI | \$10,053.12 | \$5,413.40 | \$0 | \$15,466.52 |
| Unitex Direct Walled Lake, MI | \$12,430.00 | \$4,780.00 | \$300.00 | \$17,510.00 |

All sworn officers are equipped with concealable body armor (ballistic & tactical vests) as part of their uniform. The vests worn by Saginaw Police Officers are guaranteed for 5 years and are presently due for replacement. **CMP was the sole bidder for the pointblank tactical vests since Unitex Direct offered an alternate tactical vest but it did not meet the needs of our department. Likewise, Unitex Direct was the low bidder for the ballistic vests since CMP offered a vest that did not fit the needs of the department.**

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 this purchase are available in Community Public Safety – Police, Police Building Management Division’s Clothing Supplies Account No. 101-3514-728.000.

Council Action:

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

From: Timothy Morales, City Manager
Subject: Tire Recycling Services – ROW Division
Prepared by: Beth London, Public Services Department

Manager’s Recommendation:

I recommend that a purchase order be issued to Waddle’s Tire Service, Inc., Brownstone, MI, the sole bidder, in the amount of \$4,200 for FY 2015 for the recycling of discarded tires collected at the City of Saginaw’s Convenience Station. I also recommend, pending approval of FY 2016 and FY 2017 budgets, acceptance of the bids from Waddle’s Tire Service, Inc. in the same amounts for tire recycling services for FY 2016 and FY 2017.

Justification:

On May 27, 2014, one (1) bid was received for the recycling of discarded tires collected at the City of Saginaw’s Convenience Station, located at 1435 S. Washington Avenue. This service requires the vendor to supply a minimum 40 foot trailer for collection and disposal of discarded tires. Waddle’s Tire Service bid \$1,400 each time, they must empty and dispose of the tire trailer contents. It is estimated that the 40 foot trailer will need disposal three times during the year at a yearly cost of \$4,200.

Waddle’s Tire Service, 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 budgeted in the FY 2015 Rubbish Collection Fund – Sanitary Landfill Division’s, Operating Services Account No. 226-4584-805.000 (\$4,200). Funds for this purchase will be budgeted for the same amount and account number for FY 2016 and FY 2017 pending budget approval.

Council Action:

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

From: Timothy Morales, City Manager
Subject: Convenience Station Containers and Trash Disposal – ROW Division
Prepared by: Beth D. London, Public Services Department

Manager’s Recommendation:

I recommend that a purchase order be approved to Republic Services of Flint, the sole bidder, in the amount of \$12,600 for trash containers and trash disposal at the City’s Convenience Station for FY 2015. I also recommend, pending approval of Fiscal Year 2016 budget, acceptance of the bid from Republic Services of Flint in the amount of \$13,140 for trash containers and trash disposal for FY 2016.

Justification:

On June 24, 2014, sealed bids were received for the disposal of trash collected at the City of Saginaw’s Convenience Station, located at 1435 S. Washington Avenue. This service requires the vendor to supply 40 cubic yard containers each month for collection of trash at the Convenience Station. It is estimated that two 40 cubic yard containers will be filled six months of the year and three 40 cubic yard containers will be filled six months of the year. It is also estimated that the total weight of the trash in each dumpster will never be more than 6 tons. The total estimated cost for this service for fiscal year 2015 would be \$12,600 and \$13,140 for fiscal year 2016. Republic’s bid is listed below as follows:

| <u>Container*</u> | <u>Vendor</u> <u>Total Bid</u> | <u>Delivery Cost</u> | <u>Disposal Cost Per</u> <u>Per Container</u> | <u>Cyd /</u> |
|---------------------------------------|-----------------------------------|----------------------|--|--------------|
| Republic Services of Flint, Flint, MI | FY 2015 | \$0 | \$10.50 / \$420 | \$12,600 |
| | FY 2016 | \$0 | \$10.95 / \$438 | \$13,140 |

*All loads over 6 tons are subject to an additional charge of \$31.00 / ton in both fiscal years.

Republic Services of Flint 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 budgeted in the Rubbish Collection Fund – Rubbish Collection Division’s, Operating Services Account No. 226-4582-805.000 for fiscal year 2015, and will be budgeted in the same account number for fiscal year 2016, pending Council approval.

Council Action:

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

From: Timothy Morales, City Manager
Subject: Saginaw Bay Watershed Initiative Network Agreement – ROW Division
Prepared by: Beth London, Public Services Department

Manager’s Recommendation:

I recommend that the Saginaw Bay Watershed Initiative Network Grant Agreement for \$1,000 be approved to purchase LED lighting retrofit kits for the existing street lights at Otto Roeser Park. I further recommend that the Mayor or his designee be authorized to execute said Agreement. The Agreement has been approved by me as to substance and the City Attorney as to form.

Justification:

The City of Saginaw Engineering Division has been working with the Heritage Square Neighborhood in an attempt to upgrade the eight (8) existing high pressure sodium lights located at Otto Roeser Park to LED lights that are much more energy efficient and will reduce energy costs and enhance security due to reliability of the lights. The estimated total cost for the LED retrofit kits is \$3,000.

