

CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 23, 2011

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ❑ CALL TO ORDER:
- ❑ PRAYER:
- ❑ PLEDGE OF ALLEGIANCE:
- ❑ ROLL CALL:
- ❑ HONORS AND AWARDS:
- ❑ INTRODUCTIONS/PRESENTATION:
- ❑ CONSENT AGENDA:
 - A. Approval of Minutes. CITY CLERK
 - B. WEMET Vehicle Cost. CITY MANAGER
 - C. Bond Authorizing Resolution. FINANCE
- ❑ PUBLIC HEARINGS:
- ❑ COMMUNICATIONS:
- ❑ CITY MANAGER'S REPORT:
- ❑ UNFINISHED BUSINESS:
- ❑ NEW BUSINESS:
 - A. Revised LC Walker Management Agreement. FINANCE
 - B. Pension Benefits for Public Safety Director. FINANCE
 - C. East Muskegon Little League and No More Sidelines – Request to Waive Equipment Rental Fees and Labor Charges for City Picnic Table Use. PLANNING & ECONOMIC DEVELOPMENT
 - D. Michigan Irish Music Festival – Request to Waive Equipment Rental Fees. PLANNING & ECONOMIC DEVELOPMENT
 - E. Church Without Shoes Event at Margaret Drake Elliott Park – Request to Waive the Special Event Application Fee and the Picnic Shelter Reservation Fee. PLANNING & ECONOMIC DEVELOPMENT

F. Request to Fly Breast Cancer Ribbon Flags. CITY CLERK

G. Designation of Voting Delegates for the Michigan Municipal League Annual Business Meeting. CITY CLERK

❑ **ANY OTHER BUSINESS:**

❑ **PUBLIC PARTICIPATION:**

- *Reminder: Individuals who would like to address the City Commission shall do the following:*
- Fill out a request to speak form attached to the agenda or located in the back of the room.
- Submit the form to the City Clerk.
- Be recognized by the Chair.
- Step forward to the microphone.
- State name and address.
- Limit of 3 minutes to address the Commission.
- (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

❑ **CLOSED SESSION:**

❑ **ADJOURNMENT:**

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT ANN MARIE BECKER, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TDD: (231) 724-4172.

Date: August 23, 2011
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the August 8th Commission Worksession Meeting and the August 9th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

City of Muskegon
City Commission Worksession
August 8, 2011
City Commission Chambers
5:30 PM

MINUTES

2011-54

Present: Commissioners Warmington, Gawron, Carter, Spataro, Shepherd, and Wisneski.

Absent: Commissioner Wierengo.

Great Lakes Die Cast Financing Subordination.

Staff has recommended to continue the lien and subordinate the loan to refinance with Wells Fargo, and authorize the Mayor and Clerk to execute necessary documents. This is acceptable to the company.

This item will be brought to the City Commission on August 9, 2011 for their consideration.

L.C. Walker Arena Parking Lot.

The request is to authorize staff to enter into an agreement with Michigan Paving & Materials to mill and resurface the northerly parking lot of L.C. Walker (between Shoreline Drive & L.C.) at a cost is \$20,190 for all labor, material and equipment necessary to perform the aforementioned work. Michigan Paving & Materials was the lowest responsible bidder out of three contractors solicited to bid on this project.

This item will be brought to the City Commission on August 9, 2011 for their consideration.

Chamber of Commerce Shared Services Study.

Nineteen suggested shared services were given in the Shared Services Study. Elected officials met two weeks ago to discuss it. It is hoped that the seven communities set a plan of putting the points of interest in the order of importance.

Adjournment.

Motion by Commissioner Carter, seconded by Commissioner Shepherd to adjourn at 6:15 p.m.

MOTION PASSES

**Ann Marie Becker, MMC
City Clerk**

CITY OF MUSKEGON

CITY COMMISSION MEETING

AUGUST 9, 2011

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, August 9, 2011.

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 Clara Shepherd, Lawrence Spataro, Sue Wierengo, Steve Wisneski, and Chris Carter, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker.

2011-55 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the City Commission Meeting that was held on Tuesday, July 26, 2011.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Brownfield Consulting Services - Envirologic Technologies, Inc. Proposal. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The City's Brownfield consultant, Anne Couture, is taking a position in Lansing. The City has been working with Envirologic Technologies, Inc. on current Brownfield site assessment projects. Since Envirologic has extensive experience with Brownfield Redevelopment Authorities and positive interaction with both the MDEQ and the USEPA, they were requested to submit a proposal to continue with the consulting services that Ms. Couture has been providing up to this point.

FINANCIAL IMPACT: The majority of services provided by Envirologic will be

financed through existing (and potentially future) grant funds, as well as through Brownfield Plan fees. There will be some funds paid through the City's general fund, which is the case currently with Ms. Couture.

BUDGET ACTION REQUIRED: None, the 2011-12 Planning budget includes funds for this type of consulting service.

STAFF RECOMMENDATION: To approve the "Proposal for Completion of Brownfield Consulting Services" from Envirollogic Technologies, Inc. and authorize the Mayor to sign the "Proposal".

C. Certification of MERS Representatives. FINANCE

SUMMARY OF REQUEST: The MERS plan document provides that "the governing body for each municipality shall certify the names of two delegates to the Annual Meeting. One delegate shall be a member who is an officer of the municipality appointed by the governing body of the municipality. The other delegate shall be a member who is not an officer of the municipality, elected by the member officer/employees of the municipality."

The City's bargaining units have agreed to a rotating system (based on date of joining MERS) to select one official employee representative. This year the official employee representative attending the MERS conference will be Jeff Balon from the DPW517 union.

FINANCIAL IMPACT: Registration for the MERS conference in Traverse City is \$185 per person. Additionally, mileage and lodging costs will be incurred.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Certification of Tim Paul and Jeff Balon to be the City's officer and employee delegates at the MERS annual meeting in Traverse City September 27 - 29.

D. Request to Apply for the Certified Local Government Status from the Michigan Historic Center. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Becoming a Certified Local Government will give the City access to more historic rehabilitation grants and free educational workshops. The current historic preservation ordinance was recently revised to meet the criteria required for certification by the Michigan Historic Center. There is no application fee for this certification.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval to apply for the Certified Local Government from the Michigan Historic Center and for the Mayor to sign the cover letter.

E. Consideration of Bids for Parking Lot at L. C. Walker Arena.

ENGINEERING

SUMMARY OF REQUEST: Authorize staff to enter into an agreement with Michigan Paving & Materials to mill and resurface the northerly parking lot of L. C. Walker Arena (between Shoreline Drive & L. C. Walker Arena) at a cost of \$20,190 for all labor, material and equipment necessary to perform the aforementioned work. Michigan Paving & Materials was the lowest responsible bidder out of the three contractors solicited to bid on this project.

The bids are without prevailing wages and bonds but they are required to provide general liability insurance naming the City as an additional insured.

FINANCIAL IMPACT: The construction cost of \$20,190 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: This project, if approved, would have to be added to the 2011/2012 budget in a future quarterly budget re-forecast.

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Michigan Paving & Materials to mill and resurface the parking lot.

F. Engineering Services Agreement to Upgrade Traffic Signal at Getty and Evanston. ENGINEERING

SUMMARY OF REQUEST: Authorize staff to enter into an engineering services agreement with Progressive A/E to perform the necessary design and preparation of specifications and construction documents to upgrade the traffic signal at Getty and Evanston for a not to exceed fee of \$8,815.

FINANCIAL IMPACT: Cost of surveying, design, specifications and construction engineering, \$8,815. The construction will be mostly covered by a CMAQ grant.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Progressive.

G. Burgess-Norton. CITY MANAGER

SUMMARY OF REQUEST: To approve a Memorandum of Understanding with Burgess-Norton to provide access to City property for environmental investigation purposes and to reimburse the City for irrigation system costs.

FINANCIAL IMPACT: Reimbursement of costs associated with irrigation systems and property access.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the Memorandum of Understanding.

H. Appointments to Various Boards and Committees. CITY CLERK

SUMMARY OF REQUEST: To appoint Reverend Phillips representing Ward II, and Rosalind Ford as a citizen at large to the Community Development Block Grant-

Citizen's District Council; Tim Taylor as a member with property interest to the Downtown Development Authority; Catherine Young to the Income Tax Board of Review as a resident; and Deborah Crockett, Rosalind Ford, and Catherine Young to the Local Officer's Compensation Commission as citizens.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the appointments.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended the appointments at their August 8th meeting.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the consent agenda as read.

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

Nays: None

MOTION PASSES

2011-56 UNFINISHED BUSINESS:

A. SECOND READING: Encroachment Ordinance Amendment. CITY CLERK

SUMMARY OF REQUEST: This request is to amend Chapter 74, Article V of the Code of Ordinances by adding sections 74-200 through 74-214.

