

# CITY OF MUSKEGON

## CITY COMMISSION MEETING

OCTOBER 9, 2012

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. MLive Agreement. CITY CLERK
  - C. Acceptance of Fair Housing Impediment Study. COMMUNITY & NEIGHBORHOOD SERVICES
  - D. Harbour Towne Condominium Acquisition and Sale. CITY MANAGER
  - E. Eliminate On-Street Parking Prohibition During Winter Months. CITY MANAGER
- ❑ PUBLIC HEARINGS:
  - A. Request for an Industrial Facilities Exemption Certificate - Johnson Technology. PLANNING & ECONOMIC DEVELOPMENT
- ❑ COMMUNICATIONS:
- ❑ CITY MANAGER'S REPORT:
- ❑ UNFINISHED BUSINESS:
- ❑ NEW BUSINESS:
  - A. Water Agreement with City of Norton Shores and Fruitport Charter Township. CITY MANAGER
  - B. Concurrence with the Housing Board of Appeals Notice and Order to Demolish 1692 Elwood. PUBLIC SAFETY

❑ **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 CUMMINGS, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TTY/TDD DIAL 7-1-1 TO REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

Date: October 9, 2012  
To: Honorable Mayor and City Commissioners  
From: Ann Marie Cummings, City Clerk  
RE: Approval of Minutes

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**SUMMARY OF REQUEST:** To approve minutes of the September 25<sup>th</sup> City Commission Meeting.

**FINANCIAL IMPACT:** None.

**BUDGET ACTION REQUIRED:** None.

**STAFF RECOMMENDATION:** Approval of the minutes.

# CITY OF MUSKEGON

## CITY COMMISSION MEETING

SEPTEMBER 25, 2012

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, MI at 5:30 p.m., Tuesday, September 25, 2012.

Mayor Gawron opened the meeting with a prayer from Mr. George Monroe from Evanston Avenue 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 Gawron, Vice Mayor Lawrence Spataro, Commissioners Byron Turnquist, Lea Markowski, Eric Hood, Willie German, and Sue Wierengo, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Cummings.

#### **2012-71 CONSENT AGENDA:**

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

SUMMARY OF REQUEST: To approve minutes of the September 10<sup>th</sup> Commission Worksession Meeting and the September 11<sup>th</sup> City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

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

SUMMARY OF REQUEST: The City of Muskegon has contracted with the Muskegon Public Schools for the management of the Youth Basketball League and Open Gym since 2010. The program has been successful and the Schools would like to manage the program for the 2012-2013 school year. 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 cost for the program is \$18,500 (which has not changed since 2010).

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.

**C. Consideration of Bids for: B-247 City Hall Parking Lots (Jefferson Street) and Department of Public Works Lot. ENGINEERING**

SUMMARY OF REQUEST: Award the construction contract to repave the City parking lots (Employee, visitors side, MPD, and DPW lots) to Asphalt Paving, Inc. out of Muskegon, MI. Asphalt Paving is the lowest responsible bidder for this project with a total bid price of \$148,194.12.

FINANCIAL IMPACT: The construction cost of \$148,194.12 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None at this time as this project appears on the 2012-13 budget.

STAFF RECOMMENDATION: Award the contract to Asphalt Paving, Inc.

**D. Masonry Services for 1500 Leahy House Repairs. COMMUNITY & NEIGHBORHOOD SERVICES**

SUMMARY OF REQUEST: To accept the bid by the only proposal received: Andy Hofstra, 6420 Lake Harbor Road, Muskegon, MI for the structural repairs needed for the rehabilitation of 1500 Leahy Street.

The home will be rehabilitated with NSP 1 funds; and at completion, the home will be sold to a qualified buyer with income up to 120% AMI.

FINANCIAL IMPACT: The funding for the repairs is budgeted from NSP 1, and if necessary a portion of 2012 HOME funds will be used as leverage.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request.

**Motion by Vice Mayor Spataro, second by Commissioner German to approve the Consent Agenda as read.**

**ROLL CALL: Ayes: Markowski, Gawron, Hood, Spataro, German, Wierengo, and Turnquist**

**Nays: None**

***MOTION PASSES***

**2012-72 PUBLIC HEARINGS:**

**A. Request for Exemption of New Personal Property (PA 328) – Alloy Resources Corp. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Pursuant to Public Act 328 of 1998, as amended,

Alloy Resources Corp., 2281 Port City Blvd., has requested an exemption of new personal property. The company plans on investing \$3,100,000 in machinery and equipment 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. Mr. Bruce John Essex, Jr., 1985 E. Laketon, President, explained the request.

**Motion by Commissioner Wierengo, second by Commissioner Hood to close the Public Hearing and approve the exemption of new personal property for a duration of 12 years for Alloy Resources Corp.**

**ROLL VOTE: Ayes: Hood, Spataro, German, Wierengo, Turnquist, Markowski, and Gawron**

**Nays: None**

***MOTION PASSES***

**B. Request for Exemption of New Personal Property (PA 328) – Engineered Aluminum Castings, Inc. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Pursuant to Public Act 328 of 1998, as amended, Engineered Aluminum Castings, Inc., 2121 Latimer Dr., has requested an exemption of new personal property. The company plans on investing \$7,000,000 in machinery and equipment 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 comments were made.

**Motion by Commissioner Hood, second by Commissioner German to close the Public Hearing and approve the exemption of new personal property for a duration of 12 years for Engineered Aluminum Castings, Inc.**

**ROLL VOTE: Ayes: German, Wierengo, Turnquist, Markowski, Gawron, Hood, and Spataro**

**Nays: None**

***MOTION PASSES***

**C. Request for an Industrial Facilities Exemption Certificate – Engineered Aluminum Castings, Inc. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Engineered Aluminum Castings, Inc., 2121 Latimer Dr., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be \$738,000 in real property and will create two jobs. This qualifies them for a tax abatement of 12 years.

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 for real property.

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

**Motion by Commissioner Wierengo, second by Vice Mayor Spataro to close the Public Hearing and approve the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years for real property for Engineered Aluminum Castings, Inc.**

**ROLL VOTE: Ayes: Turnquist, Markowski, Gawron, Hood, Spataro, German, and Wierengo**

**Nays: None**

***MOTION PASSES***

**D. Request for an Industrial Facilities Exemption Certificate – Muskegon Castings Corp. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Muskegon Castings Corp., 2325 S. Sheridan Rd., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be \$501,000 in real property and will create 10 jobs. This qualifies them for a tax abatement of 12 years.

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 for real property.