The City of Saginaw applied for a \$1,000 grant from the Saginaw Bay Watershed Initiative Network to purchase LED lighting retrofit kits for the existing street lights at Otto Roeser Park. The Heritage Square Neighborhood Association has agreed to provide the required grant match in the amount of \$2,000 to the City. The City of Saginaw’s Traffic Maintenance staff will install the LED retrofit kits. The Saginaw Bay Watershed Initiative Network requires the City of Saginaw to enter into an Agreement for the use of the grant funds as stated in the grant.

The installation of the LED street light retrofit kits will reduce the park lighting operating costs and improve the lighting efficiency.

Council Action:

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

From: Timothy Morales, City Manager
Subject: Contract with Rohde Brothers Excavating, Inc. - ROW Division
Prepared by: Beth D. London, Public Services Department

Manager's Recommendation:

I recommend acceptance of the low bid from Rohde Brothers Excavating, Inc., Saginaw, MI for the construction of a parking lot on City property leased to the Veterans Administration located east of the Aleda E. Lutz Veterans Administration Hospital, 1500 Weiss Street, and a contract be awarded to them in the amount of \$286,420. The contract has been approved by me as to substance and the City Attorney as to form.

Justification:

On April 7, 2014, City Council approved a lease agreement with the Veterans Administration that included the construction of the parking lot on the leased property. **The Veterans Administration will reimburse the City for 100% of the construction costs and pay the City an additional 7% for administration of the project.** The City will be reimbursed on a monthly basis for all associated costs, including the 7% administration cost.

On June 17, 2014, the City received bids for the Parking Lot Improvements for: VMAC Lease Parcel, C-1618.

The construction of the parking lot will include the installation of underground drainage, grading and resurfacing, and reconfiguration of the lot to include one-way circulation, angled parking and a motorcycle parking area. The entrance to the Aleda E. Lutz Veterans Administration Medical Center will be relocated to align with Mason Street.

The following is a tabulation of the bids received:

| | |
|---|----------------|
| Rohde Brothers Excavating, Inc. Saginaw, MI (Out-City) | \$286,420.00 |
| Bourdow Contracting, LLC Carrollton, MI | \$287,505.35 |
| Champagne & Marx Excavating, Inc. Saginaw, MI (Out-City) | \$322,106.99 * |
| J R Heineman & Sons, Inc. Saginaw, MI (In-City) | \$506,793.65 * |

* Corrected Bid due to error in calculation of price extension.

Rohde Brothers Excavating, 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 budgeted in the General Fund – Department of Public Services, Engineering Administration Division's Construction Projects Account No. 101-4611-822.000.

Council Action:

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

From: Timothy Morales, City Manager
Subject: Purchase of 1,000 - 5/8" x 3/4" Cold Water Meters
Prepared by: John Premo, Public Services Department

Manager's Recommendation:

I recommend that the low bid be accepted and that a purchase order be approved to Michigan Meter, Inc., Madison Heights, MI, for \$64,750 for 1,000 cold water meters for the Maintenance and Service Division for FY 2015.

Justification:

On June 12, 2014 quotes were solicited for 1,000 - 5/8" by 3/4" cold water meters. The recent below average winter temperatures caused numerous cold water meters in the City to freeze and require repair service. New EPA regulations concerning leaded brass state that a meter cannot be re-used once it is taken out of service therefore those frozen meters were replaced with a new meter. Also, several cold water meters were replaced in order to sync up with the City's Automated Meter Read System. Both of these factors have depleted the stock of residential meters at over twice the normal rate. A typical replacement rate is 30 meters a month and the City is currently replacing over 70 meters a month on average. At this rate, the existing stock will be depleted in six weeks. This has prompted a request for quotes from the two meter manufacturers that are compatible with our system: Neptune and Sensus. The following is a tabulation of the quotes received:

| | |
|---|-----------------|
| Michigan Meter, Inc. Madison Heights, Michigan | \$64,750 |
| Etna Supply Grand Rapids, Michigan | \$68,000 |

Michigan Meter, 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 budgeted in the Water Operation and Maintenance Fund – Meter Maintenance and Service Division's Repair and Replacement Account No. 591-4720-974.000 (\$32,375) and Sewer Operation and Maintenance Fund – Meter Maintenance and Service Division's Repair and Replacement Account No. 590-4820-974.000 (\$32,375).

Council Action:

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

From: Timothy Morales, City Manager

Subject: Saginaw County Lank Bank Authority Grass Cutting Services Agreement and Budget Adjustment

Prepared by: Phillip Karwat, Director of Public Services

Manager's Recommendation:

I recommend that the Grass Cutting Services Agreement with the Saginaw County Land Bank Authority ("SCLBA") be approved. The term of the Agreement is from July 8, 2014 through October 31, 2014. In addition, the amount of the Agreement is \$45,000. The Agreement has been approved by me as to substance and the City Attorney as to form. I further recommend that the Director of Public Services or his designee be authorized to sign the Agreement and any other related documents.