Under the proposed ordinance all encroachments will expire August 31, 2011, and will require renewal on or before September 1st of each year.

There are currently 130 encroachments on file. For 2011, all applicants will be given a 30-day extension until September 30, 2011, given the short notice.

FINANCIAL IMPACT: New proposed fees are \$25 if an annual inspection is not required and a \$50 fee if an annual inspection is required. A late fee of \$25 will be imposed every 30 days.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the ordinance amendment.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the encroachment ordinance amendment.

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

Nays: None

MOTION PASSES

2011-57 NEW BUSINESS:

A. Approval of Sale of City-Owned Home at 1891 Wood. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the resolution and instruct the Community and Neighborhood Services department to complete the sales transaction between Ms. Crystal Cervantes for the totally rehabilitated home at 1891 Wood Street, which is part of the City's Neighborhood Stabilization Program through the Michigan State Housing Development Authority Office of Community Development. Ms. Cervantes purchase price is \$50,000. The beautiful three-bedroom, two-bath home was previously vacant.

FINANCIAL IMPACT: The proceeds from the sale will be used to continue the rehabilitation of vacant houses through NSP to sustain our current investments to stabilize and revitalize neighborhoods.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution and direct the CNS staff to complete the sale.

Motion by Vice Mayor Gawron, second by Commissioner Spataro to approve the sale of the City-owned home at 1891 Wood to Ms. Crystal Cervantes.

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

Nays: None

MOTION PASSES

B. Great Lakes Die Cast Financing Subordination. CITY MANAGER

SUMMARY OF REQUEST: Great Lakes Die Cast has a loan with the City and has asked that the City give up its lien on the company's receivables so it can re-finance with Wells Fargo.

FINANCIAL IMPACT: This impacts our security.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To continue the lien and subordinate the loan to the refinancing with Wells Fargo, and authorize the Mayor and Clerk to execute necessary documents. This is acceptable to the company.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the Great Lakes Die Cast financing subordination as presented.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments received.

ADJOURNMENT: The City Commission Meeting adjourned at 5:50 p.m.

Respectfully submitted,

Ann Marie Becker, MMC
City Clerk

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: August 11, 2011

RE: WEMET Vehicle Cost

SUMMARY OF REQUEST:

To approve an increase in WEMET vehicle cost from \$6,190 to \$7,500 annually, per vehicle. The city uses four vehicles.

FINANCIAL IMPACT:

Increase of \$5,240 annually.

BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

To approve the request.

COMMITTEE RECOMMENDATION:

None.

W.E.M.E.T.
West Michigan Enforcement Team

RECEIVED

AUG 09 2011

MUSKEGON
CITY MANAGER'S OFFICE

August 5, 2011

Bryon Mazade, City Manager
City of Muskegon
933 Terrace Street
Muskegon, MI 49440

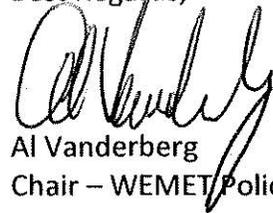
Bryon
Dear Mr. Mazade,

I am writing on behalf of the West Michigan Enforcement Team (WEMET) Board of Directors to request an increase in the WEMET vehicle cost from each participating agency. The Board voted last week to increase the per vehicle charge from \$6,190 to \$7,500 per vehicle. The Board implemented this fee several years ago as it grappled with cutting cost and creating some inflow of funds to pay for the operating budget, which has no dedicated source of consistent revenue.

All it takes is a quick perusal of the activity logs to see that the WEMET organization remains viable and necessary as our area continues to experience both a high amount of illicit drug activity and fortunately great results achieved by the WEMET team. Thank you for your support over the years, both in terms of financial contributions and Board service.

Please contact me or Mike Harvitt should you have questions.

Best Regards,



Al Vanderberg
Chair – WEMET Policy Board

Cc: Mike Harvitt, Section Commander
Tony Kleibecker, Director of Public Safety

W.E.M.E.T. 12220 Fillmore Street, West Olive, Michigan 49460

Date: August 23, 2011

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Bond Authorizing Resolution

SUMMARY OF REQUEST: As previously discussed, the City is borrowing \$2.0 million from Fifth-Third Bank to serve as local matching funds for various current and future street projects for which the City has received grant funding.

Proper public notice of the bond issuance has been given and the attached bond authorizing resolution is the last action required by the City Commission to complete this transaction.

FINANCIAL IMPACT: The loan will be for ten years at an interest rate of 2.98%

BUDGET ACTION REQUIRED: The projected interest payment for 2011-12 is included in the FY 2012 budget.

STAFF RECOMMENDATION: Approval of the bond authorizing resolution.

COMMITTEE RECOMMENDATION: None.

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. NECESSITY. It is necessary for the public health, safety and welfare of the City to make the Improvements and issue bonds of the City, pursuant to Act 34 to finance the acquisition and construction of the Improvements.

2. ESTIMATED COST - PERIOD OF USEFULNESS. The total cost of the Improvements, including the payment of engineer's fees, legal and financial expenses and other expenses incident to the financing of the Improvements, including the portion of the project to be funded with grants, is estimated to be approximately Six Million Dollars (\$6,000,000) and is hereby approved and confirmed, and the estimated period of usefulness of the Improvements is determined to be in excess of ten (10) years.

3. ISSUANCE OF BONDS. To defray a portion of the cost of the Improvements, including legal, engineering, financial and other expenses, the City shall issue its bonds known as 2011 Capital Improvement Bonds (the "Bonds") in the aggregate principal sum of not to exceed Two Million Dollars (\$2,000,000). The balance of the cost of the Improvements, if any, shall be paid by grants or funds appropriated by the City.

4. BOND TERMS. The Bonds shall be issued in fully registered form as to both principal and interest in minimum denominations of \$100,000 or any multiple of \$5,000 above that amount. The Bonds shall be dated the date of delivery or such other date determined by the Authorized Officer, shall bear interest at the rate of 2.98% and shall be issued as one term bond with mandatory redemptions on each September 1, in such amounts determined by the Authorized Officer at the time of closing. Interest on the bonds shall be paid semiannually on the first (1st) day of March and September of each year, commencing March 1, 2012.

5. PAYMENT OF PRINCIPAL AND INTEREST. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America to the person appearing on the

Bond registration books as the registered owner thereof. Payment of principal on the Bonds shall be made at the principal office of the Paying Agent (defined below), upon surrender of the Bonds. Payment of interest on the Bonds shall be paid to the registered owner at the address as it appears on the registration books as of the determination date. Initially, the determination date shall be the date as of the fifteenth (15th) day of the month prior to the payment date for each interest payment; however, the determination date may be changed by the City to conform to market practice.

6. PLEDGE OF FULL FAITH AND CREDIT, GENERAL OBLIGATION. The City hereby pledges its limited tax, full faith and credit, general obligation for the prompt payment of the principal of and interest on the Bonds as and when due. In the event there are insufficient moneys for the payment of principal of and interest on the Bonds, the City shall levy a tax on all taxable property in the City for the prompt payment of principal and interest on the Bonds, which tax shall be limited as to rate and amount by applicable charter, constitutional and statutory limitations on the taxing power of the City.

7. PRIOR REDEMPTION.

(a) Mandatory Redemption. Principal of the Bonds shall be subject to mandatory redemption, in part, at par plus accrued interest, on the redemption dates corresponding to the principal amounts set forth above. When term bonds are purchased by the City and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term bonds affected shall be reduced by the principal amount of the Bonds so redeemed in the order determined by the City.

(b) Optional Redemption. The Bonds shall be subject to optional redemption prior to maturity, as determined by the Authorized Officer at the time of closing

8. PAYING AGENT AND REGISTRATION. From time to time the City shall designate and appoint a Paying Agent, which may also act as transfer agent and bond registrar. The initial Paying

Agent shall be the City Treasurer. In the event of a change in the Paying Agent, notice shall be given in writing, by certified mail, to each Registered Owner not less than sixty (60) days prior to the next interest payment date. The Paying Agent shall keep the official books which record the registered owners of the Bonds (the "Registered Owners"). Bonds may be transferred only by submitting the same to the Paying Agent, together with a satisfactory instrument of transfer signed by the Registered Owner or his legal representative duly authorized in writing, after which a new Bond or Bonds shall be issued by the Paying Agent to the transferee (new registered owner) in minimum denominations of \$100,000 or any integral multiple of \$5,000 above that amount. No transfer of Bonds shall be valid unless and until recorded on the bond registration books in accordance with the foregoing. The person in whose name any bond is registered may for all purposes, notwithstanding any notice to the contrary, be deemed and treated by the City and the Paying Agent as the absolute owner thereof, and any payment of principal and interest on any Bond to the Registered Owner thereof shall constitute a valid discharge of the City's liability upon such Bond to the extent of such payment. No Bond shall be transferred less than fifteen (15) days prior to an interest payment date nor after the Bond has been called for redemption.

