

CITY OF MUSKEGON

CITY COMMISSION MEETING

MARCH 24, 2009

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, March 24, 2009.

Mayor Warmington opened the meeting with a prayer from Pastor Tim Cross from the Living Word Church of Muskegon after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioners Sue Wierengo, Steve Wisneski, Chris Carter, Clara Shepherd, and Lawrence Spataro, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker.

2009-26 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes for the March 9th Commission Worksession, and the March 10th Regular Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Traffic Department Materials and Services 2009. PUBLIC WORKS

SUMMARY OF REQUEST: Contract with the Muskegon County Road Commission for the joint purchase of various Traffic Department materials and services. We have bid out these items with MCRC for the past eighteen years. By bidding together with MCRC and other municipalities, we are able to get better unit prices because of larger quantity purchases.

FINANCIAL IMPACT: Sign materials and services to be jointly bid:

Sign Blanks -- \$1,100 approx.

Sign Post -- \$4,000 approx.

Ready Made Signs -- \$2,000 approx.

Centerline Painting -- \$17,000 approx.

Total: \$24,100

BUDGET ACTION REQUIRED: This item is requested each year in the appropriate Highway budgets.

STAFF RECOMMENDATION: Approve the continued joint purchasing with the Muskegon County Road Commission for sign materials and services.

C. Aggregates, Highway Maintenance Materials and Concrete. PUBLIC WORKS

SUMMARY OF REQUEST: Award bid to supply H1 and H2 limestone chip blend to Verplank Trucking Company, PO Box 8, Ferrysburg, MI 49409.

Award bid to supply road slag to Verplank Trucking Company, PO Box 8, Ferrysburg, MI 49409.

Award bid to supply SylvaX patching material (CP-6 alternative) to Asphalt Paving, Inc., 1000 E. Sherman Boulevard, Muskegon, MI 49444-0190.

Award bid for crack sealant to ASI Manufacturing, LLC, 1805 Industrial Park Dr., Grand Haven, MI 49417.

Award bid to supply bituminous asphalt product to Asphalt Paving, Inc., 1000 E. Sherman Boulevard, Muskegon, MI 49444-0190.

Award bid to supply Calcium Chloride 38% (road brine) and 32% (winter salting) to Great Lakes Chloride, 1012 E. Free Soil Rd., Free Soil, MI 49411.

Award bid to supply screened top soil to Verplank Trucking Company, PO Box 8, Ferrysburg, MI 49409.

Award bid to supply 2NS sand to Yellow Rose Transport, 3531 Busch Dr., Grandville, MI 49418.

Award bid to supply 7-sack mix concrete to Port City Redi-Mix, 1780 Sheridan Road, Muskegon, MI 49442; contingent upon product availability, timely deliveries, and prices as quoted.

FINANCIAL IMPACT: \$231,247 based on 2008 quantities at 2009 quotes.

BUDGET ACTION REQUIRED: None, funds appropriated in several budgets.

D. Budgeted Vehicle Replacement – Two Ford F-450s. PUBLIC WORKS

SUMMARY OF REQUEST: Approval to purchase two 2009 Ford F-450s.

FINANCIAL IMPACT: \$44,678.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve purchase from Vanderhyde Ford.

E. Budgeted Vehicle Replacement – One Ford F-350 and Two Ford F-350 4X4. PUBLIC WORKS

SUMMARY OF REQUEST: Approval to purchase one 2009 Ford F-350 and two

Ford F-350 4X4.

FINANCIAL IMPACT: \$56,119.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve purchase from Vanderhyde Ford.

F. Request to Apply for a Grant for McGraft Park Building. CITY CLERK

SUMMARY OF REQUEST: The State of Michigan has received funding to make polling places accessible. It has been determined that the doors entering into the polling place at McGraft Park are inaccessible. Staff is asking permission to apply for a grant to have the doors replaced. It is unknown at this time if there will be a match to the grant and how much it will be. The State will make that determination after all requests have been received; the number of applications they receive will make that determination.

FINANCIAL IMPACT: Quotes have been obtained. The lowest quote is \$22,884.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To authorize staff to submit the paperwork to apply for the grant.