It is also recommended that a budget adjustment be completed to increase the General Fund Revenues – Saginaw County Account No. 101-0000-674-003 from \$50,000 to \$95,000 , which is an increase of \$45,000. This increase in revenues will be offset by an increase in the General Fund –Department of Public Services - Abatement of Nuisances Division's, Employment Agency Fees Account No. 101-7571-804.000 by \$45,000 in Fiscal Year 2015.

Justification:

The SCLBA has collaborated with the City of Saginaw since 2010 to provide grass cutting services for SCLBA vacant properties. Based upon the City's prior performance, the parties have agreed to enter into this Agreement for the City to provide services for the remainder of the 2014 grass cutting season (July 8, 2014 through November 30, 2014). Specifically, the City will provide grass cutting services for cutting the right of ways and corner clearances for properties abutting City of Saginaw streets. The additional monies will allow the City of Saginaw to hire five (5) temporary employees in order to provide five (5) two-man grass cutting crews for the remainder of the season. In addition, the City will prepare and provide reports to the SCLBA regarding its grass cutting activities. The season historically begins the middle of April and ends October 31, depending on the weather.

Council Action:

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

Professional Service

THIS AGREEMENT, made and entered into this _____ day of _____, 2014 by and between Saginaw County Land Bank, of Saginaw, Michigan (hereinafter called "COUNTY"), and City of Saginaw, (hereinafter called "CITY") presently of 1315 S. Washington Ave., Saginaw Michigan.

WITNESSETH:

WHEREAS, the County of Saginaw desires the City of Saginaw to provide lawn maintenance services, as stated below, and partner with the Saginaw County Land Bank. The County agrees to pay the City of Saginaw an annual amount of \$45,000, for these services; and

WHEREAS, the services contracted for pursuant to this Agreement are proper concern of the County of Saginaw and are services that the County of Saginaw could otherwise perform pursuant to law.

NOW THEREFORE, for and in consideration of the mutual covenants hereinafter contained, IT IS HEREBY AGREED as follows:

ARTICLE 1

Services to be provided by City of Saginaw

City of Saginaw shall provide the specified services in conjunction with, and under the direction of Timothy Novak, Saginaw County Treasurer.

ARTICLE 2

Duties of City of Saginaw

City of Saginaw, in accordance with the general purposes and objectives of this Agreement, as herein specified shall:

A. Provide professional lawn maintenance services, including the purchase of necessary equipment required, in order to assist the Saginaw County Land Bank.

ARTICLE 3

Duration and Termination of Agreement

City of Saginaw shall commence performance of the services and obligations required of it hereunder on July 8, 2014, and shall complete said services by October 31, 2014.

ARTICLE 4

Compensation

City of Saginaw shall be compensated by the County of Saginaw for duties specified in Article 2, above for the endurance of this contract, at a total reimbursement rate of \$45,000.00. Payment by the COUNTY to CITY shall be made in one payment, as requested by the City at any time within the "Duration and Termination of Agreement" period as specified in Article 3. It will be requested by the City that a payment in the amount of \$45,000 will be made to the City prior to November 30, 2014.

ARTICLE 5

Reports

CITY of Saginaw shall prepare and submit to the County reports required and as requested by the COUNTY.

Timothy Novak shall determine what information shall be contained in each of the aforementioned reports, if any reports are requested.

ARTICLE 6

Compliance with the Law

CITY of Saginaw shall provide all professional services to be performed under this Agreement in complete compliance with all applicable Federal, state and local laws, ordinances, policies and procedures, rules and regulations.

ARTICLE 7

Disregarding Titles

The titles of the sections set forth in this Agreement are inserted for the conveniences of reference only and shall be disregarded when construing or interpreting any of the provisions of this Agreement.

ARTICLE 8

Non-Beneficiary Contract

This Agreement is not intended to be a third-party beneficiary contract and confers no rights on anyone other than the parties hereto.

ARTICLE 9

Certification

The persons signing below certify that they are duly authorized to sign this Agreement.

IN WITNESS WHEREOF, the parties hereto have fully executed this Agreement on the day and year first above written.

CITY OF SAGINAW

COUNTY OF SAGINAW

APPROVED AS TO PROPER AND
LEGAL DEPARTMENTAL
EXPENDITURE

By _____

Phillip Karwat
Director of Public Services

By _____

Timothy Novak, County Treasurer

From: Timothy Morales, City Manager
Subject: City Wide Fertilization Service
Prepared by: Bruce Caradine, Public Services Department

Manager's Recommendation:

I recommend that purchase order #049061 with TruGreen Companies, Inc. (TruGreen) Saginaw, Michigan, be increased from \$10,416 to \$17,360, an increase of \$6,944 in FY 2014, to cover the additional costs for annual lawn fertilization services.