9. BOND FORM. The Bonds shall be substantially in the form attached hereto as Exhibit A, and incorporated herein, with such changes as are recommended by the City's Bond Counsel and approved by the officers of the City signing the Bonds.

10. EXECUTION OF BONDS. The Mayor or the Mayor Pro Tem, and the Clerk or the Deputy Clerk of the City, are hereby authorized and directed to sign the Bonds, either manually or by facsimile signature, on behalf of the City. Upon execution, the Bonds shall be delivered to the purchaser thereof upon receipt of the purchase price in accordance with the accepted bid therefor, plus the accrued interest, if any, to the date of delivery.

11. BONDS MUTILATED, LOST OR DESTROYED. If any Bond shall become mutilated, the City, at the expense of the holder of the Bond (the “Bondholder”), shall execute, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this Resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the Paying Agent and, if this evidence is satisfactory to both the City and the Paying Agent and indemnity satisfactory to the Paying Agent shall be given, the City, at the expense of the Bondholder, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like tenor, which shall bear the statement required by Act 354, Public Acts of Michigan, 1972, as amended, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same without surrender thereof.

12. BOND PAYMENT FUND. For payment of principal of and interest on the Bonds, there shall be established and maintained a fund for the Bonds designated the “2011 CAPITAL IMPROVEMENT BONDS BOND PAYMENT FUND” (the “Bond Payment Fund”). The accrued interest, if any, and capitalized interest, if any, received at the time of delivery of the Bonds shall be placed into the Bond Payment Fund. The City shall budget annually a sufficient amount to pay the annual principal of and interest on the Bonds and deposit such amount in the Bond Payment Fund as needed to make payments of principal and interest as they become due. The obligation of the City to pay the principal of and interest on the Bonds will be a first budget obligation. Moneys in the Bond Payment Fund shall be expended solely for payment of principal and interest on the Bonds which first come due. Any monies remaining in the Bond Payment Fund after the annual payments of principal of and interest on the Bonds shall be transferred to the General Fund and shall no longer be pledged hereunder.

13. CONSTRUCTION FUND. Prior to delivery and sale of the Bonds, there shall be established a fund designated the “2011 CAPITAL IMPROVEMENT BONDS CONSTRUCTION FUND” (the “Construction Fund”). After deducting the sums which are required to be deposited in the Bond Payment Fund, the balance of the proceeds of the Bonds shall be deposited into the Construction Fund. The moneys on deposit in the Construction Fund from time to time shall be used solely for the purpose for which the Bonds were issued. Any unexpended balance shall be used for such purposes as allowed by law. Any monies remaining in the Construction Fund after payment of all such costs shall be transferred to the Bond Payment Fund. After completion of the Improvements and disposition of any remaining bond proceeds, pursuant to the provisions of this Section, the Construction Fund shall be closed.

14. INVESTMENT OF FUNDS. Moneys in the funds and accounts established herein may be invested by the City as allowed by law, subject to the limitations imposed by arbitrage regulations and Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder (collectively the “Code”).

15. DEPOSITORY AND FUNDS ON HAND. Monies in the several funds and accounts maintained pursuant to this Bond Resolution may be kept in one or more accounts at financial institutions designated by resolution of the City, and if kept in one account, the monies shall be allocated on the books and records of the City in the manner and at the times provided in this Resolution.

16. COVENANTS. The City covenants and agrees with the successive Bondholders that so long as any of the Bonds remain outstanding and unpaid as to either principal or interest:

(a) That it will cause the principal of and interest on the Bonds to be paid promptly when due, but solely from the funds pledged by this Resolution.

(b) That it will make no use of the proceeds of the Bonds, or any other funds which may be deemed to be proceeds of the Bonds pursuant to Section 103(c) of the Code which, if the use had

been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be “arbitrage bonds” within the meaning of that Section, and will comply with all requirements of the Code throughout the term of the Bonds.

17. ADDITIONAL BONDS. In accordance with the provisions of Act 34, the City reserves the right to issue additional bonds, which shall be of equal standing and priority with the Bonds.

18. MICHIGAN TAXATION. The Bonds provided for herein are authorized by the Constitution and Statutes of the state of Michigan, and in particular by Act 34, and are exempt from all taxation by the State of Michigan or by any taxing authority within the state, except inheritance, estate and gift taxes, and except taxes on gains realized from the sale, payment or other disposition thereof.

19. CONTRACT WITH BONDHOLDERS. The provisions of this Resolution shall constitute a contract between the City and the Bondholders from time to time, and after the issuance of any of such Bonds, no change, variation or alteration of the provisions of this Resolution may be made which would lessen the security for the Bonds. The provisions of this Resolution shall be enforceable by appropriate proceedings taken by such Bondholders, either at law or in equity.

20. SALE OF BONDS. The Bonds shall be sold at a negotiated sale to Fifth Third Bank, an Ohio banking corporation, or one of its affiliated entities (the “Bank”). The City determines that a negotiated sale is in the best interests of the City since the offer of the Bank to purchase the Bonds provides a low interest rate while also saving on the costs of issuance for the Bonds.

21. AUTHORIZED OFFICER. Notwithstanding any other provision of this Resolution, the City Manager and the Finance Director, or either one of them acting alone (the “Authorized Officer”), is authorized within the limitations of this Resolution to determine the title of the Bonds, interest rate (not to exceed 2.98%), amount of discount, amount of maturities, principal amount (not to exceed the principal amount stated in this Resolution), amount of good faith deposit, if any, denominations, dates of issuance,

dates of maturities (with the final maturity no later than 2025), interest payment dates, optional and mandatory redemption rights, and term bond options prior to the closing on the issuance of the Bonds.

The Authorized Officer is hereby authorized for and on behalf of the City, without further City Commission approval, to execute a bond purchase agreement for the Bonds, and to do all acts and take all necessary steps required to effectuate the sale, issuance and delivery of the Bonds.

Approval by the City of the matters delegated in this section or any other sections may be evidenced by execution or approval of such documents by the Authorized Officer. The Authorized Officer, together with the Mayor, the Clerk and the Treasurer or any one or more of them, are authorized to execute any documents or certificates necessary to complete the transaction, including, but not limited to, any applications, including applications to the Michigan Department of Treasury, any certificates, receipts, orders, agreements, instruments, and any certificates relating to federal or state securities laws, rules or regulations.

22. INTERNAL REVENUE CODE. The City has consulted with its attorney and understands that the Code contains certain requirements on (i) the expenditure of proceeds from the sale of the Bonds, (ii) the investment of the proceeds from the issuance of the Bonds and (iii) the rebate of interest earned on the investment of the proceeds of the Bonds under certain circumstances. The City hereby covenants to comply with such requirements.

23. QUALIFIED TAX-EXEMPT OBLIGATION. The City reasonably anticipates that the amount of qualified tax-exempt obligations which will be issued by the City and all subordinate entities during the calendar year 2011 shall not exceed \$10,000,000. The City hereby designates the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3)(B) of the Code. The City hereby certifies that the Bonds are not private activity bonds as defined in Section 141 of the Code.

24. DEFEASANCE. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the bonds, shall be deposited in trust, this Resolution shall be defeased and the owners of the bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest on the bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange bonds as provided herein.

25. OFFICIAL STATEMENT. Because this Bond is being sold by negotiated sale to a sophisticated financial institution, the City will not prepare an Official Statement relating to the Bonds and will not enter into a continuing disclosure undertaking.

26. BOND RESOLUTION SUBJECT TO MICHIGAN LAW. The provisions of this Resolution are subject to the laws of the State of Michigan.

27. SECTION HEADINGS. The section headings in this Resolution are furnished for convenience of reference only and shall not be considered to be a part of this Resolution.

28. SEVERABILITY. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

29. CONFLICT. Except as provided above, all resolutions or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed; provided, that the foregoing shall not operate to repeal any provision thereof, the repeal of which would impair the obligation on the Bonds.

30. EFFECTIVE DATE OF RESOLUTION. This Resolution is determined by the City Commission to be immediately necessary for the preservation of the peace, health and safety of the City and shall be in full force and effect from and after its passage.

YEAS: Commission Members _____

NAYS: Commission Members _____

ABSENT: Commission Members _____

RESOLUTION DECLARED ADOPTED.