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

**Motion by Commissioner Wierengo, second by Vice Mayor Spataro to close the Public Hearing and approve the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years for real property for Muskegon Castings Corp.**

**ROLL VOTE: Ayes: Gawron, Hood, Spataro, German, Wierengo, Turnquist, and Markowski**

**Nays: None**

***MOTION PASSES***

**2012-73 NEW BUSINESS:**

**A. 2013 National League of Cities Membership Dues. CITY CLERK**

SUMMARY OF REQUEST: The 2013 National League of Cities Membership Renewal Notice has been received.

FINANCIAL IMPACT: \$3,258.

BUDGET ACTION REQUIRED: This has not been budgeted for.

STAFF RECOMMENDATION: None.

**Motion by Vice Mayor Spataro, second by Commissioner Turnquist to not spend the money to pay the membership dues to the National League of Cities for 2013.**

**ROLL VOTE: Ayes: Spataro, German, Wierengo, Turnquist, Markowski, Gawron, and Hood**

**Nays: None**

***MOTION PASSES***

**PUBLIC PARTICIPATION:** Public comments were received.

**ADJOURNMENT:** The City Commission Meeting adjourned at 6:15 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC  
City Clerk

Date: October 9, 2012  
To: Honorable Mayor and City Commissioners  
From: City Clerk's Office  
RE: MLive Agreement

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**SUMMARY OF REQUEST:** The City is required by law to place legal ads in a newspaper with the largest circulation in the area.

MLive has offered an agreement that will lower our current rate of \$3.30 per line to \$2.02 - \$2.97 depending on the size of the ad. There is no stipulation as to the amount of ads that need to be placed each year for the discounted rate.

**FINANCIAL IMPACT:** The City will incur a reduction in advertising/legal costs.

**STAFF RECOMMENDATION:** To accept the agreement and authorize the Mayor to sign.



# Platform Solutions Agreement VERSION 2

155 Michigan Street Northwest • Grand Rapids, MI 49503-2353 • (616) 222-5411

Advertiser Name City of Muskegon Account # 1000189923  
 Address 933 Terrace Street  
 Billing Address Muskegon, MI 49440  
 Contact Name Ann Cummings Phone 231-724-6705 Email ann.cummings@shorelinecity.com  
 Contract Initiation Date Oct. 1, 2012  New Contract  Replacement Contract

CONTRACT LEVEL						
<input type="checkbox"/> 90 Day Contract	<input type="checkbox"/> 13 Week Contract	<input checked="" type="checkbox"/> Annual/Yearly	<input type="checkbox"/> \$1,000 Volume Auto	<input type="checkbox"/> \$3,000 Volume Auto	<input type="checkbox"/> \$1,000 Volume Real Estate	<input type="checkbox"/> \$3,000 Volume Real Estate

Agreement is hereby made between MLIVE MEDIA GROUP, hereinafter "Publisher," and the undersigned, hereinafter "Advertiser" and "Agency" (if applicable). This agreement shall be effective on October 1, 2012 ("effective date").

[Advertiser and Agency agree to use and pay for advertising space in Publisher's print publication(s) Muskegon Chronicle (collectively, "Newspaper") and/or on its website currently located at www.mlive.com ("Website") and/or on its mobile applications and/or digital newspapers (collectively, "Apps") at a frequency of as necessary, and/or a minimum revenue commitment of \_\_\_\_\_, or as follows: \_\_\_\_\_ during the period of one year from the effective date of this agreement.

ADDITIONAL INFORMATION:	
3-4 lines 1-2 days \$2.97 per line	84 lines and up 1-2 days \$2.02 per line
5-13 lines 1-2 days \$2.46 per line	
14-83 lines 1-2 days \$2.11 per line	

### TERMS AND CONDITIONS:

- Orders for all advertising units in Publisher's Newspaper, Website and/or Apps are non-cancellable. In the event that Advertiser uses or pays for less advertising than that specified herein or the Advertiser or Agency otherwise breaches the terms of this agreement, Advertiser and Agency will be charged ten percent (10%) of the remaining advertising commitment ("short-rate"). In such event, Advertiser and Agency must reimburse Publisher for the short-rate within ten days of Publisher's invoice therefor and Advertiser will thereafter pay for advertising at the open rate or at the newly-determined rate(s) (as applicable).
- Advertiser and Agency shall pay for such advertising at the rates set forth in this contract (if specified herein) or Publisher's rate card applicable at the time of the publication of the advertising. Volume discounts are net rates. No other discounts apply.
- Payment for advertising shall be made on or before the 30th day of the month following that in which advertising is published. All advertising production fees (if any) shall be billed and are immediately due in full within the first month of the ad campaign. Failure of Advertiser and its Agency, if there is one, to comply with this requirement shall, at the option of Publisher, be considered a breach of this agreement. If payment is made by Agency, allowable commissions may be deducted. If any bill is not paid by its due date, commissions shall be deemed not earned and the gross amount of the bill shall be paid in full. Publisher may, at its option, require cash with order or otherwise change the payment terms at any time.

4. This Agreement is not subject to rebates, however it may be resigned for greater or less commitment at any time. If an agreement is for less space, a rate adjustment charge will be made according to the rate earned.

5. Advertiser and Agency, if there be one, each agrees to be jointly and severally liable for the payment of all bills and charges incurred. Advertiser authorizes Publisher, at its election, to tender any bill to Agency, and such tender shall constitute notice to Advertiser of the bill and shall in no way impair the joint and several liability of Advertiser and Agency. Payment by Advertiser to Agency shall not discharge Advertiser's liability to Publisher. The rights of Publisher shall in no way be affected by any dispute or claim as between Advertiser and Agency. Advertiser confirms that it has appointed Agency, if one is specified, to be its authorized representative with respect to all matters relating to advertising placed on Advertiser's behalf with the understanding that Agency may be paid a commission.