Justification:

On July 15, 2013, City Council approved a purchase order issued to TruGreen for annual lawn service at select City properties. This service requires TruGreen to apply an early spring fertilization treatment, summer weed control treatment and a fall crabgrass control treatment to designated City-owned properties. The City properties that receive these treatments are City Hall, Public Services, Police Department, Celebration Park and Forest Lawn Cemetery. The Facilities Division provides seasonal lawn services for select City properties from April to September to keep lawns presentable. Originally the purchase order was set up where the service treatments would have been September, April and June covering one fiscal year. With the purchase order being established after the April and June treatment dates had past, TruGreen would have been fertilizing the dandelions and broadleaf grasses. TruGreen advised that it would be better to do the treatments in sequence and did the April treatment in August, the June treatment in September and the September treatment in October to kill off the evasive grasses first. TruGreen did all of FY 2014 services last fall. In the spring the treatment services started over again with the April and June treatments being applied, thus causing a need increase the purchase order the recommended amount, which is the amount that was bid for this service at these times.

Funds for this increased purchase are budgeted in the following: General Fund - Department of Public Services, Facilities Division's, Operating Services Account No. - 101-7575-805.000 (\$250), General Fund - Department of Public Services, Cemeteries Division's Operating Services Account No. 101-1747-805.000 (\$5,984), General Fund -Department of Community Public Safety, Police Building Management Division's Operating Services Account No. 101-3514-805.000 (\$70), Public Works Building Fund -Public Works Building Division's, Operating Services Account No. 641-4439-805.000 (\$458), and Celebration Park Fund - Celebration Division's, Operating Services Account No. (\$182).

Council Action:

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

From: Timothy Morales, City Manager

Subject: Amendment to Deposit Section of Water Ordinance

Prepared by: Joe Finazzi, Fiscal Services

Manager's Recommendation:

I recommend § 52.31, "Deposit," of Chapter 52, "Water," of Title V, "Public Works," of the City of Saginaw Code of Ordinances, O-1, be amended. An Ordinance has been prepared and appears under the regular order of business.

Justification:

Under the City's Water Ordinance, the minimum deposit is \$100. We are asking that it be increased to \$150 due to the large dollar amount on the number of bills left unpaid each year. The increased deposit will lessen the impact on landlords and reduce the dollars assessed to property taxes each year. The deposit will also be nontransferable, meaning it will go against the customer's final bill.

Council Action:

This Council Communication is for explanation purposes only of the ordinance to be introduced.

Moved by Council Member _____, seconded by Council Member _____ to introduce an Ordinance entitled and reading as follows:

AN ORDINANCE TO AMEND § 52.31, "DEPOSIT," OF CHAPTER 52, "WATER," OF TITLE V, "PUBLIC WORKS," OF THE CITY OF SAGINAW CODE OF ORDINANCES, O-1.

Laid over under the Charter Provision.

Moved by Council Member _____, seconded by Council Member _____ that an ordinance introduced on July 7, 2014, be taken up and enacted, entitled and reading as follows:

O-_____

AN ORDINANCE TO AMEND § 52.31, "DEPOSIT," OF CHAPTER 52, "WATER," OF TITLE V, "PUBLIC WORKS," OF THE CITY OF SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw Ordains:

Section 1. § 52.31, "Deposit," of Chapter 52, "Water," of Title V, "Public Works," of the City of Saginaw Code of Ordinances, O-1, is hereby amended to read as follows:

§ 52.31 DEPOSIT.

Before any premises may be served with water or sewage disposal service, the person contracting shall deposit with the City Treasurer a reasonable amount of money as determined by the Director of Finance to guarantee payment for any indebtedness arising out of said servicing of the premises. Provided, that no deposit shall be required for service to a single-family residence from a person who has had City water or sewage disposal service previously for a period of two (2) years and has at all times paid for all such services promptly, nor shall a deposit be required if the Director of Finance finds that the applicant has a satisfactory credit rating. In no case where a deposit is required shall the deposit be less than one hundred fifty dollars (\$150.00). No interest shall be paid on deposits. Said deposit will be credited to the final bill upon termination of service. Deposits are nontransferable.

This ordinance shall become effective July 31, 2014.

Enacted: July 21, 2014.

Yeas:

Nays:

Absent:

Abstain:

Motion Carried.

Dennis D. Browning
Mayor

Janet Santos, CMC/MMC
City Clerk

ORDINANCE 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 ordinance adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on July 21, 2014; 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

From: Timothy Morales, City Manager

Subject: Consent Order with RACER Trust/Rescission of Discharge Permit and Accompanying Resolution

Prepared by: Andre R. Borrello, City Attorney

Manager's Recommendation:

I recommend that City Council approve the Consent Order between the City and RACER Trust (RACER) and the Resolution that appears on this agenda. Approval of these items will result in the bulkheading, abandonment and sealing off of the former Saginaw Malleable Iron Plant's (SMI) connections to the City's sewer system. When the project is complete, the City will rescind the sewer use permit, as the property will no longer be connected to the City's sewer system. The Consent Order and Resolution have been approved by me as to substance and by the City Attorney and special outside counsel as to form.