Ann Becker, Clerk
City of Muskegon

STATE OF MICHIGAN)
) SS
COUNTY OF MUSKEGON)

I, Ann Becker, the duly qualified and acting Clerk of the City of Muskegon, Muskegon County, Michigan (the "City"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission at a meeting held on August 23, 2011, the original of which is on file in my office. Public notice of said meeting was given pursuant to and in compliance with Act 267, Public Acts of Michigan, 1976, as amended.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 23rd day of August, 2011.

Ann Becker, Clerk
City of Muskegon

EXHIBIT A

No. ____

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF MUSKEGON
CITY OF MUSKEGON

2011 CAPITAL IMPROVEMENT BONDS
(Limited Tax General Obligation)

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Date of Original Issue</u>
2.98%	_____, ____	September ___, 2011

Registered Owner: Fifth Third Bank, an Ohio banking corporation
Principal Amount: Two Million Dollars (\$2,000,000)

The City of Muskegon, Muskegon County, Michigan (the "City"), acknowledges itself indebted and, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, with interest thereon from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on March 1, 2011, and semiannually thereafter on the first day of March and September of each year.

This Bond is the total authorized issue of bonds issued in accordance with the provisions of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34") and a resolution adopted by the City Commission on August 23, 2011, for the purpose of paying a portion of the cost of purchasing, acquiring and constructing certain capital improvements, including street reconstruction including, but not limited to, base reconstruction, milling, placement of bituminous pavement, curb and gutter on City streets including, but not limited to, Laketon, Sherman, Getty, and Terrace, the restoration of streets, rights-of-way and easements affected by the improvements, and related facilities as well as all work necessary and incidental to these improvements.

The City has pledged the limited tax, full faith, credit and resources of the City for the prompt payment of the principal of and interest on the Bonds, in which event the City may levy a tax on all taxable property in the City for the payment of principal and interest on the Bonds, which tax shall be limited as to rate and amount by applicable charter, constitutional and statutory limitations on the taxing power of the City. The City reserves the right to issue additional bonds in accordance with the provisions of Act 34 which shall be of equal standing and priority with the Bonds.

The City Treasurer shall act as the initial paying agent, bond registrar and transfer agent (the "Paying Agent"). Principal of this Bond is payable at the principal office of the Paying Agent. The City may hereafter designate an alternate Paying Agent by notice mailed to the Registered Owner not less than sixty (60) days prior to the next interest payment date. Interest on this Bond is payable to the Registered Owner of record as of the fifteenth (15th) day of the month preceding the payment date as shown on the registration books of the City maintained by the Paying Agent, by check or draft mailed to the Registered Owner at the registered address.

Portions of the Bond are subject to mandatory redemption prior to maturity in part, by lot, on _____ 1 and will be redeemed at the par value thereof plus accrued interest to the redemption date on _____ 1 of each of the following years in the amounts as follows:

<u>Redemption Date</u>	<u>Principal Amount</u>
10/01/12	
10/01/13	
10/01/14	
10/01/15	
10/01/16	
10/01/17	
10/01/18	
10/01/19	
10/01/20	
10/01/21	

Term Bonds purchased by the City and delivered to the Paying Agent for cancellation or which are redeemed in a manner other than by mandatory redemption, shall reduce the principal amount of the Bonds subject to mandatory redemption by the amount of the Bonds so redeemed, in the order determined by the City.

Bonds are subject to redemption prior to maturity as a whole or in part, at the option of the City, in such order as the City shall determine, on any interest payment dates. Bonds called for redemption shall be redeemed at the par value thereof and accrued interest to the date of redemption, without a premium.

Notice of the call of any Bonds for redemption shall be given by first class mail not less than thirty (30) days prior to the date fixed for redemption, to the Registered Owner at the registered address. Bonds called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the Paying Agent to redeem such Bonds. Bonds shall be called for redemption in multiples of \$5,000, and Bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the Bond by \$5,000, and such Bonds may be redeemed in part. The notice of redemption of Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed, a new Bond or Bonds in aggregate principal amount equal to the unredeemed portion of the Bond surrendered shall be issued to the Registered Owner thereof.

This Bond shall be registered in the name of the Registered Owner on the registration books kept by the Paying Agent and such registration noted hereon, and thereafter no transfer shall be valid unless made upon the registration books and likewise noted hereon. This Bond is exchangeable at the request of the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the office of the Paying Agent, but only in the manner, subject to the limitations and at his sole expense, for other bonds of an equal aggregate amount, upon surrender of this Bond to the Paying Agent. Upon such transfer, a new registered bond or bonds of the same series and the same maturity of authorized denomination will be issued to the transferee in exchange therefor.

The City has designated the Bonds of this series as “qualified tax exempt obligations” for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

It is hereby certified and recited that all acts, conditions and things required by law, precedent to and in the issuance of this Bond, exist and have been done and performed in regular and due time and form as required by law and that the total indebtedness of the City including this Bond, does not exceed any charter, constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Muskegon, Muskegon County, Michigan, by its City Commission, has caused this Bond to be signed, by the manual or facsimile signatures of its Mayor and the City Clerk, all as of the ____ day of _____, 2011.

Stephen Warmington, Mayor

Ann Becker, Clerk

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This Bond is the City of Muskegon's \$2,000,000 2011 Capital Improvement Bond and has been registered in the name of the Registered Owner designated on the face thereof in the bond register maintained for the City.

Derrick Smith, Treasurer
As Paying Agent/Bond Registrar/Transfer Agent

Authentication Date: _____

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____

(please print or type social security number or taxpayer identification number and name and address of transferee)

the within bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ Signed: _____

In the presence of: _____

Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of his authority to act must accompany the bond.

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guaranty program.

Signature Guaranteed: _____

Date: August 23, 2011

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Revised LC Walker Management Agreement

SUMMARY OF REQUEST: The contract for management of the LC Walker Arena was drafted in 2006 and subsequently assigned over to new management companies on two separate occasions. However, the contract was not significantly revised on either assignment. The new arena manager has requested the management contract be revised to:

- Remove certain outdated provisions (e.g. club room financing)
- Remove requirement for the City to find replacement parking if the Western Avenue parking lot was ever to be used for a purpose other than parking
- Change some outdated terminology (e.g. "professional" hockey)
- Change item-dollar threshold for use of the arena maintenance fund from \$5,000 to \$3,000
- Change the contract date to coincide with the City's fiscal year
- Set a new contract termination date of 9/1/16

Staff has reviewed the proposed contract changes and recommends approval of the revised management contract.

FINANCIAL IMPACT: There is no change to the \$235,000 annual management fee included in the current contract. However, the contract sets this amount as the annual fee for each year of the contract. The prior contract allowed the City to unilaterally reduce the fee if it was deemed by the City that the fee was excessive in light of the arena's financial performance. Staff concurs that this provision is no longer needed.

Staff has also obtained an opinion from bond counsel (attached) to assure the contract changes do not impair the tax-exempt status of the County's Quality of Life bonds issued, in part, to finance arena renovations.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the proposed amended LC Walker management contract with Logger Hockey, LLC

COMMITTEE RECOMMENDATION: None.

**FIRST AMENDED AND RESTATED CITY OF MUSKEGON
OPERATIONS MANAGEMENT CONTRACT
L.C. WALKER ARENA AND CONFERENCE CENTER**

This Contract, effective July 1, 2011, amends and restates that certain City of Muskegon Operations Management Contract L.C. Walker Arena and Conference Center between **City of Muskegon**, of 933 Terrace Street, Muskegon, Michigan 49440 (“City”) and **Logger Hockey, LLC**, an Indiana limited liability company, of 10580 Titan Run, Carmel, Indiana 46032-8233 (“Manager”), as assignee of JS Hockey Enterprises, Inc., dated January 27, 2009, for the management of the entire operations, management and promotion of the L.C. Walker Arena and Conference Center (“Arena”).

PURPOSE

This Contract is drawn to afford the complete management, promotion and maintenance of the Arena by Manager, in accordance and compliance with the requirements of the City, as well as the Muskegon County Building Authority and the County of Muskegon, who are the owner and primary lessee, respectively, of the Arena.

BACKGROUND

The Muskegon County Building Authority (“CBA”) is the owner of the Arena, and leases the premises to the County of Muskegon (“County”). The County subleases the Arena to the City, by which the City is responsible for the operation, maintenance, and improvements for the Arena.

Therefore, the parties agree as follows:

1. **Facilities Covered.** City and Manager agree that the “Facilities” covered by this Contract are as follows:
 - 1.1. The L.C. Walker Arena and Conference Center;
 - 1.2. The Annex Conference Center;
 - 1.3. The “Club Room”, which is a restaurant/bar overlooking the ice on the Western Avenue end of the Arena, if it is constructed;
 - 1.4. Manager agrees that City has no obligations to provide additional parking facilities for the Arena. Manager is solely responsible for leasing, if Manager desires to use, parking facilities owned by Mart Dock, or any related entity. City agrees to allow Manager to an exclusive use of the City owned parking facilities adjacent to Shoreline Drive. City agrees to allow Manager to use the City owned parking facility adjacent to Western Avenue for arena events, subject to the rights of any other parties to use the same parking area.