6. Advertiser and its Agency, if there be one, represent and warrant that: (i) Advertiser's websites, mobile sites, applications, and/or similar services that are associated with advertising purchased hereunder shall contain all necessary consumer disclosures required by applicable federal, state and local laws, rules and regulations, including, but not limited to, an accurate privacy policy (and Advertiser shall not violate the terms of such disclosures); (ii) there is nothing in any advertisement or other material (including but not limited to software and/or product samples) provided by Advertiser or Agency, or in any material to which the advertisement or other material links or refers, that violates any personal or proprietary right of any third party (including, but not limited to, copyright, trademark, patent, service mark,

*(See other side for continuation of terms and conditions)*

Linda Westphal  
 Mlive Media Group Advertising Representative

Mlive Media Group Advertising Director

\_\_\_\_\_  
 Advertiser's Signature

\_\_\_\_\_  
 Advertiser's Printed Signature

\_\_\_\_\_  
 Type of Business

\_\_\_\_\_  
 Name of Person Individually Liable

- Corporate  Partnership  Assumed Name

misappropriation, unfair competition, trade secret, privacy publicity rights, etc.), constitutes false advertising, is harmful, or violates any law or governmental regulation; (iii) none of the advertisements or other materials provided to Publisher for display on its Websites or Apps cause the download or delivery of any software application, executable code, any virus or malicious or social engineering (e.g., phishing) code or features; and (iv) it will not conduct or undertake, or authorize any third party to conduct or undertake, any unlawful or improper actions in connection with the Websites or Apps, including, but not limited to, generating automated, fraudulent or otherwise invalid clicks or impressions on Publisher's Websites or Apps. As part of the consideration to induce Publisher to publish, distribute, display, perform or transmit (collectively referred to herein as "Publish" or "Published" or "Published") such advertisement, Advertiser and its Agency, if there be one, each agrees to jointly and severally defend, indemnify and hold harmless Publisher, its employees, and representatives against all liability, loss, damage and expense of any nature, including but not limited to attorneys' fees, arising out of (a) the Publishing of any advertisement submitted by or on behalf of the Advertiser regardless of whether Publisher participated in the creation of such advertisement, or the linkage of any advertisement to any other material, or the loss, theft, use, or misuse of any credit or debit card or other payment, financial, or personal information; (b) any violation of the CAN-SPAM Act or other laws relating to Advertiser's advertisements, including, but not limited to, commercial messages e-mailed on Advertiser's behalf by Publisher; (c) the products and/or services promoted, sold, presented and/or contained in Advertiser's advertisements; and (d) a breach or alleged breach of its covenants, warranties and obligations under these advertising contract terms and conditions.

7. Advertiser shall have the right to revoke its agency at any time during the period of this agreement effective upon receipt by Publisher of notice in writing; in such event, Publisher may, at its option, terminate this agreement. If Advertiser shall designate another agent Publisher may, at its option, recognize such agent upon receipt of an agreement by said agent to be bound by the terms of this agreement and to become liable for the payment of all bills due and to become due under this agreement.

8. Publisher reserves the right, at its absolute discretion and at any time, to cancel any advertising or reject any advertising copy, whether or not the same has already been acknowledged and/or previously Published, including but not limited to for reasons relating to the contents of the advertisement or any technology associated with the advertisement. In the event of such cancellation or rejection by Publisher, advertising already run shall be paid for at the rate that would apply if the entire order were Published and no short rate will apply. The rejection of copy by the Publisher shall require Advertiser and/or Agency to supply new copy acceptable to the Publisher. Advertisements that simulate editorial content must be clearly labeled "ADVERTISEMENT" or "PROMOTION" or "SPECIAL ADVERTISING SECTION" at the top of the advertisement, and Publisher may, in its sole discretion, so label such copy.

9. Publisher, at its option, may terminate this agreement for the breach of any of the terms hereof, it being specifically understood without limitation that failure on the part of either Advertiser or Agency to pay each bill on or before its due date shall constitute a breach. Should Publisher terminate this agreement, all charges incurred together with short-rate charges shall be immediately due and payable.

10. Any bill tendered by Publisher shall be conclusive as to the correctness of the item or items therein set forth and shall constitute an account stated unless written objection is made thereto within ten days from the rendering thereof. In addition, unless otherwise agreed on the cover page of this agreement, all impressions and/or other measurements of ads hereunder shall be solely based on Publisher's calculations.

11. This agreement may not be assigned by Advertiser or Agency without the prior written consent of Publisher, and any assignment without such consent shall be null and void. Advertiser or Agency may not use any space for the advertisement either directly or indirectly of any business organization, enterprise, product, or service other than that for which the advertising space is provided by Publisher, nor may Advertiser or Agency authorize any others to use any advertising space.

12. Orders containing terms, rates or conditions or specifying positions, facings, editorial adjacencies or other requirements may be accepted but such terms, rates, conditions or specifications are not binding unless Publisher has specifically agreed to them in writing.

13. In the event of a suspension of publication of Publisher's Newspaper, Website and/or Apps due to strike, accident, fire, flood, computer or software/network malfunction, congestion, repair, Internet outages or any other cause or contingencies beyond the control of Publisher, it is understood and agreed that such suspension shall not invalidate this contract, but a) will give Publisher the option to cancel this agreement, or if Publisher does not do so, b) upon resumption of publication this contract shall be continued and no liability for damages shall be incurred by the Publisher by reason of such suspension.

14. Interest will accrue at a rate of one and one-half percent (1.5%) per month (or such other maximum amount as is permissible by law) on all past due balances. If it becomes necessary to place with an attorney for collection any claim for funds due under the terms of this agreement, then Advertiser and Agency agree to pay to Publisher the reasonable attorneys' fees arising from such collection.

15. If during the period of this agreement Publisher revises its advertising rates, Advertiser and Agency agree to be bound by such rates provided Publisher gives at least thirty (30) days notice of such increase. However, in such event Advertiser may elect not to place any further advertisements after the effective date of the increase, and if no space is used after the effective date of the increase, no short rate will be charged on space used prior to such increase.

16. Publisher does not guarantee any given level of circulation or readership. In addition, Publisher makes no guarantee or representation as to the quantity and quality of visits, impressions, circulation, or other usage of its Website or Apps or of the advertisement, or as to the use of any particular tracking or information-gathering devices, unless Publisher expressly agrees otherwise in writing. In addition, all impressions and/or other measurements of advertisements for Publisher's Websites and Apps shall be based solely on Publisher's calculations for its Websites and Apps. Unless otherwise agreed to in writing by Publisher, Publisher will bill for the advertising on Publisher's Websites based on such

Websites' own ad delivery numbers ("DFP numbers"); and, if applicable, Publisher has the right to bill for advertising in Publisher's Apps based on its DFP numbers. In the event Publisher and Advertiser agree in writing that certain ads will be billed based on ad delivery numbers other than the applicable Website's (and/or App's) own DFP numbers (i.e., third party numbers), Publisher will bill for such ads based on such third party numbers as long as the delivery discrepancy from third party numbers and DFP numbers is less than ten percent (10%). In the event that a difference of ten percent (10%) or more arises, both Publisher and Advertiser/Agency agree to use reasonable efforts to reconcile the difference and come to a mutually agreed upon solution. If an agreement cannot be reached or if Advertiser fails to provide its third party ad delivery numbers within ten (10) business days after the end of each month of its ad campaign, Publisher reserves the right to bill Agency/Advertiser at a delivery rate of ninety percent (90%) of DFP numbers. To the extent Publisher fails to provide Advertiser/Agency with any guaranteed impressions on its Website or Apps (if expressly agreed to by Publisher in writing), Publisher will provide as a sole remedy a makegood, by extending the order beyond the contracted advertising flight period until the remainder of the guaranteed impressions are delivered. For the purpose of clarification, Advertiser/Agencies that request a special billing schedule or an upfront bill will not receive refunds/adjustments in the case of under delivery of guaranteed impressions (if applicable).