Justification:

RACER is the current owner of the former SMI property and has requested that its sewer use permit be rescinded based on the belief that there are no discharges from SMI into the City's sewer system. The City has not rescinded the permit based on its belief that discharges still occur. The parties have been working on an agreeable resolution to this matter in the form of a Consent Order, which is authorized by the City's sewer use ordinance and other applicable state and federal laws. This Consent Order specifies that RACER will pay for a bulkheading and sewer abandonment project (Project), which will be administered and overseen by the City, to ensure that all SMI discharges and connections to the City's sewer system have been sealed off and/or eliminated. RACER is also obligated to pay for certain monitoring costs that have been incurred by the City.

In exchange, the City is waiving claims or causes of action it may have against RACER related to discharges to the City's sewer system since December 2001 (when a now-terminated Consent Decree was entered into by the parties). The City's waiver is based on its own enforcement and monitoring data of discharges since 2001 and RACER's proposed disconnection to the City's sewer system. The City's waiver does not include natural resource damage claims and contribution claims for natural resource damages. In the event a third party brought a claim independently against the City regarding alleged violations of the City's NPDES permit, sewer use ordinance, discharge of PCBs or PCB-containing material from SMI or the POTW (wastewater treatment plant and sewer system) or violations of federal, state or local laws or regulations, the City's rights to bring a claim against RACER are not waived. RACER is also waiving any claims it may have against the City relating to SMI or its discharges.

Although the cost of the project is expected to be less than \$200,000, RACER's costs are capped at \$200,000, unless costs exceed that amount for expenses related to items for which RACER is legally responsible under current law. In such a case, RACER would continue to be responsible for costs, even if such costs exceed \$200,000.

Council Action:

This communication is for explanation purposes only for the Resolution to be adopted, which will be voted on separately.

RESOLUTION OF WASTEWATER PERMIT FOR THE FORMER SAGINAW MALLEABLE IRON PROPERTY AT 77 W. CENTER STREET

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

WHEREAS: General Motors Corporation (GMC) formerly operated the Saginaw Malleable Plant (SMI), located at 77 West Center Street, Saginaw, Michigan; and

WHEREAS: the City of Saginaw alleged that the SMI site was the source of at least some of the exceedences of polychlorinated biphenyls (PCBs) from its industrial pretreatment permit, which resulted in a Consent Order between the City of Saginaw and GMC dated December 4, 2001; and

WHEREAS: GMC underwent a bankruptcy proceeding whereby certain properties, including the SMI site, were transferred to a new entity known as "Motors Liquidation Company"; and

WHEREAS: the City of Saginaw Wastewater Treatment Division issued Permit No. 09-517 to Motors Liquidation Company for discharges from the SMI site into publicly owned treatment works (POTW); and

WHEREAS: the GMC bankruptcy court established the RACER Trust to clean up and redevelop former GMC facilities, including the SMI site; and

WHEREAS: on November 2, 2012, RACER on behalf of Motors Liquidation Company terminated the Consent Decree dated December 4, 2001, as allowed by the terms of the Consent Order, although Permit No. 09-517 remained in place; and

WHEREAS: RACER has requested that the City of Saginaw terminate Permit No. 09-517, because it alleged that no discharges from the SMI site are made into the City of Saginaw sewer system or its POTW; and

WHEREAS: RACER has offered to pay all invoices related to the bulk-heading of the sewer line running from the SMI site (hereinafter "the Bulk-heading Project") as they become due and that are consistent with the Bulk-heading Project work plan and not to contest a \$8,500 charge for previous sampling of discharges from the SMI site; and

WHEREAS: The City of Saginaw's sewage user/disposal ordinance ("SUO"), being City of Saginaw, Code of Ordinances, Title V, Chapter 51, regulates users' discharges to the POTW; and

WHEREAS: the SUO provides for special agreements with the users of the POTW; and

WHEREAS: the City of Saginaw, as the Control Authority, as defined in Michigan Administrative Code R 323.2302(j), has the enforcement discretion to enter into a Consent Order and to agree to its terms; and

WHEREAS: the City of Saginaw has reviewed data generated from sampling of SMI site discharges and has confirmed that no discharges of PCBs from that site are currently occurring and that the bulk-heading will control future discharges from the SMI site; and

WHEREAS: at the conclusion of the Bulk-heading Project and payment of all amounts owing to the City of Saginaw by RACER, RACER and the City of Saginaw will agree to mutually release each other, with the City of Saginaw being protected from any subsequent lawsuit or enforcement action related to the sewer line or currently unknown conditions that arise during the Bulk-heading Project without prejudice to any defenses the City of Saginaw may have to any other enforcement actions by the City of Saginaw or any other person or entity because of discharges of PCBs and other PCB-related issues at SMI; and

WHEREAS: cancellation of Permit No. 09-517 and Bulk-heading Project related to the SMI site sewers will be in the public interest and is not expected to impair the environment, public health or compliance with the POTW's discharge permit, subject to and consistent with the terms of the Consent Order.

