

CITY OF MUSKEGON

CITY COMMISSION MEETING

FEBRUARY 13, 2007

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, February 13, 2007.

Mayor Warmington opened the meeting with a prayer from Dr. Gordon Aikin from the Central Assembly of God 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, Commissioner Sue Wierengo, Chris Carter, Kevin Davis, Clara Shepherd, and Lawrence Spataro, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker.

2007-14 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, January 23rd, and the City Commission Goal Setting Session that was held on Friday, January 26th.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. Accept Resignation and Make Appointments to Various Boards and Committees. CITY CLERK

SUMMARY OF REQUEST: To accept resignations from Mary Anne Ritters from the Income Tax Board of Review and Duane Barnes from the Local Development Finance Authority; and make appointments to the Community Relations Boards and Committees.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: The Community Relations Committee

recommended approval at their February 5th meeting.

C. Purchase of Computer Equipment. PUBLIC SAFETY

SUMMARY OF REQUEST: Police Department staff request that the Commission approve the use of Criminal Forfeiture Funds to purchase new computer hardware. These computers will be utilized in the Records Office, Traffic Office and Director's Office. The current computers are approximately 4 years old and we are beginning to experience a number of malfunctions. We would like to replace 12 computers. This bid was developed with the assistance of the Information Technologies Department.

FINANCIAL IMPACT: Cost for this package is \$15,242.32. This estimate includes 12 Microsoft Office licenses (\$326.91 each) from CDWG Corporation. There is no impact on General Fund monies.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of this request.

E. Agreement with Liberty Disposal Services-Fireworks Disposal. PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety is requesting approval to enter into an agreement with Liberty Disposal Services Inc. of Iron Mountain, Michigan who will provide an approved container for the storage of confiscated fireworks. In return for providing the container, along with the removal of the confiscated material, Liberty gains the rights to this material. This procedure has been approved by the Bureau of Alcohol, Tobacco, Firearms and Explosives.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the agreement.

F. Sale of Buildable Vacant Lot at 1364 Wesley Avenue. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant buildable lot at 1364 Wesley Avenue (Parcel # 24-611-000-0259-00) to Erik Thorsen. The lot is 75 x 139 ft. and is being offered to Mr. Thorsen for \$6,750. A single family home will be constructed. The home will be a single story and have a two stall attached garage, three bedrooms, two bathrooms, and a basement. The square footage of the home will have a minimum of 1260 square feet as required by the policy.

FINANCIAL IMPACT: The sale of this lot for the construction of a single family home will generate additional tax revenue for the City and will place the property back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the resolution and to authorize both the Mayor and the Clerk to sign said resolution and deed.

G. Purchase Agreement Between the City of Muskegon and the Downtown Development Corporation for the Downtown Redevelopment Right-of-Ways. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the donation of the former street right-of-ways to the City for the construction of Second Street from Clay to Morris; Jefferson Street from Clay to Western; Market Street from Western to Terrace; and First from Western to Clay.

FINANCIAL IMPACT: The City would be responsible to pay for half of the closing costs and the registering of the deed. The DMDC will be responsible to pay half of the closing costs, title insurance, and any recordings to clear title.

BUDGET ACTION REQUIRED: Payment would be made out of the Public Improvement Fund.

STAFF RECOMMENDATION: To approve the Purchase Agreement and authorize both the Mayor and the Clerk to sign the documents necessary to acquire the property for the City right-of-way.

H. Smartzone – Pre-Seed Fund Agreement. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The City of Muskegon will be receiving \$50,000 over a two-year period to assist with the administration of the Pre-Seed Loan fund through the State Smartzone program. The funding can be used for administration, as well as to assist potentially eligible applicants through the process. Since the loans are available throughout the Smartzone Area (not only on the actual Smartzone site - Edison Landing), staff is recommending that Muskegon Area First administer the program.

FINANCIAL IMPACT: The City will be receiving \$50,000 from the State of Michigan through the Pre-Seed Fund. These funds will be used to pay MAF for administrative services.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the Letter of Agreement between the City of Muskegon and Muskegon Area First and authorize the Mayor to sign.