17. Publisher's sole liability (and Advertiser's and Agent's sole remedy) for errors and/or omissions by Publisher in published advertisements shall be to provide Advertiser a credit for the actual space of the error or omission (in no event shall such credit exceed the total amount paid to Publisher for the applicable advertisement), and Publisher shall have no liability unless the error or omission is brought to Publisher's attention no later than 5 working days after the advertisement is first Published. However, if a copy of the advertisement was provided to or reviewed by Advertiser, Publisher shall have no liability. IN NO EVENT SHALL PUBLISHER BE LIABLE TO ADVERTISER, AGENCY OR ANY OTHER PARTIES FOR ANY FURTHER DAMAGES OF ANY KIND ARISING FROM THIS AGREEMENT OR ANY BREACH THEREOF, INCLUDING BUT NOT LIMITED TO INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOST PROFITS.

18. Failure by Publisher to enforce any provision of this agreement shall not be considered a waiver of such provision. Unless inconsistent with the express terms of this agreement, all orders are subject to the terms of Publisher's applicable rate card. Advertiser and Agency acknowledge receipt of a copy of said rate card.

19. Advertiser and Agency recognize that the copyright in any advertisements created by Publisher is owned by Publisher. As to all other advertisements, Advertiser and Agency agree that Publisher has the non-exclusive right, for the full term of copyright, by itself or through third parties, to republish, retransmit, re-perform, redistribute or otherwise re-use any advertisements submitted hereunder in any form in which the advertisements may be Published or used (in any media now in existence or hereafter developed) in whole or in any part, whether or not combined with material of others.

20. This agreement will be construed in accordance with the laws of the State of Michigan. Any action based on or alleging a breach of this agreement must be commenced in a state or federal court in or near Grand Rapids, Michigan; and the parties hereby consent to the exclusive jurisdiction of such courts in connection with this Agreement.

21. Advertiser and Agency understand that advertisements and/or other commercial messages sent on its behalf by Publisher via electronic mail may be governed by federal, state and local laws, rules and regulations, including without limitation the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 and any acts related thereto, and including the interpretation thereof by the FTC or other governmental authorities (collectively, the "CAN-SPAM Act") and state "Do Not E-mail" registries. Advertiser and Agency agree to comply with all such applicable laws, rules and regulations. Without limiting the generality of the foregoing, Advertiser and Agency shall fulfill all obligations of a "Sender" as defined in the CAN-SPAM Act, and comply with Publisher's policies intended to comply therewith.

22. All data collected by Publisher, Advertiser and/or any third party in connection with this agreement shall be exclusively owned by Publisher, and not used or disclosed by Advertiser/Agency without Publisher's prior written approval in each instance.

23. The titles and logos of the Publisher's Newspapers, Website and Apps are registered trademarks and/or trademarks protected under common laws. Neither the titles nor the logos may be used without the express written permission of Publisher.

24. This agreement may be executed by Advertiser/Agency by manual, facsimile or scanned PDF signatures (or by clicking "accept" or similar terminology online), and in any number of counterparts, each of which will be deemed an original and all which together will constitute one and the same instrument.

25. PUBLISHER DISCLAIMS ALL WARRANTIES AND/OR GUARANTEES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES FOR NON-INFRINGEMENT, ACCURACY, AVAILABILITY, UPTIME, MERCHANTABILITY AND/OR FITNESS FOR ANY PARTICULAR PURPOSE IN CONNECTION WITH THE DISPLAY, PERFORMANCE AND TRANSMISSION OF ADVERTISEMENTS IN PUBLISHER'S NEWSPAPERS, WEBSITES AND APPS. Advertiser and Agency acknowledge that third parties other than Publisher may generate automated, fraudulent or otherwise invalid/improper impressions, conversions, inquiries, clicks or other actions on Advertiser's advertisements displayed on Publisher's Websites and/or Apps. As between Advertiser and Publisher, Advertiser accepts the risk of any such improper actions. Advertiser's exclusive remedy for such suspected improper actions is for Advertiser to request a refund relating to its impacted advertisements in the form of advertising credits on the applicable Website or App within thirty (30) days from the end of the calendar month in which such advertisement is initially displayed on the applicable Website or App. Any advertising credit refunds in connection with the Advertiser's aforementioned requests are within the sole discretion of Publisher.

26. The foregoing terms shall govern the relationship between Publisher and Advertiser and Agency. Publisher has not made any representations to Advertiser or Agency that are not contained herein. Unless expressly agreed to in writing signed by an officer or senior executive of Publisher, no other terms and conditions in insertion orders, contracts, click-through terms and conditions, copy instruction, letters, or otherwise will be binding on Publisher.

Client Initials

Date

**Commission Meeting Date: October 9, 2012**

**Date: September 24, 2012**

**To: Honorable Mayor & City Commission**

**From: Community and Neighborhood Services Department**

**Re: Acceptance of Fair Housing Impediment Study**

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**SUMMARY OF REQUEST:** The cities of Muskegon, Muskegon Heights, Norton Shores and the County of Muskegon are entering into an agreement with the Fair Housing Center of West Michigan to conduct fair housing testing in the County of Muskegon to further Fair Housing initiatives.