NOW, THEREFORE, BE IT RESOLVED: that the City of Saginaw hereby approves holding Permit No. 09-517 in abeyance through the completion of the Bulk-heading Project, cancellation of Permit No. 09-517 after confirmation of successful completion of the Bulk-heading Project, receipt of outstanding sampling invoices in the amount of \$8,500, completion of Bulk-heading Project related to SMI site discharges, confirmation that the Bulk-heading Project successfully alleviated all discharges from the SMI site into the City of Saginaw's sewers and POTW, and payments of all monies owing to the City of Saginaw for the Bulk-heading Project from RACER.

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 7, 2014; 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

CITY OF SAGINAW
DEPARTMENT OF WATER AND WASTEWATER TREATMENT SERVICES
WASTEWATER TREATMENT DIVISION

IN THE MATTER OF:

Revitalizing Auto Communities Environmental
Response (RACER) Trust
Saginaw Malleable Iron Plant

Non-Domestic Sewer User
Permit No. 09-517

CONSENT ORDER

This Consent Order entered into between the City of Saginaw ("City") and the Revitalizing Auto Communities Environmental Response ("RACER") Trust current owner and operator of the former General Motors Corporation Saginaw Malleable Iron Plant ("SMI") of 77 West Center Street, Saginaw, Michigan, with respect to the following:

1. The City operates a Publicly Owned Treatment Works ("POTW") under the authority of federal and state laws and regulations, including its National Pollutant Discharge Elimination System ("NPDES") permit, issued pursuant to the Federal Water Pollution Control Act or "Clean Water Act" (33 USC 1251 et seq) and the Michigan National Resources and Environmental Protection Act (Act 451 of the Public Acts of 1994).
2. The RACER Trust at SMI is an industrial user of the City's sewerage collection and treatment system ("sewerage system") and is subject to the legal authorities which govern its use.
3. The City's sewage user/disposal ordinance ("SUO"), being City of Saginaw, Code of Ordinances, Title V, Chapter 51, regulates users' discharges to the POTW. The SUO provides for special agreements with the users of the POTW. In addition, the City, as the Control Authority, as defined in Michigan Administrative Code R 323.2302(j), has the enforcement discretion to enter into this Consent Order and to agree to its terms.
4. The General Motors Corporation ("GMC") operated SMI until the creation of the establishment of the RACER Trust on March 31, 2011 to oversee 89 former GMC properties after the GMC bankruptcy, including SMI. As of this date, the RACER Trust has ownership and control of SMI.
5. In December 2001, the City and GMC entered into a Consent Order relating to the former and continued use of the City's sewerage system. On November 2, 2012, the RACER Trust terminated the December 2001 Consent Decree, as allowed by the terms of the Consent Order. Discharges from SMI continue to be governed by Permit No. 09-517.
6. The City has incurred \$8,500 for previous sampling of the discharges from SMI into the sewerage system pursuant to the terms of Permit No. 09-517 and the previous Consent Decree.

7. The RACER Trust has requested that the City rescind Permit No. 09-517, arguing that there are no further discharges from SMI into the sewerage system. The City has identified continuing discharges into the sewerage system from SMI and has refused to rescind Permit No. 09-517 until all discharges from SMI into the sewerage system have ceased. The RACER Trust has also disclaimed responsibility for the costs incurred by the City for sampling events.

8. This Consent Order is being issued to and entered into with the RACER Trust, without prejudice to any defenses it may have to any other enforcement actions by the City or any other person or entity because of polychlorinated biphenyl ("PCB") discharges and other PCB-related issues at SMI.

9. The City has established a project by which all future discharges from SMI will be controlled and no further discharges from SMI shall occur into the sewerage system ("Sewer Abandonment and Bulk-Heading Project"). The Sewer Abandonment and Bulk-Heading Project is designed to abandon the sewers and completely seal off the sewer line and all connections from SMI into the sewerage system.

10. This Consent Order is issued under the authority of 40 CFR 403.8; Michigan Administrative Code R 323.2306; and the City of Saginaw Code of Ordinances, Title V, Chapter 51.41(B) Consent Orders, in addition to other laws which may authorize the issuance of this Consent Order. RACER Trust makes no admissions of fact or law or of any liability regarding anything in this Consent Order, except that Sections 11 through 15 of this Consent Order may be enforced by the City and the RACER Trust.

11. IT IS AGREED AND ORDERED that at the conclusion of this Consent Order, the City will waive any and all claims or causes of action it may have against the RACER Trust, its officers, directors, agents, or employees related to discharges into the sewerage system from SMI from December 2001 to the date of this Consent Order and related to the August 7, 2012 Notice of Significant Non-Compliance issued by the City to the RACER Trust, except for natural resource damage claims and contribution claims for natural resource damages, currently unknown conditions and except as reserved in paragraph 13c. In the event a claim is brought by a third party (who has not been encouraged or aided by the City in bringing or prosecuting the claim) against the City regarding alleged violation of the NPDES permit, SUO, the discharge of PCBs or PCB-containing material from SMI to the POTW or violations of federal, state or local laws or regulations, the City's rights to bring a claim against the RACER Trust in such a proceeding are not waived under this paragraph 11. The RACER Trust will waive any and all claims it may have against the City relating to SMI and discharges from SMI into the sewerage system.

