

CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 11, 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, October 11, 2011.

Mayor Warmington opened the meeting with a prayer from Pastor Josh Dear from the Lakeside 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 Lawrence Spataro, Sue Wierengo, Steve Wisneski, Chris Carter, and Clara Shepherd, City Manager Bryon Mazade, City Attorney John Schrier, and Deputy City Clerk Linda Potter.

2011-73 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the City Commission Meeting that was held on Tuesday, September 27, 2011.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of minutes.

B. Approval of Contractor for Construction of House at 1543 Hoyt. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the contract with Jerry Kramer, 123 Fruitport Road, Spring Lake, for the construction of the new home to be located at 1543 Hoyt for the cost of \$117,075.

This new construction is being financed with Neighborhood Stabilization funds from the Michigan State Housing Development Authority. After the new construction is completed, the home will be marketed to sell to an eligible homebuyer with an annual income less than 120 percent of the area median income. The City obtained and demolished the original house at 1543 Hoyt with

Neighborhood Stabilization Program funds. The City received six bids as listed on the spreadsheet.

FINANCIAL IMPACT: Complete funding for the project will be covered from the Neighborhood Stabilization Program funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval for the Community and Neighborhood Services office to develop a contract with Jerry Kramer and direct the Mayor and Clerk to sign the contract.

C. West Michigan Metropolitan Transportation Plan (WestPlan) Dues, FY 2012 (October 1, 2011 – September 30, 2012). CITY MANAGER

SUMMARY OF REQUEST: To approve the City of Muskegon's portion of the WestPlan dues, payable to West Michigan Shoreline Regional Development Commission. This agency determines projects and distributes federal transportation funds.

FINANCIAL IMPACT: \$16,040.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve this request.

D. Liquor License Request from Muskegon Liquors, Inc., 860 W. Sherman. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Muskegon Liquors, Inc. to transfer ownership of 2011 SDD and SDM Licensed Business located at 860 W. Sherman from Lighthouse Beverages, L.L.C.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.

E. Consideration of Bids for the Reconstruction of Dale Avenue, Peck to Clinton. ENGINEERING

SUMMARY OF REQUEST: Award the project to McCormick Sand Inc. out of Twin Lake, MI. McCormick Sand Inc. submitted the lowest responsible bid of \$72,911.50.

FINANCIAL IMPACT: The construction cost of \$72,911.50 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Award the contract to McCormick Sand Inc.

F. 2011 Parking Fine Adjustments. FINANCE

SUMMARY OF REQUEST: Parking violation fines were last adjusted in 2006. Staff proposes increasing base fines (for Level I, II, III parking violations) by \$2.50 to bring us in line with other communities in the area and move all fines to whole dollar amounts.

FINANCIAL IMPACT: Staff anticipates the revised parking fine structure will generate \$15,000 in revenue.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the recommended increases in parking fines effective immediately.

G. Five-Year Contract for Copiers/Printers. FINANCE

SUMMARY OF REQUEST: The City's current contract for copiers/printers expires in December. Staff recently conducted a review process to identify the company best suited to meet the City's document management needs for the next five-years. This process included in-depth interviews with six companies conducted by a panel of City staff. Companies were ranked by the panel prior to the opening of price proposals. Rather than simply focusing on replacing the current equipment fleet at the lowest cost, we focused instead on finding the company that could provide the *best overall value* to the City in terms of analyzing our needs and recommending cost-effective and flexible document management solutions for our rapidly changing organization.

Following is a summary of the results of this process, including comparative pricing *for replacement of the current equipment fleet*. Staff is recommending that **Applied Imaging** be selected and that staff be authorized to work with them to modify and optimize the copier and printer equipment placed at the City.

Company	Presentation Ranking	Per Copy B&W	Per Copy Color	Est. Annual Cost B&W 1,100,000	Est. Annual Cost Color 100,000	TOTAL
Applied Imaging	1*	\$0.03540	\$0.05900	\$38,940	\$5,900	\$44,840
Adams Remco	2**	\$0.02950	\$0.08600	\$32,450	\$8,600	\$41,050
Canon	3***	\$0.03403	\$0.04900	\$37,433	\$4,900	\$42,333
Office Machines	Not in Top 3	\$0.05000	\$0.06000	\$55,000	\$6,000	\$61,000
CopyTech	Not in Top 3	\$0.03659	\$0.05000	\$40,249	\$5,000	\$45,249
MOS	Not in Top 3	\$0.02890	\$0.05500	\$31,790	\$5,500	\$37,290