**FINANCIAL IMPACT:** Based on population, the City of Muskegon will pay \$4,675 of the \$15,000 cost.

**STAFF RECOMMENDATION:** To approve the attached agreement and authorize the Mayor to sign.

# FAIR HOUSING SERVICES AGREEMENT

## Cities of Muskegon, Muskegon Heights, and Norton Shores and County of Muskegon and Fair Housing Center of West Michigan

This Agreement is effective as of this 1<sup>st</sup> day of October, 2012, by and between the **City of Muskegon**, a Michigan municipal corporation with its principal offices located at 933 Terrace Street, Muskegon MI, 49443; the **City of Muskegon Heights**, a Michigan municipal corporation with its principal offices located at 2424 Peck Street, Muskegon Heights, MI 49444; the **City of Norton Shores**, a Michigan municipal corporation with its principal offices located at 4814 Henry Street, Norton Shores, MI 49441 (City of Muskegon, City of Muskegon Heights and City of Norton Shores are hereinafter the "Cities"); the **County of Muskegon** (hereinafter the "County"), a Michigan municipal corporation with its principal offices located at 990 Terrace Avenue, Muskegon, MI 49442; and the **Fair Housing Center of West Michigan** (hereinafter the "FHCWM"), a Michigan non-profit corporation with its principal offices located at 20 Hall Street SE, Grand Rapids, MI 49507.

### I. AGREEMENT OUTCOMES

The purpose of this Agreement is to decrease impediments to housing choice and to promote open, diverse communities by way of the provision of fair housing services based on the Fair Housing Act, 42 USC §3601 et.seq

### II. AGREEMENT ACTIVITIES AND DEFINITIONS

#### A. General Activities

- i. Education and Outreach. The FHCWM will conduct a community outreach program throughout the County and the Cities to educate housing consumers, professionals and the general public concerning fair housing. As part of a comprehensive, regional program, the FHCWM will disseminate fair housing information to housing consumers, and housing/human service agencies in order to educate them about housing rights, and to increase awareness and reporting of discriminatory practices. The FHCWM will also provide fair housing information to sales, rental, and lending professionals in order to encourage their voluntary compliance with federal, state and local fair housing laws. The FHCWM will disseminate materials on a community-wide basis in order to promote understanding of fair housing and the benefits thereof, and to increase general public awareness regarding equal access to housing opportunity. Such services will include the provision of formal fair housing training upon request. The FHCWM shall also provide technical assistance to the staff of the Cities and the County in response to any and all questions regarding unlawful housing discrimination or fair housing practices. The FHCWM will complete a minimum of 15 hours of education and outreach activities throughout the County and the Cities.

- ii. Complaint Investigation. The FHCWM shall receive, review, investigate and process all complaints of unlawful housing discrimination involving people and/or properties located within the Cities or the County which the FHCWM may receive from residents of any of the Cities or the County, a person wishing to reside in any of the Cities or the County, or any other source during the term of this Agreement. In the absence of an individual complainant, the FHCWM will initiate enforcement action in those cases where evidence of potential discrimination exists, as deemed necessary and appropriate at the sole discretion of the FHCWM.
  
- B. Housing Tests within the Cities. The FHCWM shall conduct a minimum of seven (7) fair housing tests (at least one (1) per City) involving people and/or property within any of the Cities in order to investigate compliance with fair housing laws in the areas of sales, rental, advertising, insurance, appraisal and/or financing. The fair housing tests shall be based upon bona fide complaints or conducted on a survey basis, with a focus on complaint-based testing. All housing testing will be conducted by trained testers according to generally-accepted housing testing methodology. In the absence of an individual complaint, the FHCWM will initiate enforcement action in those cases where evidence of potential discrimination exists, as deemed necessary and appropriate at the sole discretion of the FHCWM.
  
- C. Housing Tests within the County. The FHCWM shall conduct a minimum of six (6) fair housing tests involving people and/or property within the County in order to investigate compliance with fair housing laws in the areas of sales, rental, advertising, insurance, appraisal and/or financing. The fair housing tests shall be based upon bona fide complaints or conducted on a survey basis, with a focus on complaint based testing. All housing testing will be conducted by trained testers according to generally-accepted housing testing methodology. In the absence of an individual complaint, the FHCWM may initiate enforcement in those cases where evidence of potential discrimination exists, as deemed necessary and appropriate at the sole discretion of the FHCWM.

### III. MONITORING REPORTS

The FHCWM shall provide the County with program performance reports which contain information regarding the activities carried out and the results of those activities. Reports shall be submitted bi-annually, within 30 days after the conclusion of each six-month reporting period. The County will forward the reports to each of the Cities by April 30, 2013 and October 31, 2013. The complaint and testing activities will be reported by municipality.

#### IV. COMPENSATION AND METHOD OF PAYMENT

A. For the performance of the activities under this Agreement, the Cities and the County hereby agree to pay the FHCWM the amount of \$15,000.00 (fifteen thousand dollars) following the table below:

Municipality	Approx. Population	Percentage of total	Financial Responsibility
City of Muskegon	40,000	31%	\$4,675
City of Norton Shores	22,000	17%	\$2,635
City of Muskegon Heights	10,000	9%	\$1,190
County of Muskegon	172,000	43%	\$6,500
TOTALS		100%	\$15,000

B. The Cities and the County shall pay the FHCWM the amount of \$15,000.00 (fifteen thousand dollars) in two (2) bi-annual installments of \$7,500.00 (seven thousand five hundred dollars).

- i. The FHCWM shall submit an invoice to the County in the amount of \$7,500.00 (seven thousand five hundred dollars) with each of its two (2) reports required by this Agreement. Each invoice will be payable within 30 days of its date of issue.
- ii. If payment is not made by one or more of the Cities or the County, the County shall immediately notify the FHCWM in writing of the reason for nonpayment, services will immediately cease, and the FHCWM will be reimbursed for work completed under the terms of the contract up to the date of said notification.

#### V. CONFIDENTIALITY

The Parties agree that by virtue of entering into this Agreement, they will have access to certain confidential information regarding each other's operations related to this project. All Parties agree that they will not at any time disclose confidential information and/or material without the consent of that Party unless such disclosure is authorized by this Agreement or required by law. Unauthorized disclosure of confidential information shall be considered a material breach of this agreement. This provision shall be subject to the provisions of the Freedom of Information Act.

#### VI. NONDISCRIMINATION

There shall be no discrimination of any Individual on account of race, color, creed, religion, sex, marital status, weight, age, handicap, ancestry, national origin and any other statutorily protected class.

## VII. TERM

This Agreement will begin October 1, 2012, and will continue until September 30, 2013.

Any Party may terminate their participation with this Agreement for any reason by giving the other Parties ninety (90) days prior written notice. If a Party provides such written notice of termination, prior to the expiration of said ninety (90) day period the remaining Parties retain the right to amend the Agreement to continue services; else, the effective date of termination by one Party will serve as the effective date of the termination of the Agreement.

## VIII. SEVERABILITY

In the event any provision of this Agreement shall be found to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity, legality and enforceability of the remainder of the Agreement.