12. IT IS FURTHER AGREED AND ORDERED that the RACER shall pay the sum of Eight Thousand Five Hundred Dollars (\$8,500) to the City of Saginaw in settlement of outstanding sampling costs, as a reimbursement of all costs and expenses incurred by the City. This \$8,500 payment is not a penalty or fine: The \$8,500 shall be paid by the RACER Trust by check payable to the City, within sixty (60) days after the effective date of this Consent Order.

13. IT IS FURTHER AGREED AND ORDERED that:

- a. The City shall commence the bulk-heading project pursuant to a developed scope of work referred to as the Sewer Abandonment and Bulk-Heading Project Work Plan, complying with City procedures and requirements for public projects, including public bidding requirements. Upon completion of the bulk-heading project, the City shall notify RACER no later than 24 hours before the final inspection and RACER may, at its option, accompany the City on its final inspection of the bulk-heading project. RACER may not delay the final inspection if it is unable to have someone present for the final inspection of the bulk-heading project.
- b. The RACER Trust shall pay all expenses, costs and invoices incurred by the City in furtherance of the Sewer Abandonment and Bulk-Heading Project as they become due no later than 30 days after RACER's receipt of City's payment request and that are consistent with the Sewer Abandonment and Bulk-Heading Project Work Plan, inclusive of a seven percent administrative fee for City oversight.
- c. The RACER Trust's obligations under paragraph 13.b. are capped at \$200,000 with the following exception: The RACER Trust shall remain responsible for expenses and costs in excess of \$200,000 for those costs and expenses related to items for which the RACER Trust is legally responsible under relevant federal, state or local statutes, regulations or ordinances. With respect to City ordinances, ordinances adopted after the date of this Agreement shall not apply to this paragraph. The City shall be responsible for any costs and expenses related to the Sewer Abandonment and Bulk-Heading Project in excess of \$200,000 for which the RACER Trust is not legally responsible under relevant federal, state or local statutes, regulations or ordinances. For the purposes of this paragraph, "legally responsible" pertains to conditions related to past, present or future conditions or operations on, in or near the SMI site attributable to GMC's or the RACER Trust's ownership or operation of the SMI site.
- d. Once the Sewer Abandonment and Bulk-Heading Project is completed and it is confirmed that all discharges from SMI into the sewerage system have ceased, Permit No. 09-517 will be cancelled. Until the completion of the Sewer Abandonment and Bulk-Heading Project and confirmation of its efficacy, Permit No. 09-517 will be held in abeyance and no charges related to sampling will be charged to the RACER Trust; however, permit requirements in the event of an illicit discharge, NPDES permit violation, enforcement action or third party action against the City shall remain in force. In the event the Sewer Abandonment and Bulk-Heading Project fails to stop all discharges from SMI into the sewerage system, Permit No. 09-517 will remain in effect.

14. This Consent Order shall continue until the payment of the \$8,500 by the RACER Trust, completion of the Sewer Abandonment and Bulk-Heading Project, confirmation

that all discharges from SMI into the sewerage system have ceased, and payments of all invoices to the City by RACER that are due under this Agreement.

15. Failure to comply with this Consent Order may result in the City of Saginaw seeking appropriate injunctive and/or judicial relief in a court of competent jurisdiction.

REVITALIZING AUTO COMMUNITIES ENVIRONMENTAL RESPONSE TRUST

By: EPLET, LLC, acting solely in its capacity as Administrative Trustee of Revitalizing Auto Communities Environmental Response Trust

By: _____
ELLIOTT P. LAWS, not individually, but acting solely in his capacity as
Sole Member of EPLET, LLC

CITY OF SAGINAW:

By: _____
Dennis Browning
Mayor

Attest:
By: _____
Janet Santos, CMC/MMC
City Clerk

APPROVED AS TO SUBSTANCE
By: _____
Timothy Morales
Manager

APPROVED AS TO FORM:
By: _____
Gilbert, Smith & Borrello, P.C.
City Attorney

From: Timothy Morales, City Manager
Subject: Extension of Renaissance Zone Time Duration for SSP Associates, Inc.
Prepared by: Tom Miller, Jr., VP Urban Development and Special Initiatives Project Development, Saginaw Future

Manager's Recommendation:

I recommend approval of the attached Resolution extending the Renaissance Zone time duration for SSP Associates, Inc.