2. **Management; Operation; Maintenance; Improvements.** The Manager agrees to perform all acts and assume all responsibilities for the management, operation, maintenance and improvements of the Arena. The Manager's responsibilities include but are not limited to all operation of the building and its systems, complete maintenance thereof, repairs, cleaning and improvements to the building and the premises necessary for the efficient, timely and full operation thereof (notwithstanding the existence of the L.C. Walker Arena Repair and Replacement Fund, which shall only be used in the City's sole discretion and not as a substitute for Manager's responsibilities); further, all provisions for the use of the facilities for all events and functions, including but not limited to, professional hockey, amateur hockey, public skating, professional basketball, amateur basketball, shows, trade shows, exhibitions, conventions, athletic events, public performances for which the Arena is reasonably suited, banquets, food service, meetings and public gatherings. The Manager's responsibility shall further include the retaining and hiring of all personnel and independent contractors for the purpose of carrying out all the responsibilities and functions of the Manager.

3. **Annex Conference Center.** The Annex Conference Center, which is part of the Arena, shall be included in the above management, operation, maintenance, and improvement responsibilities of the Manager. However, at any time and in the City's sole discretion, the Annex may be separated from this Contract and its management, operation, maintenance and improvements contracted to another company or individual. During the term of contract, City shall retain the right to sell or demolish the Annex. Such separation of the Annex from the Manager's responsibilities shall not affect the Manager's responsibilities for the rest of the property and facilities.

4. **Expenses.** The Manager shall pay on a timely basis, without incurring any cost of default or penalties all expenses, payroll, payroll taxes, benefits, taxes, if any, and costs of any kind necessary or related to the complete performance of its responsibilities as Manager.

5. **Manager's Level of Performance.**

5.1 The Manager's performance and assumption of the responsibilities undertaken by this Contract shall be carried out and performed to the satisfaction of the City, in the City's sole judgment and discretion. The Manager shall charge reasonable prices and fees for all paid events and from all paid users, concessionaries and others, which shall be reviewed and adjusted by the City at its option. In addition, Manager shall include a surcharge per ticket to all ticketed events in amounts to be determined from time to time by the City and communicated in writing. The Manager shall not perform or omit any act so as to jeopardize the Federal or State tax-exempt status of the County Building Authority Bonds.

5.2 Manager commits to maintain a USHL junior hockey franchise or equivalent hockey team at the Arena.

6. **Management Fee.**

- 6.1 For its services, the Manager shall be paid a management fee by the City. The said management fee shall be the sole compensation to the Manager by the City. Manager shall pay all the expenses contemplated by this Contract without further payments from the City. The Manager shall be paid an annual fixed fee of Two Thirty-Five Thousand (\$235,000) dollars for the term of this contract. The annual fee shall be paid by the City in twelve (12) equal installments on the first of each month or a mutually agreeable schedule.
- 6.2 If at any time Logger Hockey, LLC owes the City of Muskegon funds which are deemed by the City to be thirty (30) days or more in arrears, City shall have the right to offset the monthly Management Fee owed by the City until such time as the amount owed to the City is eliminated.
- 6.3 Manager shall prepare and keep full, complete and proper books, records and accounts of all revenues and expenses of Logger Hockey, LLC for operations in the Arena, Annex or Club Room. Manager shall provide to the city (at least annually) access to the complete financial reports and income tax returns of these entities.

7. **Sources of Funds; Gross Revenues.** All funds collected by the Manager from every source, including but not limited to, ticket sales (after box office account settlement with unrelated third parties), concession or event rentals or fees, parking fees, refunds, the current ticket surcharge, and any other kind of receipt or revenue of any type, but excluding any fee for naming rights, user fees assessed by the City or other governmental entity or the maintenance fee surcharge, shall be retained by Manager.

8. **Naming Rights.** The City reserves the right to sell the naming rights to the Arena, including the Annex and the Club Room, if constructed. Any revenues generated by a contract to name the Arena, including the Annex and Club Room, shall be solely the revenues of the City. City and Manager shall negotiate and mutually agree on the compensation to be paid to Manager for the naming rights to the Arena if Manager brings the Buyer to the City and a deal is consummated.

9. **Repair, Maintenance and Improvement Fund and User's Fee.**

- 9.1 The City and Manager hereby establish the L.C. Walker Arena Repair, Maintenance and Improvement Fund (hereafter, the "Fund") which shall be financed by a user's fee as hereafter set forth to be used solely and exclusively for the repairs and/or improvements (as hereafter defined) to the L.C. Walker Arena. Withdrawals from said Fund for the aforesaid purposes may be made by Manager only after first having obtained the prior written consent of the City Manager of the City of Muskegon, which consent shall not be unreasonably withheld. Any single repair costing

Three Thousand Dollars (\$3,000) or less, shall, at all times, and in all events, be performed, assumed and paid for by Manager. Manager, not less often than annually, shall furnish the City with an accounting of all repairs and improvements to the L.C. Walker Arena within thirty (30) days following the completion of each contract year during the term of this Contract or any extension thereof. Earnings on said Fund shall be retained in the Fund and used solely for the Fund purposes.

Manager agrees to assess a Twenty-Five Cent (\$0.25) user's fee on all admissions (by ticket) to the Arena and/or Annex where such tickets are sold through the box office and/or its outlets and including all "complimentary ticket" issued by the Arena Manager or event promoter. The user's fee may be adjusted from time to time by mutual consent of the City and Manager. All user fees collected shall, within seventy-two (72) hours, be deposited by Manager in the Fund.

It is agreed by both Manager and City that the following events shall be exempt from the user's fee:

- (a) Public Skating Tickets;
- (b) Graduations, weddings, and other events where a fixed rental rate is charged with no arena box office ticket sales;
- (c) USHL hockey tickets provided in connection with the billet player housing program; and
- (d) All free tickets provided to the City for all USHL junior hockey games at the Arena.

Within five (5) business days of the first of each month following the completion of each event requiring the assessment of a user's fee, Manager shall provide City with a written tabulation of the number of tickets sold at such event and shall furnish the City evidence of the deposit in the Fund of the user's fee collected. City may, during normal business hours, audit Manager's record of any such event to verify the number of tickets sold and the correctness of the deposit in the Fund.

- 9.2. "Repair" implies an existing structure or thing which has become imperfect and means to supply in the original existing structure or thing that which is lost or destroyed, and thereby restore it to the condition in which it originally existed as near as may be. Manager shall be liable to assume and pay for all needed repairs to the premises and all City-owned equipment therein. The Fund may be used by Manager to make such repairs in the manner set forth in this Contract and the City Manager shall

not withhold his consent to any such repair; provided, however, that at all times and in all events any single repair costing Three Thousand Dollars (\$3,000), or less, shall be performed, assumed and paid for by Manager; and, provided further, the following itemized items of work are not deemed "repairs" but are rather deemed ordinary maintenance, materials and labor for which shall be provided by Manager at its sole cost and expense:

- (a) Incidental repainting of surfaces;
- (b) Washing and waxing of floors;
- (c) Resealing of floors when and where needed;
- (d) Bathroom supplies and plumbing repairs caused by plugging of lines, leaking faucets and toilets;
- (e) All cleaning supplies and equipment;
- (f) Lime/Paint for ice;
- (g) Painting ice surfaces when and where needed;
- (h) Light bulbs for all lighting fixtures;
- (i) Cleaning of walls within the Arena and cleaning and ordinary maintenance of sidewalks and other cement surfaces surrounding the Arena and surface of the parking lots;
- (j) Snowplowing and snow removal of walks and entrances as needed and the Shoreline Drive and Western Avenue lots for arena events;
- (k) Cleaning of curtains, drapes and other cloth items on the premises;
- (l) Grass cutting and lawn maintenance;
- (m) Emptying of trash containers and supply of trash containers;
- (n) Such other and similar items of work ordinarily related to the day-to-day operation of the Arena.

9.3. Improvements are defined as a valuable addition to the Arena or amelioration in its condition, amounting to more than repairs, costing labor and capital, and intending to enhance its value, beauty or utility, or to adapt it for new or further purposes, of the kind that are normally in good business practice capitalized rather than expensed. Manager shall first obtain the prior written consent of the City before any improvement is made to the Arena. The City may, at its sole and exclusive option, agree to pay for all or any part of the cost of an improvement. If, at the time the City consents to make any requested improvement, there exists a balance in the Fund, such Fund balance may be applied to defray the cost of making such improvement.