## IX. AMENDMENTS

This Agreement may be amended only with the mutual written consent of the Parties.

## XI. ADDITIONAL REQUIREMENTS

The FHCWM will act as an independent contractor and the contract cannot be assigned. The FHCWM will indemnify the Cities and the County and will add the governmental units identified in the contract as an additional insured. The FHCWM at the time of the execution of the contract will provide to the County of Muskegon a copy of their insurance coverage and limits. The insurance coverage shall include but not be limited to general liability, no fault automobile insurance and workers compensation insurance.

XII. CERTIFICATION OF AUTHORITY TO SIGN AGREEMENT

The persons signing this Agreement on behalf of the Cities, County and FHCWM hereto certify by said signatures that they are duly authorized to sign this Agreement.

XIII. APPROVAL AND SIGNATURES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF MUSKEGON

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Stephen J. Gawron, Mayor

CITY OF MUSKEGON HEIGHTS

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Darrel Paige, Mayor

CITY OF NORTON SHORES

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Gary Nelund, Mayor

COUNTY OF MUSKEGON

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Kenneth Mahoney, Chairman,  
Muskegon County Board of Commissioners

FAIR HOUSING CENTER OF WEST MICHIGAN

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Nancy Haynes, Executive Director

AGENDA ITEM NO. \_\_\_\_\_

CITY COMMISSION MEETING \_\_\_\_\_

**TO:** Honorable Mayor and City Commissioners

**FROM:** Bryon L. Mazade, City Manager

**DATE:** October 3, 2012

**RE:** Harbour Towne Condominium Acquisition and Sale

**SUMMARY OF REQUEST:**

To authorize the acquisition of Harbour Towne Condominium units 253 and 254 through tax foreclosure and to sell them to the Harbour Towne Condominium Association for the unpaid tax amounts.

**FINANCIAL IMPACT:**

None.

**BUDGET ACTION REQUIRED:**

None.

**STAFF RECOMMENDATION:**

To approve the necessary transactions and authorize the Mayor and City Clerk to execute necessary documents.

**COMMITTEE RECOMMENDATION:**

None.

**MAKOWER  
ABBATE PLLC**  
ATTORNEYS & COUNSELORS AT LAW

Mark F. Makower  
Attorney and Counselor at Law

September 20, 2012  
By First Class Mail

Michelle Landis  
Attorney at Law  
Parmenter O'Toole  
P.O. Box 786  
601 Terrace Street  
Muskegon, MI 49443-0786

Re: Muskegon Tax Bills for Property within Harbour Towne Condominium

Dear Ms. Landis:

I received your letter of September 13, 2012. I believe your analysis is arguably correct without raising additional issues that we need not unearth.

That said, I would like to confirm the Association's plan for resolving these remaining issues: With respect to what is referred to as units 196-199, we really have no remaining title issues, so after the bills are adjusted at the December Board of Review to remove the land value, we will simply agree to pay those taxes and be done with them forever. The Association is still intending to remove the foundations and will be doing so at the conclusion of this issue.

As to units 253 and 254 we would like to confirm the City's intent to forfeit those taxes and again proceed to tender the same to the County for a tax foreclosure in 2013. We would then propose that the City exercise its right to re-acquire these two parcels from the County after the foreclosure is final and at that point the Association would commit to paying the City the unpaid tax amounts in exchange for a deed. As indicated in my previous correspondence, we believe this is a win/win for everyone.

I would appreciate obtaining a confirmation from you at your earliest convenience of this proposed plan. In the interim, should you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

  
Mark F. Makower

MFM/dk

cc: Jerry Siminski  
Doug Van Essen, Esq.

AGENDA ITEM NO. \_\_\_\_\_

CITY COMMISSION MEETING \_\_\_\_\_

**TO:** Honorable Mayor and City Commissioners

**FROM:** Bryon L. Mazade, City Manager

**DATE:** October 3, 2012

**RE:** Eliminate On-Street Parking Prohibition During Winter Months

**SUMMARY OF REQUEST:**

To amend Chapter 92, Article II, of the Code of Ordinances of the City of Muskegon to repeal Section 8.31, which prohibited parking on the street between 2:00 a.m. and 6:00 a.m. on any day between the dates of November 15 and April 15 or any other time when snow removal is necessary.

**FINANCIAL IMPACT:**

None.

**BUDGET ACTION REQUIRED:**

None.

**STAFF RECOMMENDATION:**

To approve the ordinance amendment.

**COMMITTEE RECOMMENDATION:**

None.

**City of Muskegon  
Muskegon County, Michigan  
Ordinance Amendment No. \_\_\_\_\_**

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

1. Chapter 92, Article II of the Code of Ordinances of the City of Muskegon is amended to read as follows:

(2.2) Level 2 parking violations, under the following sections of the uniform traffic code:

*Code Section    Offense*

8.5	Parking so as to obstruct traffic
8.10(a)	Parking on sidewalk
8.10(b)	Blocking driveways
8.10(c)	Within an intersection
8.10(e)	In a crosswalk
8.10(f)	Within 20 feet of a crosswalk or within 15 feet of property lines at intersection
8.10(g)	Too close to a flashing beacon, stop sign, yield sign, traffic control signal, or other traffic sign
8.10(h)	In a safety zone
8.10(i)	Too close to railroad
8.10(j)	Too close to fire station entrance
8.10(k)	Parking along side or opposite of street excavation
8.10(m)	Parking on a bridge or in a tunnel
8.10(n)	Parking within 200 feet of an accident
8.10(o)	Parking in front of a theater
8.10(p)	Blocking emergency exits
8.10(q)	Blocking fire escape
8.10(r)	Posted prohibited parking; parking violation of any posted signs
8.10(t)	Within 500 feet of a fire or fire apparatus (except volunteers and vehicles legally parked before the fire)
8.10(u)	Parking on terrace or parkway
8.13	Alley parking

2. Chapter 92, Article II of the Code of Ordinances of the City of Muskegon is amended to repeal section 8.31.

This ordinance adopted:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Adoption Date: \_\_\_\_\_

Effective Date: \_\_\_\_\_

First Reading: \_\_\_\_\_

Second Reading: \_\_\_\_\_

CITY OF MUSKEGON

By: \_\_\_\_\_

Ann Cummings, MMC, Its Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the \_\_\_\_\_ day of \_\_\_\_\_, 2012, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted, and public notice was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

DATED: \_\_\_\_\_, 2012

\_\_\_\_\_  
Ann Cummings, MMC  
Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