H. Clearwell Valve Replacement. WATER FILTRATION

SUMMARY OF REQUEST: To authorize staff to enter into contract with Franklin Holwerda Company, the lowest responsible bidder, for the replacement of the 1937 clearwell effluent valves.

FINANCIAL IMPACT: The cost proposal is a total of \$47,900 including \$3,000 for dune grass remediation.

BUDGET ACTION REQUIRED: None, the project is adequately budgeted in the capitol improvements project budget.

STAFF RECOMMENDATION: Staff recommends the Mayor and City Commission authorize staff to enter into contract with Franklin Holwerda Company for the clearwell valve replacement at the Water Filtration Plant.

J. Purchase of 519 Orchard and 525 Orchard. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the purchase of the property located at 519 Orchard, from Wes Ashton of 13 Greendale, Muskegon, MI, for \$5,000 and for the property located at 525 Orchard from James Singleton of 3925 E. Apple, Muskegon, MI, for \$10,000. Both properties are being purchased for their most recently appraised price.

The acquisition of these two properties are the beginning of the CNS office efforts to acquire property for its second phase of the Orchard Street Redevelopment Project AKA Community Uprising II, which will consist of the demolition of three to five houses on the 500 block of Orchard and the new construction of two new homes. The new construction will be funded mainly by

Neighborhood Stabilization funds that the City will receive from the Michigan State Housing Development Authority.

FINANCIAL IMPACT: Funding for purchases and the demolitions will be deducted from reprogrammed HOME funds. The construction of the new homes will be allocated mainly from the City's Neighborhood Stabilization funding.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: The information and project was reviewed with the Citizen's District Council.

K. Sanitary Pump Station at Hartshorn Marina. PUBLIC WORKS/MARINA

SUMMARY OF REQUEST: Approval to enter into a Grant Agreement with the Michigan DNR to purchase a sanitary pump station. The sanitary pump station will be located on public property adjacent to Hartshorn Marina. The unit will be enclosed in an existing facility, and would service Hartshorn Marina Customers and Muskegon Lake boaters for a fee.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None, Federal *Clean Vessel Act* funding was secured through the grant process; a twenty-five percent match totaling \$1,482.25 will be allocated from monies saved within the approved 2009 Marina budget.

STAFF RECOMMENDATION: Approval to enter into the Grant Agreement with the DNR and to authorize staff to sign.

Motion by Commissioner Spataro, second by Commissioner Carter to approve the Consent Agenda as read with the exception of items G and I.

ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, Spataro, Warmington, and Wierengo

Nays: None

MOTION PASSES

2009-27 ITEMS REMOVED FROM THE CONSENT AGENDA:

G. Resolution Regarding Spending of Stimulus Funds. CITY MANAGER

SUMMARY OF REQUEST: To adopt a resolution to commit to purchasing goods and services made in the United States when using Federal Stimulus Package funds. This resolution is a modified version of one from the United Steelworks Union.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution.

Motion by Commissioner Wisneski, second by Commissioner Carter to adopt the resolution to commit to purchasing goods and services made in the United States when using Federal Stimulus Package funds.

ROLL VOTE: Ayes: Carter, Gawron, Shepherd, Spataro, Warmington, Wierengo, and Wisneski

Nays: None

MOTION PASSES

I. Maintenance Agreement/Rite-Way Plumbing and Heating. PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety requests that the Commission consider the bid for a maintenance agreement with Rite-Way Plumbing and Heating of Grand Rapids. This is a one-year bid to provide quarterly maintenance for the heating and cooling system at Central Fire. Rite-Way was the sub-contractor who installed this system.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of this request.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the maintenance agreement with Rite-Way Plumbing and Heating of Grand Rapids.

ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Warmington, Wierengo, Wisneski, and Carter

Nays: None

MOTION PASSES

2009-28 UNFINISHED BUSINESS:

A. Padlock Ordinance – 287 McLaughlin. CITY MANAGER

SUMMARY OF REQUEST: The owner of the property advised that he had evicted the tenants who were the subject of the investigations at this property.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: That we not move forward with the padlock process for the property at 287 McLaughlin.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to not move forward with the padlock process for the property at 287 McLaughlin.