10. **Uses of Funds.** The gross revenues shall be used for the following purposes:

10.1. Monies deposited into the Maintenance Fund shall be used only for the repair, maintenance, and improvement of the Arena. Any funds existing at the termination of this Contract shall revert to the City and become the unrestricted property of the City, with no claim to such by Manager.

10.2. All monies earned by the sale of the naming rights to the Arena, Annex or Club Room shall be the sole property of the City, subject to a possible obligation to pay a fee to Manager. The monies from such, however, shall be used by the City, in the following order, to pay the Management Fee owed pursuant to paragraph 6, then to pay any debt service related to the Arena, Annex, or Club Room and the balance, if any, to be deposited into the Maintenance Fund.

10.3. All monies generated from all other sources at the Arena, including the Annex, Club Room, parking lots, and the Management Fee shall be the sole property of the Manager. Manager shall be responsible for all expenses, including any payments to Mart Dock, or related entity, for use of any Mart Dock, or related entity, property, except:

10.3.1. Expenses to be reimbursed from the Maintenance Fund; and

10.3.2. Debt service attributed to the Energy Improvements made in 2004 and any future debt service related to the Arena, including for the Club Room, which shall be paid by City.

11. **Conformity with Lease and Sublease.** Exhibits A and B are the lease between the CBA and the County and the sublease between the County and the City respectively. Manager agrees that it is subject to and will comply with and enforce the provisions of both Contracts.

12. **Possession; Termination.** The parties agree that possession during the term of this management Contract remains with the City. The Manager shall act as an agent of the City, and its presence and possession in the Arena is carried entirely on behalf of the City. This Contract shall not be construed as a lease or to give Manager any property right whatsoever in the Arena for any purpose. In the event of lawful termination either before the term of this Contract or at the end thereof, Manager shall vacate the premises without any notice or necessity of judicial proceedings.

13. **Property; Termination.**

13.1 All property, equipment and supplies, including office equipment and supplies, all computers and computer related programs, data, systems of personal property, all furniture, furnishings, decorations, signs, fixtures, movable fixtures, personal property of any kind, and all other property whether or not having value, purchased by the Manager or in the possession of the Manager at any time during this Contract shall remain the property of the Manager upon termination of this Contract. The said property of the Manager shall include all things tangible or intangible paid for by the Manager during the term of this Contract.

13.2 Notwithstanding anything in this Agreement to the contrary, in order to maintain the tax-exempt status of the \$16,000,000 County of Muskegon Building Authority 1996 Building Authority Bonds (General Obligation Unlimited Tax) issued June 19, 1996 (the "Bonds"), this Agreement shall terminate immediately in any of the following circumstances:

(a) the L.C. Walker Arena (including for this purpose appurtenant lands and all improvements thereto, referred to collectively herein as the "Arena") is transferred to the County pursuant to Sections 3(f) or 17 of the Sublease dated April 23, 1996 (the "Sublease") between the County of Muskegon (the "County") and the City of Muskegon (the "City"), or is otherwise transferred to the County for any other reason (including, but not limited to, the transfer to the County at the termination of the Sublease under Section 3 of the Sublease), or

(b) any consideration is paid or value rendered to the County by any party (including the City) with respect to the Arena for any reason, such as for the use of or purchase of all or any portion of the Arena, management services rendered with respect to any portion of or all of the Arena, naming rights procured with respect to any portion of or all of the Arena, or any other right with respect to any portion of the Arena for which consideration is paid or valued rendered to the County, except for payments made to the County for property taxes or any other taxes of general application, unless a written opinion of nationally recognized bond counsel is

delivered to the County to the effect that notwithstanding the occurrence of any of the circumstances described in (a) or (b) above, failure to terminate this Agreement will not adversely impact the exclusion from federal income taxation of the interest on the Bonds to the holders thereof. Such opinion shall be in form and substance reasonably satisfactory to the County, and may (i) permit a limitation (rather than termination) of the original term of this Agreement, or (ii) mandate other conditions as required by nationally recognized bond counsel to render such opinion. The City agrees to notify the manager within thirty days of the date any of the circumstances in (a) or (b) arise; failure to provide such notice does not constitute a waiver of section 13.2; however, the Manager shall not be responsible for any damages or consequences arising from the City's failure to provide such notification.

14. **Condition of the Premises and Property.** On termination the Manager shall deliver all the property and the premises to the City in good and useable condition, except for the effects of ordinary wear and tear. Manager shall be immediately responsible for any repairs necessary to restore any property, whether real or personal, fixtures or otherwise, to the said condition.

15. **Term.** The term of this Contract shall commence on the effective date and shall terminate on September 1, 2016. If not terminated, this Contract shall automatically renew for an additional five years. Notwithstanding the foregoing, this Contract shall be terminated, at the City's option, if a USHL junior hockey franchise or equivalent hockey team is moved from the Arena.

16. **Liquor License.** The City and the Manager shall be co-licensee on the City's municipal license, and any renewals thereof. The Manager agrees that the license is to remain in the City of Muskegon as primary licensee and that no interest in the license shall accrue to the Manager except the right under Michigan Liquor Control Laws and Regulations to operate as a co-licensee.

The parties shall cooperate and take such further action as is necessary and desirable to comply with any requirements of the Liquor Control Commission. Manager shall be responsible for all actions and responsibilities under the liquor license and shall indemnify City for all expenses, fees, fines, or costs incurred by the City related to the liquor license.

17. **Concessionaires and Independent Contractors; Professional Hockey Team.** The Manager shall have the right to enter into contracts with concessionaires and independent contractors providing subsidiary services to the Arena. The gross proceeds of all such contracts shall be the Manager's.

18. **Insurance.** The Manager shall obtain insurances required by the City in at least the coverage amounts set forth below. In all the following coverages except workers compensation insurance, the City, the Muskegon County Building Authority and the County of Muskegon shall all be named as additional insureds or loss payees, and each policy shall carry the commitment by the company that no cancellation shall be effective against the City, the CBA or the County, without thirty (30) days written notice to the City:

- 18.1. Comprehensive general liability insurance. The Manager shall obtain a comprehensive liability insurance policy through a company licensed to do business in Michigan and acceptable to the City, carrying limits of at least \$3,000,000, single limit.
- 18.2. Vehicle liability insurance. The Manager shall carry vehicle liability insurance for each vehicle owned or leased by it, having liability limits of at least \$1,000,000.
- 18.3. Workers compensation insurance. The Manager shall carry workers compensation insurance in the amounts required by state law.
- 18.4. Liquor liability. Manager shall carry, either by itself or through the use of concessionaire policies, adding additional insureds, a comprehensive liquor liability policy or policies.
- 18.5. Other insurance. Any insurances which are available and which are especially appropriate for the operation of the Arena, such as coverages involving professional or amateur hockey games, trade shows and the like, covering liability and the cost of injuries to persons and property shall be obtained by the Manager, with liability coverage carrying at least a single limit of \$1,000,000.

19. **Insurance Notices.** Cancellation Notice: Workers Compensation Insurance, Commercial General Liability Insurance and Motor Vehicle Insurance, as described above, shall include an endorsement stating the following: "It is understood and agreed that, in order to be effective, thirty (30) days' Advance Written Notice of Cancellation, Non-Renewal, Reduction and/or Material Change shall be sent to:

**City of Muskegon
Attn: City Manager
933 Terrace Street
P.O. Box 536
Muskegon, MI 49443-0536**

20. **Assignment.** The Manager may not assign this Contract. Any attempted assignment or change in entity of the Manager, change in the stockholders by more than the holders of one-third of the interest in the outstanding equity of the company, or any material change in the majority equity or management of the Manager, shall constitute a violation of this Contract and cause immediate termination in the City's discretion.

21. **Hold Harmless and Indemnity.** To the fullest extent permitted by law, Manager agrees to defend, pay in behalf of, indemnify, and hold harmless the City, County and CBA, their elected and appointed officials, employees and volunteers and others working in behalf of them against any and all claims, demands, suits, or loss, including all costs connected herewith, and for any damages which may be asserted, claimed or recovered against or from them, their elected and appointed officials, employees, volunteers or others working in behalf of them, by reason of personal injury, including bodily injury and death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this Contract.

22. **General Provisions.**

22.1. Independent Contractor. The Manager is an independent contractor and not an employee of the City. Manager is responsible for all its own personnel and all other expenses and costs as set forth in this Contract and shall not have recourse to the City for any claims involving the said expenses or costs.

22.2. Corporate Status. Manager warrants that it is a Michigan corporation in good standing and is authorized to perform this Contract.

22.3. Equal Employment Opportunity; Discrimination. The Manager shall not discriminate unlawfully against any person in violation of any law or rule of the City, the County, the State of Michigan or the federal government, in employment, services or any other respect. The Manager shall comply, including reporting requirements, in each and every way with the City and County of Muskegon's affirmative action plans or policies, and shall never discriminate against any person based on race or any other protected status under the laws of the State or the United States.

22.4. Tickets. During the term of this contract City shall be provided four (4) free tickets to all USHL junior hockey games at the Arena. The City shall have reasonable access to the facility at all times to monitor compliance with this agreement.

23. **Defaults.** The following events shall constitute defaults by the Manager and constitute cause for immediate termination of this Contract:

23.1. Violation of any of the provisions of this Contract by the Manager and failure to remedy or cure such within thirty (30) days after written notice of such violation from the City;

- 23.2. The commission of any act or omission that endangers the Federal or State tax-exempt status of the County of Muskegon Building Authority Bonds;
 - 23.3. The making of an assignment for the benefit of creditors or the filing of a petition under any section or chapter of the Federal Bankruptcy Code or under any similar law or statute of the United States or any state thereof;
 - 23.4. Adjudication of the Manager as a bankrupt or insolvent in proceedings filed against the Manager under any section or chapter of the Federal Bankruptcy Code or under any similar law or statute of the United States or any state thereof without further possibility of appeal or review;
 - 23.5. The appointment of a receiver for all or substantially all of the assets of Manager and the failure to have such receiver discharged within thirty (30) days after appointment; and
 - 23.6. The bringing of any legal action against Manager by any creditor resulting in litigation which, in the opinion of the City, creates a real and substantial risk of involvement of the Arena that will probably: (1) act to their financial detriment; or, (2) result in such creditor, or his assigns, succeeding in or to all or part of the interest of the City.
24. **Non-Waiver.** Failure to enforce any remedy for a breach or a violation of this Contract shall not constitute waiver of subsequent breaches or violations.

25. **Remedies of the Manager.** In the event the City breaches this Contract in any way, or the Manager determines that a breach or failure to observe any covenant or condition by the City has occurred, the Manager's sole remedy shall be termination of this Contract. The Manager shall not be entitled to any damages for breach of contract, or to any injunctive relief to enforce this Contract. In the event there are sums legally due to the Manager at the time of such termination they shall be paid forthwith, but no consequential damage or damages for breach shall be awarded or available to the Manager.

26. **Liens.** The Manager shall be responsible for protecting the Arena from any and all liens, mortgages, security interests or claims for any interest in any property.

27. **Counterparts.** This Contract may be executed in counterparts, and each set of duly delivered identical counterparts that includes all signatories shall be deemed to be one original document.

28. **Governing Law.** This Contract shall be construed and enforced in accordance with the laws of the State of Michigan applicable to contracts made and to be performed within the State of Michigan.

29. **No Third Party Beneficiary.** This Contract shall benefit only the parties to this Contract, and not any third party.

30. **Notices.** All notices, approvals, consents and other communications required under this Contract shall be in writing and, except when receipt is required to start the running of a period of time, shall be deemed given: (i) when delivered in person; (ii) when sent by telephone facsimile or e-mail, (the sender shall also mail or send a "hard copy" following the facsimile or e-mail, however the notice shall be effective upon the transmission of the facsimile or e-mail); (iii) one (1) day after depositing in the custody of a nationally-recognized receipted overnight delivery service with delivery fees prepaid; or, (iv) two (2) days after posting in the United States Mail, first class. Notices shall be sent to the parties as follows:

LOGGER HOCKEY, LLC
Attn: Josh Mervis
10580 Titan Run
Carmel, Indiana 46032-8233

CITY OF MUSKEGON
Attn: City Manager
933 Terrace Street
P.O. Box 536
Muskegon, MI 49443-0536

31. **Binding and Benefit.** Although this Operations Management Contract is not assignable, in the event assignment occurs, and at the option of the City, it shall be binding upon the parties, their successors, and assigns.

WITNESSES:

**ARENA –
Logger Hockey, LLC**

By: 
Name: Josh Mervis
Title: Manager
Dated: August 4, 2011

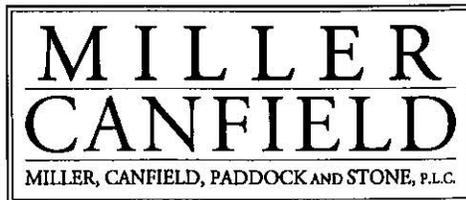
**CITY –
City of Muskegon**

By: _____
Name: Stephen J. Warrington
Title: Mayor
Dated: August __, 2011

And

By: _____
Name: Ann Marie Becker
Title: Clerk
Dated: August __, 2011

Founded in 1852
by Sidney Davy Miller



MICHIGAN: Ann Arbor
Detroit • Grand Rapids
Howell • Kalamazoo
Lansing • Monroe
Saginaw • Troy

New York, NY

FLORIDA: Naples
Pensacola

CANADA: Windsor, ON

POLAND: Gdynia
Warsaw • Wrocław

JEFFREY M. MCHUGH
TEL: (313) 496-7592
FAX: (313) 496-8452
E-MAIL: mchughj@millercanfield.com

150 West Jefferson, Suite 2500
Detroit, Michigan 48226
TEL: (313) 963-6420
FAX: (313) 496-7500
www.millercanfield.com

AUG 11 2011

August 9, 2011

✓ The City of Muskegon
933 Terrace Street
Muskegon, Michigan 49440
Attention: Mr. Tim Paul, Finance Director

The County of Muskegon
990 Terrace Street
Muskegon, Michigan 49442
Attention: Ms. Bonnie Hammersley, County Administrator

County of Muskegon Building Authority
990 Terrace Street
Muskegon, Michigan 49442
Attention: Chairman

Re: Opinion Regarding Entry Into Operations Management Contract With
Respect to L.C. Walker Arena and Conference Center

We have been requested to render our opinion to the City of Muskegon, Michigan (the "City"), the County of Muskegon, Michigan (the "County"), and the County of Muskegon Building Authority (the "Authority"), respectively, regarding the adverse impact, if any, caused solely by the entry into an Operations Management Contract (the "Contract") proposed to be effective on or about July 1, 2011 for the management of the entire operations, management and promotion of the L.C. Walker Arena (the "Arena") by and between the City and Logger Hockey, LLC, (the "Manager") on the exclusion from federal gross income of the interest under Section 103 of the Internal Revenue Code of 1986, as amended with respect to the \$16,000,000 County of Muskegon Building Authority 1996 Building Authority Bonds (General Obligation Unlimited Tax) issued June 19, 1996 (the "1996 Bonds") and the \$7,725,000 County of Muskegon Building Authority 2009 Building Authority Refunding Bonds (General Obligation Unlimited Tax) (the "2009 Bonds") the proceeds of which, *inter alia*, advance refunded a portion of the 1996 Bonds. The proceeds of the 1996 Bonds financed certain improvements and

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

The City of Muskegon, Michigan
The County of Muskegon, Michigan
The County of Muskegon Building
Authority

-2-

August 9, 2011

additions to the Arena, and all or a portion of the 1996 Bonds or the 2009 Bonds remain outstanding as of the date hereof.

We have reviewed certain documents, including a draft of the Contract (including certain provisions included as Section 13.2 thereof), a certain Sublease dated April 23, 1996 by and between the County and the City (the "Sublease") and various other documents relating to the issuances of the 1996 Bonds or the 2009 Bonds, and have had various discussions and other communications with personnel of the City, and base our opinion on the foregoing. We have not performed any independent investigation or other due diligence with respect to the matters described herein. Our opinion also assumes that no arrangements have existed, currently exist, or will exist at any time prior to the date when all the 1996 Bonds or the 2009 Bonds are completely retired which provide for any value or consideration to be rendered from the City to the County or the Authority in connection with the Arena or the repayment of the 1996 Bonds or the 2009 Bonds, except as otherwise described in the documents executed in connection with the issuance of the 1996 Bonds, the 2009 Bonds or in the Sublease.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

The City of Muskegon, Michigan
The County of Muskegon, Michigan
The County of Muskegon Building
Authority

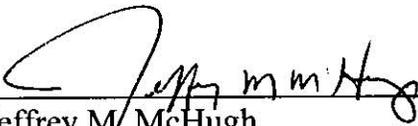
-3-

August 9, 2011

In our opinion, entry into the Contract in the form supplied to us, in and of itself, under current law as presently interpreted, will not adversely impact the exclusion from federal gross income of the interest on the 1996 Bonds or the 2009 Bonds. Our opinion is not a restatement of or substitution for any other opinions rendered by us or anyone else with respect to the 1996 Bonds or the 2009 Bonds, and we undertake no obligation to update or revise our opinion to take into account subsequent events or other matters undisclosed to us, except as expressly agreed by us.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: 
Jeffrey M. McHugh

Mr. Joel L. Piell, Esq., Miller, Canfield, Paddock and Stone, P.L.C.
Mr. Patrick F. McGow, Esq., Miller, Canfield, Paddock and Stone, P.L.C.