**CITY OF MUSKEGON  
NOTICE OF ADOPTION**

TO: ALL PERSONS INTERESTED

Please take notice that on \_\_\_\_\_, 2012, the City Commission of the City of Muskegon adopted an amendment to Chapter 92, Article II of the Code of Ordinances of the City of Muskegon to repeal *Section 8.31*, which prohibited parking on the street between 2:00 a.m. and 6:00 a.m. on any day between the dates of November 15 and April 15 or any other days when snow removal is necessary. The list of Level 2 parking violations was amended as follows:

(2.2) Level 2 parking violations, under the following sections of the uniform traffic code:

*Code Section    Offense*

- |         |   |
|---------|---|
| 8.5     | Parking so as to obstruct traffic   |
| 8.10(a) | Parking on sidewalk   |
| 8.10(b) | Blocking driveways  |
| 8.10(c) | Within an intersection  |
| 8.10(e) | In a crosswalk  |
| 8.10(f) | Within 20 feet of a crosswalk or within 15 feet of property lines at intersection                           |
| 8.10(g) | Too close to a flashing beacon, stop sign, yield sign, traffic control signal, or other traffic sign        |
| 8.10(h) | In a safety zone  |
| 8.10(i) | Too close to railroad   |
| 8.10(j) | Too close to fire station entrance  |
| 8.10(k) | Parking along side or opposite of street excavation   |
| 8.10(m) | Parking on a bridge or in a tunnel  |
| 8.10(n) | Parking within 200 feet of an accident  |
| 8.10(o) | Parking in front of a theater   |
| 8.10(p) | Blocking emergency exits  |
| 8.10(q) | Blocking fire escape  |
| 8.10(r) | Posted prohibited parking; parking violation of any posted signs  |
| 8.10(t) | Within 500 feet of a fire or fire apparatus (except volunteers and vehicles legally parked before the fire) |
| 8.10(u) | Parking on terrace or parkway   |
| 8.13    | Alley parking   |

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten (10) days from the date of this publication.

CITY OF MUSKEGON

Published: \_\_\_\_\_, 2012      By: \_\_\_\_\_  
Ann Cummings, MMC, Its Clerk

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PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE

# Memo

**To:** Mayor Stephen Warmington and City Commission

**Cc:** Mohammed Al-Shatel  
Jeff Lewis  
Cathy Brubaker-Clarke

**From:** Bryon Mazade, City Manager \_\_\_\_\_

**Date:** April 26, 2012

**Re:** Terrace Parking

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The City Commission had recent discussion about concerns regarding terrace parking during winter months. You requested that staff review this matter and consider whether there should be any changes to the current practice. The current practice is to allow terrace parking from November 15 to April 15, when on-street parking is prohibited from 2:00 a.m. to 6:00 a.m.

The above staff and I met to consider this matter. We came up with two options for you to consider. They are as follows:

1. Discontinue the 2:00 a.m. to 6:00 a.m. on-street parking ban on Local streets and the Major streets that allow parking. We would then enforce no terrace parking throughout the year.
2. Continue the on-street parking ban and allow terrace parking but change the time frame to December 1 to March 31.

I believe this will give you some viable options to consider.

BLM/pb

Commission Meeting Date: October 9, 2012

Date: October 4, 2012  
To: Honorable Mayor and City Commissioners  
From: Planning & Economic Development  
RE: Public Hearing - Request for an Industrial Facilities Exemption Certificate – Johnson Technology

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**SUMMARY OF REQUEST:**

Pursuant to Public Act 198 of 1974, as amended, Johnson Technology, Inc, 2034 Latimer Dr, has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be \$301,000 in real property and will create 24 jobs. This qualifies them for a tax abatement of 12 years.

**FINANCIAL IMPACT:**

The City will capture certain additional property taxes generated by the expansion (see attached Summary Sheet).

**BUDGET ACTION REQUIRED:**

None

**STAFF RECOMMENDATION:**

Approval of the attached resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years for real property.

**COMMITTEE RECOMMENDATION:**

None

Resolution No. \_\_\_\_\_

**MUSKEGON CITY COMMISSION**

RESOLUTION APPROVING APPLICATION FOR ISSUANCE  
OF INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE  
***Johnson Technology***

WHEREAS, pursuant to P.A. 198 of 1974 as amended, after duly noticed public hearing held on July 26, 1983, this Commission by resolution established an Industrial Development District as requested by the City of Muskegon for Port City Industrial Park, including the property owned by Johnson Technology, Inc, 2034 Latimer Dr., Muskegon, Michigan 49442; and

WHEREAS, Johnson Technology, Inc, has filed an application for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to building improvements within said Industrial Development District ; and

WHEREAS, said application was filed no later than six (6) months after project completion and the Muskegon City Commission held a public hearing on October 9, 2012, at the Muskegon City Hall in Muskegon, Michigan at 5:30 p.m. at which hearing the applicant, the assessor and representatives of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction of the real property had not begun earlier than six (6) months before September 24, 2012, the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and

WHEREAS, the real property improvements are calculated to and will have the reasonable likelihood to retain, create, or prevent the loss of employment in Muskegon, Michigan; and

WHEREAS, the aggregate SEV of real property exempt from ad valorem taxes within the City of Muskegon, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED by the Muskegon City Commission of the City of Muskegon, Michigan that:

- 1) The Muskegon City Commission finds and determines that the Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Act of 1974 as amended and Act No. 255 of the Public Acts of 1978 as amended shall not have the effect of substantially impeding the operation of the City of Muskegon or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Muskegon.
- 2) The application of Johnson Technology, Inc, for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to real property improvements on the following described parcel of real property situated within the City of Muskegon to wit:

CITY OF MUSKEGON PORT CITY INDUSTRIAL CENTER NO 2 LOT 30

- 3) The Industrial Facilities Tax Exemption Certificate is issued and shall be and remain in force and effect for a period of \_\_\_\_\_ years on real property.

Adopted this 9th Day of October 2012.

Ayes:

Nays:

Absent:

BY: \_\_\_\_\_  
Stephen Gawron  
Mayor

ATTEST: \_\_\_\_\_  
Ann Cummings  
Clerk

#### CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission, County of Muskegon, Michigan, at a regular meeting held on October 9, 2012.

\_\_\_\_\_  
Ann Cummings  
Clerk

RECEIVED

SEP 24 2012

CITY OF MUSKEGON  
PLANNING DEPARTMENT

# Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-3272.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	▶ Date received by Local Unit
STC Use Only	
▶ Application Number	▶ Date Received by STC

## APPLICANT INFORMATION

All boxes must be completed.