*5 – 1st place votes; 2 – 2nd place votes; 2 – 3rd place votes

**2 – 1st place votes; 4 – 2nd place votes; 1 – 3rd place votes

***2 – 1st place votes; 2 – 2nd place votes; 3 – 3rd place votes

FINANCIAL IMPACT: Staff anticipates the new contract will save \$40,000 per year over current costs. In large part this is due to lower copy/printing volumes and reduced equipment needs as staff has downsized and technology has

made document scanning/distribution more pervasive.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Authorize staff to enter into a five-year agreement with Applied Imaging.

H. Selection of Vinyl Siding Supplier for Fiscal Year 2011 - 2012.
COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the Community and Neighborhood Services department's selection of the Vinyl Siding Supplier for 2011-2012 fiscal year. After reviewing all bids, the department selected the bid from Keene Lumber, located at 346 W. Laketon Avenue, Muskegon, MI, for the price of \$48 per building square for white and \$51.50 per square for color. The City received four bids.

FINANCIAL IMPACT: Funding will be disbursed from the 2011 - 2012 Community Development Block Grant Vinyl Siding fund.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the request.

I. Selection of Vinyl Siding Installer for Fiscal Year 2011 - 2012.
COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve Community and Neighborhood Services to sign a contract with Mark Tucker Construction, 9121 Holton Road, Holton, MI to install vinyl siding at an agreed price of \$42 per building square for Vinyl Siding Program's 2011-2012 fiscal year. Last year's price was \$50 per building square. The City received three bids.

FINANCIAL IMPACT: Funding will be disbursed from the 2011 - 2012 Community Development Block Grant Vinyl Siding fund.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the request.

Motion by Commissioner Carter, second by Commissioner Wierengo to approve the Consent Agenda as read.

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

Nays: None

MOTION PASSES

2011-74 PUBLIC HEARINGS:

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

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Fleet Engineers, 1981 Port City Blvd., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The company plans on making investments of \$1,416,550 in personal property improvements and \$650,500 in real property improvements. Under the City's IFT policy, they are eligible for a 12-year abatement on real property and a 7-year abatement on 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 12 years on real property and 7 years on personal property.

The Public Hearing opened to hear and consider any comments from the public. Comments were heard from Mr. Wes Eklund, 41 Seminole Road, President of Fleet Engineers.

Motion by Vice Mayor Gawron, second by Commissioner Spataro to close the Public Hearing and approve the request for an Industrial Facilities Exemption Certificate for a term of 12 years on real property and 7 years on personal property for Fleet Engineers.

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

Nays: None

MOTION PASSES

2011-75 NEW BUSINESS:

A. Youth Basketball League and Open Gym Proposal – Muskegon Public Schools. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The City of Muskegon contracted with the Muskegon Public Schools for the 2010-2011 school year to provide management of the Youth Basketball League and Open Gym & Swim (formerly supervised by the City Leisure Services Department). The program was successful and the Schools would like to manage the program for the 2011-2012 school year. In fact, they are prepared to start the program this October. The Commission is requested to approve the proposal and authorize staff to enter into an agreement with the Schools for oversight of the basketball program and the Open Gym program.

FINANCIAL IMPACT: The actual program cost was greater than expected in 2010-2011, particularly due to the costs of keeping the pool available for Open Swim (due to State requirements for a pool custodian, cleaning locker rooms, and lifeguards). However, the Schools can maintain the 2010-2011 costs of \$18,500, if there is no Open Swim.

BUDGET ACTION REQUIRED: Funds are available through the Leisure Services budget.

STAFF RECOMMENDATION: To approve the "Youth Basketball League and Open Gym Proposal" and authorize staff to enter into a formal agreement with the Schools.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the Youth Basketball League and Open Gym Proposal as outlined between City of Muskegon and Muskegon Public Schools.

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

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Various comments were heard from the Commission.

2011-76 CLOSED SESSION: To Discuss Pending Litigation.

Motion by Commissioner Carter, second by Commissioner Shepherd to go into Closed Session to discuss pending litigation.

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

Nays: None

MOTION PASSES

Motion by Commissioner Shepherd, second by Commissioner Carter to come out of Closed Session.

VOTE: All Ayes.

ADJOURNMENT: The City Commission Meeting adjourned at 6:10 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk