

CITY OF MUSKEGON

CITY COMMISSION MEETING

JUNE 12, 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, June 12, 2007.

Mayor Warmington opened the meeting with a prayer from Pastor Phillips from the Love Fellowship Baptist Church 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, Chris Carter, Kevin Davis, Clara Shepherd, and Lawrence Spataro, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker

2007-48 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, May 22nd.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Fireworks Display – Muskegon Country Club. CITY CLERK

SUMMARY OF REQUEST: Muskegon Country Club, 2801 Lakeshore Drive, is requesting approval of a fireworks display permit for July 4, 2007. Fire Marshall Metcalf will inspect the fireworks on the day of the event.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks and approval of the insurance.

D. Liquor License Transfer – Beach Party Store, Inc., 3200 Lakeshore. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Tyler Enterprises, LLC, to transfer ownership of the 2006 SDD and SDM Licensed Business with Direct-Connection-2 from Beach Party Store, Inc.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

E. Agreement for School Resource Officer – Muskegon Public Schools.
PUBLIC SAFETY

SUMMARY OF REQUEST: Police Department staff is requesting that the Commission approve an agreement between the City and the Muskegon Public Schools. The agreement provides for the continuance of a full-time School Resource Officer who is assigned to Muskegon High School. Muskegon Public Schools has agreed to pay one-half of the annual salary of the police officer position for a nine-month period. This agreement covers the period September 4, 2007 through June 6, 2008.

FINANCIAL IMPACT: This agreement will produce revenue in the amount of \$18,747 for the period of the agreement.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the agreement.

F. Sale of Buildable Vacant Lot at 372 W. Muskegon Avenue. PLANNING
& ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant buildable lot at 372 W. Muskegon (designated as parcel number 24-205-336-0009-00) to Kevin Eden, of 5621 Duck Lake Rd., Whitehall, MI 49461. The lot is 79.75 X 132 ft. and is being offered to Kevin Eden for \$1,000. He plans to move a home from 1705 Peck Street to this vacant land. The value of the lot was set at \$1,000 by the Historic Home Infill Program.

FINANCIAL IMPACT: The sale of this lot for the moving of a 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.

COMMITTEE RECOMMENDATION: HDC recommended approval at their regular meeting of June 5, 2007.

G. Consideration of Bids – Park Street, Hackley to Young. ENGINEERING

SUMMARY OF REQUEST: Award the contract for the reconstruction for Park St. from Hackley Ave. to Young Ave. to Jackson-Merkey Contractors, Inc. of Muskegon, MI since they were the lowest responsible bidder with a bid price of \$249,699.60.

FINANCIAL IMPACT: The construction cost of \$249,699.60 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Award the contract to Jackson-Merkey Contractors, Inc.

H. Consideration of Bids – Diana Avenue, Ransom to Terrace.
ENGINEERING

SUMMARY OF REQUEST: Award the contract for the watermain replacement and minor service upgrade for Diana Ave. from Ransom St. to Terrace St. to Felco Contractors, Inc. of Muskegon MI since they were the lowest responsible bidder with a bid price of \$39,552.20

FINANCIAL IMPACT: The construction cost of \$39,552.20 plus engineering costs which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Award the contract to Felco Contractors, Inc.

Motion by Commissioner Carter, second by Commissioner Shepherd to approve the Consent Agenda as read minus item C.

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

Nays: None

MOTION PASSES

2007-49 ITEM REMOVED FROM THE CONSENT AGENDA:

C. Liquor License Request – 197 W. Clay. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Kathleen Riegler for a New SDM License and On-Premise Seating for her business located at 197 W. Clay Avenue.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

Motion by Commissioner Davis, second by Commissioner Carter to approve the liquor license request for 197 W. Clay.

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

Nays: None

2007-50 PUBLIC HEARINGS:

A. Request for an Industrial Facilities Exemption Certificate – Fleet Engineers. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Fleet Engineers, 1800 E. Keating Avenue, has requested the issuance of an Industrial Facilities Exemption Certificate for the property located at 1800 E. Keating, Muskegon. The total capital investment is approximately \$209,076 in personal property and \$800,829 in real property. This request qualifies Fleet Engineers for a term of twelve (12) years for real property and six (6) years for personal property.

FINANCIAL IMPACT: The City will capture certain additional property taxes generated by the expansion.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial Facilities Exemption Certificate for a term of twelve (12) years for real property and six (6) years for personal property.

The Public Hearing opened to hear and consider any comments from the public. Wess Eklund from Fleet Engineers explained what the company does.

Motion by Commissioner Carter, second by Commissioner Davis to close the Public Hearing and approve the request for an Industrial Facilities Exemption Certificate for Fleet Engineers.

