

# CITY OF MUSKEGON

## CITY COMMISSION MEETING

NOVEMBER 22, 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, November 22, 2011.

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

Absent: Mayor Stephen Warmington and Commissioner Sue Wierengo (both excused)

#### **2011-83 CONSENT AGENDA:**

##### **A. Approval of Minutes. CITY CLERK**

SUMMARY OF REQUEST: To approve minutes of the November 7<sup>th</sup> City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

##### **B. Approval of Realtor and Title Company for CNS. COMMUNITY & NEIGHBORHOOD SERVICES**

SUMMARY OF REQUEST: To extend the Procurement Contract to June 30, 2012, for Exit Lakeshore Realty and Midstate Title Agency to be used by the City of Muskegon Community and Neighborhood Services office.

The CNS office put out public notices for a variety of trades. No bids were received for realtors or title companies. We already have a good working relationship with Exit Lakeshore Realty and Midstate Title Agency. We would

like to extend their contract until June 30, 2012.

FINANCIAL IMPACT: The funding for any project the realtor or title company would be used for would come out of the funds the house was originally established under: CDBG, HOME or NSP1.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the extension of the Procurement Contracts for Exit Lakeshore Realty and Midstate Title Agency for the Community and Neighborhood Services office.

**C. Budgeted Vehicle Replacement.** PUBLIC WORKS

SUMMARY OF REQUEST: Authorize staff to purchase one 2012 Ford F-450 4x4 Dump Truck. This vehicle will be an addition to the Highway Department for alley plowing and cul-de-sac clean up.

FINANCIAL IMPACT: \$28,396.

BUDGET ACTION REQUIRED: None, the price of this vehicle is under what the Equipment Division has budgeted.

STAFF RECOMMENDATION: Authorize staff to purchase one 2012 Ford F-450 4x4 Dump Truck from Vanderhyde Ford who was the lowest responsible bidder.

**D. Intergovernmental Agreement for Traffic Signal Maintenance Contract Extension.** PUBLIC WORKS

SUMMARY OF REQUEST: Authorize Staff to sign an Intergovernmental Agreement for Traffic Signal Maintenance. This is a one-year contract extension, from a previous three-year contract, with the Muskegon County Road Commission, along with other municipalities from March 9, 2012, thru March 9, 2013, with Windemuller Electric Inc. as the traffic signal maintenance contractor. The agreement calls for MCRC to administer the project and charge the participating agencies 15% overhead. The local agencies included in the Muskegon County Signal Maintenance Group are Muskegon, Muskegon Heights, Norton Shores, Roosevelt Park and MDOT.

FINANCIAL IMPACT: Approximate costs for the previous contract including emergency repairs have been \$35,064 in 2009, and \$33,982 in 2010.

BUDGET ACTION REQUIRED: None, budgeted for in the Highway Majors budget.

STAFF RECOMMENDATION: Approve request.

**E. Consideration of Bids/Contract Award for Roof Replacement over Police Department.** ENGINEERING

SUMMARY OF REQUEST: Authorize staff to enter into an agreement with Gale Roofing out of Hart to replace the roofing system over the Police Department portion of City Hall (Jefferson side) for a total cost of \$12, 223. Gale was the

lowest responsible bidder with the only other bidder being J. Stevens Construction for \$19,600.

FINANCIAL IMPACT: The construction cost of \$12,223.

BUDGET ACTION REQUIRED: None, this project was budgeted for in the 2011/2012 CIP.

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Gale Roofing to replace the roofing system over the Police Department.

**F. Request to Amend Existing Resolution 2011-69(b) for an Obsolete Property Certificate – J&J Bail Bonds, 41 E Apple Ave. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Pursuant to Public Act 146 of the Michigan Public Acts of 2000, J&J Bail Bonds, 41 E. Apple Avenue, was approved for an obsolete property certificate on September 27, 2011. The Michigan State Tax Commission has requested that the resolution be amended to include language stating that the City will not allow an extension of additional years, pursuant to the City of Muskegon Obsolete Property Rehabilitation Policy.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends approval.

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

**ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Wisneski, and Carter**

**Nays: None**

***MOTION PASSES***

**2011-84 PUBLIC HEARINGS:**

**A. Request for an Industrial Facilities Exemption Certificate – ADAC Plastics. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, ADAC Plastics, 1801 E. Keating Avenue, has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The company will be making an investment of \$4,690,000 in real property improvements and plans on creating 130 jobs within two years. They are eligible for a 12 year abatement.

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.

The Public Hearing opened to hear and consider any comments from the public. John Shape, representative of ADAC Plastics spoke.

**Motion by Commissioner Spataro, second by Commissioner Shepherd to close the Public Hearing and approve the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years on real property for ADAC.**

**ROLL VOTE: Ayes: Shepherd, Spataro, Wisneski, Carter, and Gawron**

**Nays: None**

***MOTION PASSES***

**B. Request for Exemption of New Personal Property (PA 328) – ADAC Plastics. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Pursuant to Public Act 328 of 1998, as amended, ADAC Plastics, Inc., 1801 E. Keating Avenue, has requested an exemption of new personal property. The company plans on investing \$15,780,000 in personal property improvements and is seeking a 12 year exemption on personal property. The exemption would include all new personal property investments during the duration of the exemption.

FINANCIAL IMPACT: The City will forgo 100% of the personal property taxes for the length of the abatement.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the exemption of new personal property for a duration of 12 years.

The Public Hearing opened to hear and consider any comments from the public. No public comments were heard.

**Motion by Commissioner Carter, second by Commissioner Spataro to close the Public Hearing and approve the request for Exemption of New Personal Property for ADAC Plastics for a term of 12 years.**

**ROLL VOTE: Ayes: Spataro, Wisneski, Carter, Gawron, and Shepherd**

**Nays: None**

***MOTION PASSES***

**C. Establishment of a Commercial Rehabilitation District – 363 Ottawa Street. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Pursuant to Public Act 210 of 2005, as amended, Lake Welding Supply has requested the establishment of a Commercial Rehabilitation District. The creation of the district will allow the building owner to apply for a Commercial Rehabilitation Certificate, which will freeze the taxable value of the building and exempt the new real property investment from local taxes.

The school operating tax and the State Education Tax are still levied on the new investment. Land and personal property cannot be abated under this act.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Establishment of the Commercial Rehabilitation District at 363 Ottawa Street.

The Public Hearing opened to hear and consider any comments from the public. Comments were heard from Greg Teerman, representative of Lake Welding .

**Motion by Commissioner Carter, second by Commissioner Wisneski to close the Public Hearing and establish a Commercial Rehabilitation District at 363 Ottawa Street.**

**ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, and Spataro**

**Nays: None**

***MOTION PASSES***

**2011-85 NEW BUSINESS:**

**A. Holidays in the City – Resolution of Support. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: A request to sign the resolution in support of Holidays in the City, an event starting this Saturday in downtown Muskegon that will showcase the holiday events and unique retail destinations of downtown Muskegon. Everyone is encouraged to come downtown for the Teddy Bear Breakfast, Festival of Trees, the lighting of Hackley Park, shopping and dining, a window decorating contest with prizes for voters and a movie showing at the Frauenthal Theatre.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution.

**Motion by Commissioner Spataro, second by Commissioner Carter to adopt the resolution of support for the various Holidays in the City activities for this coming weekend.**

**ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, and Spataro**

**Nays: None**

***MOTION PASSES***

**B. Winter Ice Rink in Downtown Muskegon. PLANNING & ECONOMIC**

## DEVELOPMENT

**SUMMARY OF REQUEST:** Downtown Muskegon Now (DMN) is planning an outdoor ice rink in downtown Muskegon, from mid-January to mid-February. The ice rink will be located on the vacant lot owned by Parkland Properties. The ice rink will provide another opportunity for the public to enjoy the downtown during the winter season (free of charge), in addition to shopping, restaurant and entertainment venues. Andrew Haan, DMN Director, has been working with City staff to develop a plan for installation of the rink. Since they are unable to use the fire hydrant, a separate water service must be installed. DMN is requesting that the costs associated with establishing this service be waived. Other partners in this venture include Parkland Properties (Jon Rooks), the Muskegon Lumberjacks and the Muskegon Winter Sports Complex.

**FINANCIAL IMPACT:** If the Commission chooses to waive the entire fee (which includes materials, equipment and labor), the total is estimated to be \$1,964.07. Of this amount, the cost for materials (which must be purchased) is \$611.69.

**BUDGET ACTION REQUIRED:** None.

**STAFF RECOMMENDATION:** To consider the request from DMN and partner with the organization on some level to ensure the ice rink is established in downtown Muskegon for the benefit of the public.

**Motion by Commissioner Spataro, second by Commissioner Carter to approve the request from Downtown Muskegon Now and its partners to provide the water hook up so that they may have an ice rink downtown.**

**ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, and Spataro**

**Nays: None**

***MOTION PASSES***

**PUBLIC PARTICIPATION:** Public comments received.

**ADJOURNMENT:** The City Commission Meeting adjourned at 6:12 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC  
City Clerk