I. Transfer of Fire and 517M Employees to the Municipal Employees' Retirement System. FINANCE

SUMMARY OF REQUEST: Members of the City's Firefighter and DPW/517M unions have voted in favor of moving pension administration for their members to the Municipal Employees' Retirement System of Michigan. The change affects current employees who are members of the City's defined benefit pension plan. New hires and current members of the defined contribution plan are not impacted by this change. Approval of this change effectively means that the

City will no longer have locally-administered pension plans.

FINANCIAL IMPACT: MERS provides a cost-effective solution for retirement system administration. As the City faces tight budgets, it is essential that we take advantage of opportunities to maintain or improve service levels while lowering costs. MERS provides such an opportunity.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve the resolutions moving Fire and 517M employees to the Municipal Employees' Retirement System of Michigan and authorize the Mayor, Clerk and other required city officials to sign the documents necessary to implement this move.

J. Budgeted Vehicle Replacement. PUBLIC WORKS

SUMMARY OF REQUEST: Approval to purchase one Dodge Ram 1500 Quad Cab 4 x 4 truck.

FINANCIAL IMPACT: \$20,228.29

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve purchase using the Michigan State Purchasing Contract.

K. Purchase of 1080 E. Laketon Avenue. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the purchase of 1080 E. Laketon Avenue from the U. S. Department of HUD for \$1 through its Good Neighbor Program. This allows a municipality to purchase a home for one dollar, if a property is on the market for more than six months.

After 1080 E. Laketon Avenue is obtained, the City will contract to have the house totally rehabilitated then sell it to a qualified family continuing the City's aggressive neighborhood revitalization efforts.

FINANCIAL IMPACT: The dollar will come from Community and Neighborhood Services HOME program income fund.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request to purchase the \$1 home.

L. Purchase of 627 E. Apple Avenue. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the purchase of 627 E. Apple Avenue from the U. S. Department of HUD for \$1 through its Good Neighbor Program. This allows a municipality to purchase a home for one dollar, if a property is on the market for more than six months.

After 627 E. Apple Avenue is obtained, the City will contract to have the house totally rehabilitated then sell it to a qualified family continuing the City's aggressive neighborhood revitalization efforts.

FINANCIAL IMPACT: The dollar will come from Community and Neighborhood Services HOME program income fund.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request to purchase the \$1 home.

N. Deputy City Clerk Salary Range Change. CITY MANAGER

SUMMARY OF REQUEST: To upgrade the salary range for the Deputy City Clerk position from Range X to Range IX of the Non-represented Employee Salary Schedule.

FINANCIAL IMPACT: \$3,049 is the difference in the top of the two ranges.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the requested salary range change.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the Consent Agenda as read minus item D and M.

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

Nays: None

MOTION PASSES

2007-15 ITEMS REMOVED FROM THE CONSENT AGENDA:

D. Contract Agreement-Pagers-American Messaging. PUBLIC SAFETY

SUMMARY OF REQUEST: Public Safety Division staff request that the Commission consider our request to enter into a contract with American Messaging Services, LLC of White Lake, Michigan to provide paging services for emergency personnel. The service is used to disseminate emergency messages and for staff call-back.

We have agreed to administer a master account that would also include Muskegon Central Dispatch, Muskegon Charter Township and the Fruitport Fire Department. We have requested service for 133 units. American Messaging Services has quoted a price of \$5.25 per unit, which results in a 17% savings over the previous contract with Verizon Wireless. American Messaging Services recently purchased the paging service from Verizon. We are requesting that the agreement be for two years.

FINANCIAL IMPACT: The cost is provided for in the 2007 budget and will be a part of the 2008 budget.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of this request.

Motion by Commissioner Davis, second by Commissioner Spataro to approve the contract agreement for pagers with American Messaging Services, LLC.

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

Nays: None

MOTION PASSES

M. Grant Applications for Safety Funds. ENGINEERING

SUMMARY OF REQUEST: Authorize staff, by adopting the resolution, to submit the following projects for possible Safety Funds in 2008:

1. Sherman @ Henry intersection improvements; estimated total cost of the project is \$200,000, local match is \$50,000.
2. Sidewalks along the north side of Sherman between Barclay & Henry; estimated total cost is \$50,000 of which \$15,000 would be the local match.

FINANCIAL IMPACT: A local share of 25% will be required for all projects.

BUDGET ACTION REQUIRED: None at this time. Should either or both be approved for grants, they will be listed in the 2008 budget.

STAFF RECOMMENDATION: Authorize staff to submit the applications.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the grant applications for Safety Funds making the sidewalk contingent on securing the necessary right-of-way.

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

Nays: None

MOTION PASSES

2007-16 PUBLIC HEARINGS:

A. Resolution Revoking the Personal & Real Property Components of the Industrial Development Certificate for Bekaert Corporation. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, the City of Muskegon requests that the personal property component and the real property component of the Industrial Development Certificate No. 01-329 issued to Bekaert Corporation be revoked. The certificate was originally requested June 14, 2001 by Bekaert Corporation. Bekaert Corporation ceased operations in 2006 and the building is vacant.

FINANCIAL IMPACT: Bekaert Corporation will reimburse the abated taxes.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To hold a public hearing and authorize the Mayor and Clerk to sign the resolution revoking the personal property component and the real property component of IFT Certificate No. 01-329.

Motion by Vice Mayor Gawron, second by Commissioner Carter to close the Public Hearing and authorize the resolution revoking the personal property and real property component of the Industrial Development Certificate for Bekaert Corporation.

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

Nays: None

MOTION PASSES

B. Resolution Revoking a Real Property Industrial Development Certificate for Competitive Edge Wood Specialties, Inc. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, the City of Muskegon requests that the real property component of the Industrial Development Certificate No. 99-053 issued to Competitive Edge Wood Specialties, Inc. be revoked. The certificate was originally requested November 24, 1998 by Competitive Edge Wood Specialties, Inc. Competitive Edge Wood Specialties, Inc. ceased operations in 2006 and the building is vacant.

FINANCIAL IMPACT: Competitive Edge Wood Specialties, Inc. will reimburse the abated taxes.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To hold a public hearing and authorize the Mayor and Clerk to sign the resolution revoking the real property component of IFT Certificate No. 99-053.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to close the Public Hearing and adopt the resolution revoking the real property component of the Industrial Development Certificate for Competitive Edge Wood Specialties, Inc.

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

Nays: None

MOTION PASSES

C. Create a Special Assessment District for Creston Street, Evanston to Laketon. ENGINEERING

SUMMARY OF REQUEST: To hold a public hearing on the proposed special assessment for Creston Street, Evanston to Laketon and to create the special assessment district and appoint two City Commissioners to the Board of Assessors if it is determined to proceed with the project.

FINANCIAL IMPACT: None at this time.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To create the special assessment district and assign two City Commissioners to the Board of Assessors by adopting the resolution.

Motion by Commissioner Carter, second by Commissioner Shepherd to close the Public Hearing and create the special assessment district for Creston Street, Evanston to Laketon.

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

Nays: None

MOTION PASSES

Mayor Warmington appointed Commissioner Carter and Wierengo to the Board of Assessors.

D. Create a Special Assessment District for Park Street, Hackley to Young.
ENGINEERING

SUMMARY OF REQUEST: To hold a public hearing on the proposed special assessment for Park Street, Hackley to Young, and to create the special assessment district and appoint two City Commissioners to the Board of Assessors if it is determined to proceed with the project.

FINANCIAL IMPACT: None at this time.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To create the special assessment district and assign two City Commissioners to the Board of Assessors by adopting the resolution.

Motion by Commissioner Carter, second by Commissioner Spataro to close the Public Hearing and create the special assessment district for Park Street, Hackley to Young.

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

Nays: None

MOTION PASSES

Mayor Warmington appointed Commissioner Spataro and Vice Mayor Gawron to the Board of Assessors.

2007-17 NEW BUSINESS:

A. Management Agreement for Fisherman's Landing. FINANCE

SUMMARY OF REQUEST: The proposed agreement for management of Fisherman's Landing is for the next seven years. Staff has met with Fisherman's Landing representatives on several occasions to work out details of the agreement and to forge a stronger relationship with the group. Key provisions of the new agreement:

- Fisherman's Landing assumes responsibility for grass mowing and peak-

season electric costs;

- Fisherman's Landing to provide financial reports and meet periodically with staff;
- Fisherman's Landing to submit for approval site plan of improvements and campground expansion;
- Facility to move towards self-sufficiency and further relieve city of financial obligations

Staff believes Fisherman's Landing, Inc. is in the best position to manage the facility and oversee its continued future growth. Both parties recognize the need to improve communications. The agreement also contains a thirty-day termination clause.

FINANCIAL IMPACT: Estimated \$10,000 cost savings to City by additional responsibilities being taken on by Fisherman's Landing manager. Goal to make facility completely self-supporting.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the management agreement for Fisherman's Landing.

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

Nays: None

MOTION PASSES

B. Engineering Services Agreement for Traffic Signals Upgrade along Laketon Avenue between Creston and Lakeshore. ENGINEERING

SUMMARY OF REQUEST: Authorize staff to enter into an engineering services agreement with Wade Trim Inc. out of Grand Rapids to provide the design, plans and specification to upgrade the traffic signals along Laketon Avenue. This upgrade would provide for the conversion to light emitting diode (LED) signals that will save a considerable amount of energy usage and also a better progression by installing loop detectors.

Wade Trim is being recommended for three main reasons:

- A. We already have a contract with them for two other projects, signal installation at Harvey & Marquette and the conversion of Muskegon & Webster projects.
- B. Their proposed fee of \$20,500 is very reasonable
- C. To meet a tight schedule set by Michigan Department of Transportation's schedule to secure the federal funds.

FINANCIAL IMPACT: \$8,400 for the design and specifications.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Wade Trim Inc.

Motion by Vice Mayor Gawron, second by Commissioner Davis to authorize staff to enter into an agreement with Wade Trim Inc. for traffic signal upgrade along Laketon Avenue between Creston and Lakeshore.

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

Nays: None

C. Request to Fly the Irish Flag. CITY CLERK

SUMMARY OF REQUEST: The Muskegon Irish American Society is requesting permission to fly the Irish Flag at Hackley Park from Friday, March 16th to celebrate St. Patrick's Day through Friday, March 23rd.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Deny the request because there is only one flag staff at Hackley Park which has the American flag on it. Offer the alternative to fly the flag at City Hall as is current practice.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the request to fly the Irish Flag at City Hall as is current practice.

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

Nays: None

MOTION PASSES

D. 2007 - 2008 City Commission Goals. CITY MANAGER

SUMMARY OF REQUEST: To adopt the 2007 – 2008 City Commission goals.

FINANCIAL IMPACT: None at this time.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the Vision, Value and Mission statements and the 2007 – 2008 goals.

COMMITTEE RECOMMENDATION: The City Commission determined these goals at their annual goal setting session on January 26, 2007.

Motion by Vice Mayor Gawron, second by Commissioner Spataro to approve the Vision, Value and Mission statements and the 2007-2008 goals.

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

Nays: None

MOTION PASSES

E. Concurrence with the Housing Board of Appeals Notice and Order to Demolish 487 W. Clay. PUBLIC SAFETY

SUMMARY OF REQUEST: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structure located at 487 W. Clay is unsafe, substandard, a public nuisance and that it be demolished within thirty days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

FINANCIAL IMPACT: General 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 Carter to concur with the Housing Board of Appeals notice and order to demolish 487 W. Clay.

ROLL VOTE: Ayes: Spataro, Warmington, Carter, Davis, Gawron, and Shepherd

Nays: Wierengo

MOTION PASSES

ANY OTHER BUSINESS:

Mayor Warmington thanked Commissioner Shepherd for representing the City on the MML Legislative Governance Committee.

Commissioner Shepherd commended Pat Bice, Administrative Secretary to the City Manager's Office, for her effort and work for Black History Month.

PUBLIC PARTICIPATION:

The following spoke on the Commission's decision to demolish 487 W. Clay:

Michael Dewitt; Scott Sieradzki, 1074 Kampenga; and Mr. Vink, 1148 Terrace Manor.

ADJOURNMENT: The City Commission Meeting adjourned at 6:37 p.m.

Respectfully submitted,

Ann Marie Becker, MMC
City Clerk