Justification:

The City executed a Purchase and Development Agreement with SSP Associates, Inc. (SSP) for the sale and development of two parcels of property commonly known as 314 and 406 N. Hamilton Street. SSP agreed to obtain certificates of occupancy for the minimum 10 residential units and a certificate of occupancy for the 3,000 square feet of commercial space by December 31, 2006. Many activities supporting the project have occurred since the signing of the original agreement. On July 10, 2006, the parties amended the original agreement and extended the time for occupancy to December 31, 2008. Due to the downturn in the economy and high foreclosure rates, the project was delayed. In August 2008, the timeframe was extended to December 31, 2010. During that time, housing markets deteriorated further, which caused continue project delays. With the implementation of the Neighborhood Stabilization program around the hospitals, coupled with the construction of the Central Michigan University College of Medicine and the small improvement in the economy, SSP is prepared to move forward with the project. SSP requested that the City of Saginaw extend the time of the Renaissance Zone as an incentive to potential residents of the development. City Council approved that request (resolution #2014-027) at a regular meeting held on Monday, May 5, 2014.

The MEDC reviewed the application submitted by the Company (including the approved City Council resolution) and asked that there be a change made to the resolution. The MEDC requested that the phrase "or its assigns" be added to SSP Associates, Inc. This ensures that if a separate entity is established to fulfill the development, the Council resolution will also cover the new development entity. This is a clerical change and does not affect any of the items covered in the original resolution extending the Renaissance Zone. The Renaissance Zone extension requires that a project begin within one year of the Michigan Strategic Fund approval.

Council Action:

This council communication is for explanation purposes only of the Resolution to be adopted.

TO EXTEND RENAISSANCE ZONE TIME DURATION
FOR SSP ASSOCIATES, INC., OR ITS ASSIGNS,
AT 314 AND 406 N. HAMILTON STREET

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

WHEREAS: Subzone #2, Central Business District Renaissance Zone is currently designated as a Renaissance Zone pursuant to Public Act 376 of 1996; and

WHEREAS: this Renaissance Zone subzone is slated to expire in 2014; and

WHEREAS: the Michigan Renaissance Zone Act, 1996 PA 376, has been amended by 2006 PA 400 and 2008 PA 116 to permit extending the duration of time for one or more portions of a Renaissance Zone; and

WHEREAS: on April 27, 2012, the Michigan Strategic Fund approved a seven year extension to the Renaissance Zone; and

WHEREAS: on March 4, 2014, Public Act 27 of 2014 was signed into law providing for a 15-year Renaissance Zone extension for this project, subject to Michigan Strategic Fund approval; and

WHEREAS: SSP Associates, Inc., or its assigns, a Michigan-based company, intends to construct a mixed use development project on approximately 2.4 acres of property, formerly known as 314 and 406 N. Hamilton Street, in mixed-use development including market rate condominiums and commercial space; and

WHEREAS: SSP Associates, Inc., or its assigns, has requested that the Renaissance Zone on its proposed property/location be extended in duration by an additional 15 years from the date of the expiration of December 31, 2014, so that the new expiration date would be December 31, 2029; and

WHEREAS: this resolution will supersede resolution #2014-027 approved by the City Council of the City of Saginaw during a regular meeting held on Monday, May 5, 2014; and

WHEREAS: the extension of the Renaissance Zone duration for SSP Associates, Inc., or its assigns, is necessary to increase market rate housing, economic development, and expand business and employment opportunities in the City of Saginaw and the surrounding communities for years to come; and

WHEREAS: the City of Saginaw is the "qualified local governmental unit" that originally applied for the City of Saginaw Renaissance Zone designation; and

WHEREAS: the City of Saginaw requests that the City of Saginaw apply for a 15-year extension from the date of this application for the 2.4 acres of property that SSP Associates, Inc., or its assigns, is currently acquiring in Sub Zone #2, Central Business District South with the following parcel number and legal description:

314 N Hamilton

Tax ID: 16 0191 00000

Tax Description

LOTS 3 & 7, BLK. 24, CITY OF SAGINAW IN DIVISION NORTH OF CASS STREET

406 N Hamilton

Tax ID: 16 0221 00000

Tax Description

ENTIRE BLK. 29, CITY OF SAGINAW IN DIVISION NORTH OF CASS STREET, THAT PART OF CLEVELAND ST. LYING BETWEEN BLKS. 24 & 29, CITY OF SAGINAW IN DIVISION NORTH OF CASS STREET, S. ELY. OF HAMILTON ST. & N. WLY. OF NIAGARA STREET ALSO LOTS 4 & 8, BLK. 24, CITY OF SAGINAW IN DIVISION NORTH OF CASS STREET.

NOW, THEREFORE BE IT RESOLVED: that this resolution will supersede resolution #2014-027 approved by the City Council of the City of Saginaw during a regular meeting held on Monday, May 5, 2014.

THEREFORE IT IS FURTHER RESOLVED: that the land described by the above legal description shall be granted a Renaissance Zone time extension with various state, local and county taxes being waived on the property for a period of 15 years, beginning January 1, 2015 through December 31, 2029.

Ayes:

Nays:

Absent:

Abstain:

RESOLUTION DECLARED ADOPTED

I, Janet Santos, CMC/MMC, 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 7, 2014; the original thereof is on file in the records of the office of City Clerk; 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