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

Nays: None

MOTION PASSES

B. Amendments to Brownfield Plan – Sidock. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To hold a public hearing and approve the resolution approving and adopting amendments for the Brownfield Plan. The amendments are for the inclusion of property owned by Sidock Properties, LLC in the Brownfield Plan.

FINANCIAL IMPACT: There is no direct financial impact in approving the Brownfield Plan amendments, although the redevelopment of the property into a commercial project will add to the tax base of the City of Muskegon.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To hold the public hearing and approve the resolution and authorize the Mayor and Clerk to sign the resolution.

COMMITTEE RECOMMENDATION: The Muskegon City Commission set the public hearing for June 12, 2007, at their May 22, 2007 meeting. Since that time, a notice of the public hearing has been sent to taxing jurisdictions, and it has been published twice in the Muskegon Chronicle. In addition, the Brownfield Redevelopment Authority approved the Plan amendment on May 15, 2007 and further recommends that the Muskegon City Commission approve the Plan amendment.

The Public Hearing opened to hear and consider any comments from the public.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to close the Public Hearing and approve the resolution for the amendment to the Brownfield Plan for Sidock Properties.

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

Nays: None

MOTION PASSES

2007-51 NEW BUSINESS:

A. Site Assessment Grant Administration Contract – Couture Environmental LLC. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the Contract with Couture Environmental Strategies LLC for continued administration of the Brownfield Grant, in amount not to exceed \$27,000 and to amend the budget to move \$27,000 from the General Fund Contingency into the Planning & Economic Development budget.

FINANCIAL IMPACT: There is an additional amount of \$27,000 required to continue to contract with Couture Environmental Strategies LLC.

BUDGET ACTION REQUIRED: The funds will be allocated from the General Fund Budget Contingency. The Planning, Zoning and Economic Development Budget will require an amendment for line item #80400-5300 (Contractual Services) for an addition of \$27,000.

STAFF RECOMMENDATION: To approve the Contract and authorize the Mayor to sign. Also, to approve the budget amendment to place \$27,000 from the General Fund Contingency into the Planning & Economic Development budget.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the site assessment grant administration contract with Couture Environmental Strategies LLC.

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

Nays: None

MOTION PASSES

B. Request to Purchase Video Systems. PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety is requesting permission to purchase twenty (20) digital in-car video systems from L3 Communications of Boonton, New Jersey. These systems will replace the current DVD systems that have been in place for approximately three years. The new systems are a "hard-drive" system that have no moving components in the vehicle and do not have the environmental requirements (heating/cooling) that are needed for the current systems. Police department staff has researched these units with the assistance of staff from Information Technology and the Department of Public Works. This system is in place in a number of police departments in the state and we have also reviewed its performance with these agencies. Costs for the system are as follows:

Video systems, components and software: \$143,750.25

Computer server: \$ 28,055.00

FINANCIAL IMPACT: Funds for the video systems (\$143,750) would originate with the City's Equipment Fund. Funds for the server would come from the Criminal Forfeiture Account.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of purchase.

Motion by Vice Mayor Gawron, second by Commissioner Spataro to approve the request to purchase video systems for the Police Department.

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

Nays: None

MOTION PASSES

C. Sewer Rate Adjustment. FINANCE

SUMMARY OF REQUEST: The City last adjusted sewer rates (a 16% increase) on January 1, 2006 in response to County fee adjustments triggered by changes at Sappi and by new indebtedness taken on to finance system improvements. However, actual 2006 financial results for the sewer fund indicate the increase was inadequate. In addition to the County fee increases, the sewer fund has been hit with an unexpected (and unexplained) surge in usage in the last two years:

12-Month Period	Usage (MG)	%Increase
May 2006 – April 2007	2027	8%
May 2005 – April 2006	1869	11%
May 2004 – April 2005	1682	-

The increased usage is hard to understand in light of plant closings (e.g. Brunswick, Bekaert) and in light of the fact that flows for other communities are stable or falling. Staff is in discussion with the County on possible metering issues, but at this point a further 15% rate increase is needed to stabilize sewer fund finances.

FINANCIAL IMPACT: The sewer rate adjustments will generate an estimated \$710,000 additional annualized revenue for the City’s sewer fund.

BUDGET ACTION REQUIRED: None at this time. If the rate increase is approved, it will be incorporated into the second quarter budget reforecast together with the higher anticipated County treatment costs.

STAFF RECOMMENDATION: Adoption of the fee adjustment resolution.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the sewer rate adjustments as proposed.

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

Nays: None

MOTION PASSES

D. Engineering Services Agreement with Fleis & Vandenbrink for Sherman and Henry Intersection and Sidewalk. ENGINEERING

SUMMARY OF REQUEST: Authorize staff to enter into an engineering service agreement with Fleis & Vandenbrink to modify plans, specification and engineer’s estimate along with design of a sidewalk along the north side of Sherman between Barclay & Henry. The services to be provided consist of modifying the plans to meet Michigan Department of Transportation’s (MDOT) guidelines since we were fortunate to receive not only federal funds, but if we were to get those plans in to MDOT soon, we have been approved for the state money to offset the local match. The total not-to-exceed fee is \$11,900. Fleis and Vandenbrink had the lowest proposed fee of two proposals received. One other consultant declined to submit a proposal.

FINANCIAL IMPACT: The cost to the City is limited to the engineering cost for the modifications of the plans of \$11,900, plus construction engineering of 10%. The total estimated cost of the project is \$270,000, of which \$216,000 is from an approved Federal grant and the remaining \$54,000 is from the State’s “Jobs Today Program.”

BUDGET ACTION REQUIRED: None at this time, however, the second budget forecast would have to be revised to address the modification cost of \$11,000.

STAFF RECOMMENDATION: Authorize staff to enter into an Engineering Services Agreement with Fleis & Vandenbrink.

Motion by Vice Mayor Gawron, second by Commissioner Shepherd to authorize staff to enter into the engineering services agreement with Fleis & Vandenbrinks for Sherman and Henry.

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

Nays: None

MOTION PASSES

E. SECOND READING: Amendment to the Zoning Ordinance – Residential Parking Requirements Downtown. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to amend Section 2326 (Off Street Parking, #12) of Article XXIII (General Provisions) to reduce the residential parking requirement in the Downtown Parking Overlay District.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends amendment of the Zoning Ordinance to reduce the residential parking requirement in the Downtown Parking Overlay District.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their May 10, 2007 meeting. The vote was unanimous with T. Michalski and T. Harryman absent.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the amendment to the Zoning Ordinance for residential parking requirements downtown.

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

Nays: Davis

MOTION PASSES

F. SECOND READING: Ordinance Amendment – Vehicles for Hire. CITY CLERK

REMOVED

G. Special Events - Multiple Liquor License Request from Topsy Toad Tavern.

ASSISTANT CITY MANAGER

SUMMARY OF REQUEST: Topsy Toad Tavern, 609 W. Western Ave., is requesting an extension of their current liquor license to be able to serve alcohol outside in an entertainment area during the Muskegon Summer Celebration (June 28th through July 8th). The following temporary alcohol licenses have been issued for this time period: Muskegon Summer Celebration, and Mike's Inn.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

COMMITTEE RECOMMENDATION: The Leisure Services Board approved this request at their May 21st meeting.

Motion by Commissioner Carter, second by Commissioner Davis to approve the special event multiple liquor license request from Topsy Toad Tavern.

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

Nays: None

MOTION PASSES

H. Special Events - Multiple Liquor License Request from Muskegon Eagles Aerie 668/Fraternal Order of Eagles. ASSISTANT CITY MANAGER

SUMMARY OF REQUEST: The Muskegon Fraternal Order of Eagles (Aerie 668) is requesting an extension of their current liquor license to be able to serve non-members during the Muskegon Summer Celebration (June 28th through July 8th). The following temporary alcohol licenses have been approved for this time period: Muskegon Summer Celebration, and Mike's Inn.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

COMMITTEE RECOMMENDATION: The Leisure Services Board approved this request at their May 21st meeting.

Motion by Commissioner Spataro, second by Commissioner Davis to approve the special event multiple liquor license request for Muskegon Eagles aerie 668/Fraternal Order of Eagles.

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

Nays: None

MOTION PASSES

I. Special Events - Multiple Liquor License Request from C.I.O. Hall and Port City Bldg. Association. ASSISTANT CITY MANAGER

SUMMARY OF REQUEST: C.I.O. Hall and Port City Bldg. Association, 490 W. Western Ave., is requesting a temporary liquor license during the Muskegon Bike Time Event, Scheduled for July 20th through July 22, 2007. The following have already been approved: Racquets, Pop-A-Top, Muskegon Bike Time, Topsy Toad, and Mike's Inn.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

COMMITTEE RECOMMENDATION: The Leisure Services Board has approved this request at their May 21st meeting.

Motion by Commissioner Shepherd, second by Commissioner Carter to approve the special event multiple liquor license request from C.I.O. Hall & Port City Bldg. Association.

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

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Mayor Warmington recognized County Commissioner Collins who was in attendance.

PUBLIC PARTICIPATION: Comments were heard reference no street lights on Sumner Avenue and reference the Sieradzki home.

ADJOURNMENT: The City Commission Meeting adjourned at 6:38 p.m.

Respectfully submitted,

Ann Marie Becker, MMC
City Clerk