ROLL VOTE: Ayes: Shepherd, Spataro, Warmington, Wierengo, Wisneski, Carter, and Gawron

Nays: None

MOTION PASSES

B. Recommendation for Annual Renewal of Liquor Licenses – Cuti’s Sports Bar & Grill, Muskegon Recreational Club, and City Café. CITY CLERK

SUMMARY OF REQUEST: To recommend approval of the renewal of the liquor license for Cuti’s Sports Bar & Grill and the Muskegon Recreational Club. Ken Grant, City Income Tax Director/Deputy Treasurer checked with the County Treasurer and both establishments have agreements to pay their back taxes. We also request approval of the license for City Café (lordache Holdings, Inc.). The Liquor Control Commission does have applications pending to transfer all stock to PKT Twelve, Inc., and to drop lordache Holdings, Inc.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the liquor license renewal for Cuti’s Sports Bar & Grill, Muskegon Recreational Club, and City Café.

Voted on with Item C.

C. Recommendation for Denial of Liquor License Renewal for H&J Dollar. CITY CLERK

H & J Dollar is now in compliance.

Motion by Vice Mayor Gawron, second by Commissioner Wierengo to approve the liquor license renewal for Cuti’s Sports Bar & Grill, Muskegon Recreational Club, City Café, and H & J Dollar.

ROLL VOTE: Ayes: Spataro, Warmington, Wierengo, Wisneski, Carter, Gawron, and Shepherd

Nays: None

MOTION PASSES

2009-29 NEW BUSINESS:

A. 2009-2010 CDBG/HOME Partnership Program Allocations. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: For the City Commission to make their final allocation decision concerning the 2009-2010 Community Development Block Grant/HOME Partnership Program allocations for this coming fiscal year.

The Commission has received the recommendations from the Citizen’s District Council and the City administration. The Commission made their preliminary recommendations during the March 10, 2009, City Commission meeting.

After receiving the Commissions final allocation decision, the Community and Neighborhood Services office will amend the City’s 2009-2010 Action Plan, if needed, and continue the comment period until April 15, 2009. At that time, the Community and Neighborhood Services staff will request the United States Department of Housing and Urban Development for the Release of Funds for the

2009-2010 fiscal year to begin June 1, 2009.

FINANCIAL IMPACT: The decision will determine how the Community Development Block Grant/HOME Partnership Program funding will be allocated for the 2009-2010 fiscal year.

BUDGET ACTION REQUIRED: The Commission actions will establish the fiscal year's budget.

STAFF RECOMMENDATION: The Commission previously received the administration recommendations.

COMMITTEE RECOMMENDATION: The Commission also received the Citizen's District Council recommendations.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the previous recommendation to concur with Citizen's District Council regarding the Community Development Block Grant/HOME funds.

Motion amended by Commissioner Spataro, second amended by Vice Mayor Gawron to add \$1,000 to Red Cross Senior Transit Program from the \$4,738 cushion.

ROLL VOTE: Ayes: Warmington, Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro

Nays: None

MOTION PASSES

**B. Approval of Loan in the Amount of \$30,000 to Great Lakes Die Cast.
PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: To approve the loan agreement and related documents for a \$30,000 loan to Great Lakes Die Cast.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the loan to Great Lakes Die Cast.

COMMITTEE RECOMMENDATION: The Revolving Loan Fund Advisory Committee has recommended approval of the loan.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the loan in the amount of \$30,000 to Great Lakes Die Cast.

ROLL VOTE: Ayes: Wierengo, Wisneski, Carter, Gawron, Shepherd, Spataro, and Warmington

Nays: None

MOTION PASSES

C. Request to Revoke the Obsolete Property Rehabilitation Exemption Certificate at 585 W. Clay. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Jack McPherson was issued an Obsolete Property Rehabilitation Exemption Certificate (resolution number 2007-68(b), issued August 14, 2007) for the property located at 585 W. Clay. The timeline to complete the rehabilitation was one year, giving him until August 14, 2008, to do so. To date, only \$17,000 of the proposed \$200,000 in renovations have been made. Mr. McPherson does not currently have any plans to continue the rehabilitation, but may decide to in the future, in which case he would be eligible to reapply for another certificate.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To revoke the Obsolete Property Rehabilitation Certificate.

Motion by Vice Mayor Gawron, second by Commissioner Shepherd to revoke the Obsolete Property Rehabilitation Exemption Certificate at 585 W. Clay.

ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, Spataro, Warmington, and Wierengo

Nays: None

MOTION PASSES

D. Consideration of Bids for Merrill Avenue, Seventh to Sixth.
ENGINEERING

SUMMARY OF REQUEST: To waive the irregularity in Hallack Contracting bid and award them the Merrill Street project, H-1649 & W-715, since they were the lowest bidder with a total bid price of \$227,116.85. Hallack Contracting, who is out of Hart, did not use the revised bid proposal sheet which contained one less bid item.

FINANCIAL IMPACT: The construction cost of \$227,116.85 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None at this time, however, the first quarter reforecast will include revised numbers from those that were originally budgeted to account for the higher prices than originally expected.

STAFF RECOMMENDATION: It is in the City's best interest to waive the irregularity (using the wrong form) and award the bid to Hallack.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the bid for Hallack for the work on Merrill Avenue and waive the irregularity.

ROLL VOTE: Ayes: Carter, Gawron, Shepherd, Spataro, Warmington, Wierengo, and Wisneski

Nays: None

MOTION PASSES

E. Concurrence with the Housing Board of Appeals Notice and Order to

Demolish the Following: PUBLIC SAFETY

1035 Pine St. (Area 11b)

521 Leonard Ave. (Area 11) REMOVED PER REQUEST OF STAFF

312 Cross Ave. – Garage (Area 11) REMOVED PER REQUEST OF STAFF

724 E. Isabella Ave. (Area 11)

642 McLaughlin Ave. – Home and Garage

1505 Lakeshore Dr. – Garage

SUMMARY OF REQUEST: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structures are unsafe, substandard, a public nuisance and that they be demolished within 30 days. It is further requested that administration be directed to obtain bids for the demolition of the structures and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

FINANCIAL IMPACT: CDBG Funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

Motion by Commissioner Spataro, second by Commissioner Wierengo to concur with the Housing Board of Appeals decision to demolish 724 E. Isabella and 1505 Lakeshore Drive – garage only.

ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Warmington, Wierengo, Wisneski, and Carter

Nays: None

MOTION PASSES

Motion by Commissioner Spataro, second by Vice Mayor Gawron to concur with the Housing Board of Appeals notice and order to demolish 1035 Pine Street.

ROLL VOTE: Ayes: Spataro, Warmington, Wisneski, Carter, and Gawron

Nays: Shepherd and Wierengo

MOTION PASSES

Motion by Commissioner Carter, second by Commissioner Spataro to concur with the Housing Board of Appeals notice and order to demolish 642 McLaughlin Avenue – home and garage.

ROLL VOTE: Ayes: Spataro, Warmington, Wierengo, Wisneski, Carter, Gawron, and Shepherd

Nays: None

MOTION PASSES

F. Presentation by Kathy Evans – Proposed Shoreline Habitat Restoration and Public Access Improvements Projects. CITY CLERK

SUMMARY OF REQUEST: Kathy Evans has requested to make a short presentation regarding a proposed Shoreline Habitat Restoration and Public Access Improvement Project – NOAA Great Lakes Habitat Restoration Grant and US EPA Great Lakes Legacy Act.

Motion by Vice Mayor Gawron, second by Commissioner Wierengo that the City send a letter of support for these projects from the MLWP to NOAA for the proposal to be completed and sent to them by April 1st.

ROLL VOTE: Ayes: Warmington, Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro

Nays: None

MOTION PASSES

2009-30 ANY OTHER BUSINESS:

Commissioner Spataro stated his concern reference Muskegon Public Schools plans for Froebel School and Phillips School. He then introduced Judy Kell, Compliance Review Supervisor, from Muskegon County who asked the Commission for a letter of support.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve a letter of support for the grant application to facilitate the County's purchase of the waterfront property from the YMCA.

ROLL VOTE: Ayes: Wierengo, Wisneski, Carter, Gawron, Shepherd, Spataro, and Warmington

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Comments were heard from the public.

ADJOURNMENT: The City Commission Meeting adjourned at 7:13 p.m.

Respectfully submitted,

Ann Marie Becker, MMC
City Clerk