Date: August 23, 2011

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Pension Benefits for Public Safety Director

SUMMARY OF REQUEST: It has been traditional for the Public Safety Director (or, in the past, Police Chief) to receive pension benefits comparable to those received by Police Command Officers.

Currently, discrepancies exist in the pension multiplier and the normal retirement age:

Benefit	Police Command	Public Safety Director
Pension Multiplier	3.00%	2.75%
Normal Retirement Age/Service	55/10	60/10
Early Retirement Age/Service	53/25	53/25

FINANCIAL IMPACT: MERS charges a one-time cost of \$7,030 to value and administer this benefit. A valuation of the benefit change will be performed to determine the actuarial cost of the change.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Authorize the City Manager to execute documents to increase the level of the Public Safety Director's pension benefit to the same level as the Police Command Officers effective for retirements after August 1, 2011, pending acceptable results of the actuarial valuation.

COMMITTEE RECOMMENDATION: None.

CITY COMMISSION MEETING DATE

August 23, 2011

Date: August 11, 2011

To: Honorable Mayor and City Commissioners

From: Cathy Brubaker-Clarke, Director of Community & Economic Development

Re: East Muskegon Little League & No More Sidelines – Request to waive equipment rental fees & labor charges for City picnic table use

SUMMARY OF REQUEST: East Muskegon Little League is having their annual end of summer party at Sheldon Park for No More Sidelines on 8/31/11. No More Sidelines is a non-profit organization providing children and young adults with special needs, an opportunity to play sports year round and to participate in community events and outings. They will be using approximately 15 City picnic tables, which are already at the park now. They are requesting that the City waive the \$10 per table rental fee, as well as the labor charges for transporting the tables back to DPW after the event.

FINANCIAL IMPACT: Equipment rental fees are \$10 per table. City labor charges are \$60 per hour.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION:

COMMITTEE RECOMMENDATION: N/A

CITY COMMISSION MEETING DATE

August 23, 2011

Date: August 8, 2011

To: Honorable Mayor and City Commissioners

From: Cathy Brubaker-Clarke, Director of Community & Economic Development

Re: Michigan Irish Music Festival – request to waive equipment rental fees (picnic tables)

SUMMARY OF REQUEST: Chris Zahrt has filed a special event application for the annual Michigan Irish Music Festival to be held at Heritage Landing September 16-18, 2011. She is requesting that the City Commission waive the picnic table rental fees for this event, providing that Irish Festival personnel transport the tables to and from the festival site.

FINANCIAL IMPACT: Request that equipment rental fees be waived, which is \$10 per table. The festival estimates that they'll use approximately 40 tables.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION:

COMMITTEE RECOMMENDATION: N/A

CITY COMMISSION MEETING DATE

August 23, 2011

Date: August 17, 2011

To: Honorable Mayor and City Commissioners

From: Cathy Brubaker-Clarke, Director of Community & Economic Development

**Re: Church Without Shoes event at Margaret Drake Elliott Park
~ Request to waive the special event application fee & the picnic shelter reservation fee**

SUMMARY OF REQUEST: Bob Kuhn, applicant for the Church Without Shoes event being held 9/4/11, is requesting that the City waive the picnic shelter reservation fee and the special event application fee for this event.

Church Without Shoes has been held for years, but is normally tied in with the Breakwater Festival (formerly Shoreline Spectacular). That organization notified us recently that they are not having their festival this year and they have withdrawn their special event request. Because Church Without Shoes is a public event on City property, a special event application is required per City policy. No City services are required for the event.

FINANCIAL IMPACT: \$125 picnic shelter reservation cost; \$50 special event application fee

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION:

COMMITTEE RECOMMENDATION: N/A

Date: August 23, 2011
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Request to Fly Breast Cancer Ribbon Flags

SUMMARY OF REQUEST: Tempting Tables is requesting permission to fly breast cancer ribbon flags the week of October 16th at the following locations:

Hackley Park
City Hall
Shoreline Drive
Central Fire Station
Hartshorn Marina
Root Park

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: None

Date: August 23, 2011
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Designation of Voting Delegates for the Michigan
Municipal League Annual Business Meeting

SUMMARY OF REQUEST: To designate by action of the Commission, one of our officials who will be in attendance at the Convention as an official representative to cast the vote of the municipality at the annual meeting; and, if possible, to designate one other official to serve as alternate.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.



August 10, 2011

Michigan Municipal League Annual Meeting Notice

(Please present at the next Council, Commission or Board Meeting)

Dear Official:

The Annual Convention of the Michigan Municipal League will be held in Grand Rapids, October 4-7, 2011. The annual meeting is scheduled for 1:00 pm on Wednesday, October 5, at the Amway Grand. The meeting will be held for the following purposes:

1. Election of Trustees. To elect six members of the Board of Trustees for terms of three years each (see page 2).
2. Policy. To vote on Core Legislative Principles document and resolutions properly brought before the annual meeting. All member municipalities planning on submitting resolutions for consideration at the annual meeting are reminded that under the Bylaws, the deadline for League Trustees to receive resolutions for their review is September 2, 2011 (please see page 2).
3. Other Business. To transact such other business as may properly come before the meeting.

Designation of Voting Delegates

Pursuant to the provisions of the League Bylaws, you are requested to designate by action of your governing body one of your officials who will be in attendance at the Convention as your official representative to cast the vote of the municipality at the annual meeting, and, if possible, to designate one other official to serve as alternate. Please submit this information through the League website by visiting <http://www.mml.org/delegate> no later than September 21, 2011.

Regarding the designation of an official representative of the member to the annual meeting, please note the following section of the League Bylaws:

"Section 4.4 - Votes of Members. Each member shall be equally privileged with all other members in its voice and vote in the election of officers and upon any proposition presented for discussion or decision at any meeting of the members. Honorary members shall be entitled to participate in the discussion of any question, but such members shall not be entitled to vote. The vote of each member shall be cast by its official representative attending the meeting at which an election of officers or a decision on any proposition shall take place. Each member shall, by action of its governing body prior to the annual meeting or any special meeting, appoint one official of such member as its principal official representative to cast the vote of the member at such meeting, and may appoint one official as its alternate official representative to serve in the absence or inability to act of the principal representative."

1. Election of Trustees

Regarding election of officers, under Section 5.3 of the League Bylaws, six members of the Board of Trustees will be elected at the annual meeting for a term of three years. The regulations of the Board of Trustees require the Nominations Committee to complete its recommendations and post the names of the nominees for the Board of Trustees on a board at the registration desk at least four hours before the hour of the business meeting.

2. Statements of Policy and Resolutions *

Regarding consideration of resolutions and statements of policy, under Section 4.5 of the League Bylaws, the Board of Trustees acts as the Resolutions Committee, and "no resolution or motion, except procedural and incidental matters having to do with business properly before the annual meeting or pertaining to the conduct of the meeting, shall be considered at the annual meeting unless it is either (1) submitted to the meeting by the Board of Trustees, or (2) submitted in writing to the Board of Trustees by resolution of the governing body of a member at least thirty (30) days preceding the date of the annual meeting." Thus the deadline this year for the League to receive resolutions is September 2, 2011.

"Every proposed resolution submitted by a member shall be stated in clear and concise language and shall be accompanied by a statement setting forth the reasons for recommending the proposed resolution. The Board shall consider the proposal at a Board meeting prior to the next annual meeting and, after consideration, shall make a recommendation as to the advisability of adopting each such resolution or modification thereof."

The proposed Michigan Municipal League Core Legislative Principles and any new proposed Resolutions recommended by the Board of Trustees for adoption by the membership are available on the League website*, to permit governing bodies of member communities to have an opportunity to review such proposals and delegate to their voting representative the responsibility for expressing the official point of view of the member at the annual meeting.

The Board of Trustees will meet on Wednesday, October 5 at the Amway Grand for the purpose of considering such other matters as may be requested by the membership, in addition to other agenda items.

* The proposed League Core Legislative Principles document is available on the League website at <http://www.mml.org/delegate>. If you would like to receive a copy of the proposed principles by fax, please call Susan at the League at 800-653-2483.

Sincerely,



Carol Shafto
President
Mayor of Alpena



Daniel P. Gilmartin
Executive Director & CEO

Enc.