▶ 1a. Company Name (Applicant must be the occupant/operator of the facility) Johnson Technology, Inc.		▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 3724	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 2034 Latimer Drive, Muskegon, MI 49442		▶ 1d. City/Township/Village (indicate which) City of Muskegon	▶ 1e. County Muskegon
▶ 2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(1)) <input type="checkbox"/> Research and Development (Sec. 2(9))		▶ 3a. School District where facility is located Orchard View	▶ 3b. School Code 61190
		4. Amount of years requested for exemption (1-12 Years) 12	

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

Build a 3,000 square foot expansion to existing building at 2034 Latimer Drive to make room for additional manufacturing needs due to additional business from GE.

6a. Cost of land and building improvements (excluding cost of land).....	▶ \$301,000.00
* Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures.....	▶ \$0.00
* Attach itemized listing with month, day and year of beginning of installation, plus total	Personal Property Costs
6c. Total Project Costs .....	▶ \$301,000.00
* Round Costs to Nearest Dollar	Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)		
Real Property Improvements ▶	9/3/12	9/3/14	▶	<input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements ▶			▶	<input type="checkbox"/> Owned <input type="checkbox"/> Leased

▶ 8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption.     Yes     No

▶ 9. No. of existing jobs at this facility that will be retained as a result of this project. 327	▶ 10. No. of new jobs at this facility expected to create within 2 years of completion. 24
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11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land) .....	
b. TV of Personal Property (excluding inventory) .....	
c. Total TV .....	

▶ 12a. Check the type of District the facility is located in:  
 Industrial Development District       Plant Rehabilitation District

▶ 12b. Date district was established by local government unit (contact local unit) 7/26/83	▶ 12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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**APPLICANT CERTIFICATION - complete all boxes.**

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name Michelle Messer	13b. Telephone Number (231) 777-7181	13c. Fax Number (231) 777-7175	13d. E-mail Address michelle.messer@ge.com
14a. Name of Contact Person Richard Saukas	14b. Telephone Number (231) 777-7118	14c. Fax Number (231) 767-7455	14d. E-mail Address richard.saukas@ge.com
▶ 15a. Name of Company Officer (No Authorized Agents) David Yacavone			
15b. Signature of Company Officer (No Authorized Agents) <i>David M. Yacavone</i>		15c. Fax Number (231) 773-1397	15d. Date SEPT, 24, 2012
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 2034 Latimer Drive, Muskegon, MI 49442		15f. Telephone Number (231) 777-7100	15g. E-mail Address david.yacavone@ge.com

**LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.**

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Denied (Include Resolution Denying)	16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
16c. LUCI Code	16d. School Code
17. Name of Local Government Body	▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original and one copy of the application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

**State Tax Commission**  
**Michigan Department of Treasury**  
P.O. Box 30471  
Lansing, MI 48909-7971

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

Johnson Technology, Inc.  
Latimer Plant Expansion  
September 2012 IFT Application

<u>Description</u>	<u>Qty</u>	<u>Type</u>	<u>Estimated Install Date</u>	<u>Cost Each</u>	<u>Total Cost</u>
<b><u>Real Property</u></b>					
Building Addition	1	Bldg	Sep 10, 2012 - December 31, 2012	\$ 301,000	\$ 301,000
<b>Total Real Property</b>					<b>\$ 301,000</b>



403 Oak Street  
Spring Lake, MI 49456  
Phone 616-842-2030  
Fax 616-842-1950

September 19, 2012

Mr. Paul Kuipers  
Johnson Technology  
2034 Latimer Drive  
Muskegon, Michigan 49442

Re: Project Commencement Notice for Latimer Addition

Westwind Construction will be building an addition for GE Aviation – Muskegon. The anticipated project time line consists of the following:

September 3, 2012 Start of architectural and engineering design  
October 29, 2012 Begin site excavation and foundation work  
November 19, 2012 Pre-engineered steel delivery and start of steel erection  
December 17, 2012 Expected building completion

If you have any questions, please contact me.

Sincerely,



Jehan Bourne  
Project Manager

**CITY OF MUSKEGON**

**CONTRACT FOR TAX ABATEMENT**

**Act 198 Public Acts of 1974**

AGREEMENT between CITY OF MUSKEGON, a municipal corporation of 933 Terrace Street, Muskegon, Michigan 49441, ("City") and Johnson Technology, Inc. ("Company").

**Recitals:**

A. The Company has applied to City for the establishment of an industrial development district or industrial rehabilitation district pursuant to the provisions of Act 198 of the Public Acts of 1974, as amended, which act requires a contract between the City and the Company to be agreed and submitted with the Company's subsequent anticipated application for an industrial facilities exemption certificate.

B. That in addition to the statutory requirement, the City has determined that it is in the best interests of the taxpayers, property owners and residents of the City that this Agreement be approved and executed prior to the establishment of the requested district, and the City deems this Contract, together with the conditions set forth in the said Act to constitute a necessary element in the City's determination whether or not to create the district.

C. The Company intends to install the project set forth in its application ("project") which it believes qualifies for the process of establishing the district and the application for industrial facilities exemption certificate.

D. The City, provided this Agreement is executed, will determine whether to create the district based upon the potential for the production of permanent jobs, the continuation or increase of economic activity, planning and zoning considerations and the City's general plan and intentions regarding economic development. In addition to the City policy considerations and predictions that the Company's proposed district and certificate benefit the community in those ways, the City has further determined that the contractual commitments made by the Company to thereby assist the community shall be binding on the Company and necessary to continue the tax exemption made possible by the certificate.

NOW THEREFORE THE PARTIES AGREE:

1. **COMPANY AGREEMENT.** The Company irrevocably commits to the investment, job retention and job creation promises made in its application, a copy of which is attached hereto and incorporated herein. In particular the Company agrees:

1.1 That 100% of the jobs shall be filled and in existence with full-time employees by a date no later than two (2) years from the date of the granting of the certificate by the State Tax Commission.

1.2 The Company shall meet the affirmative action goal included in the application or in any documents supplied by the City and utilized by the Company, including any additional representations made to the City Commission on or before the date two (2) years after the granting of the certificate by the State Tax Commission. It shall maintain the said levels of employment diversity during the period of the certificate.

1.3 The Company, by the end of two (2) years from the date of the grant of the certificate by the State Tax Commission shall have completed the investment of \$301,000 in the building improvements as shown in the application.

1.4 That the improvements and equipment to receive the tax abatement treatment shall be completed on or before the date two (2) years from the date of granting of the certificate by the State Tax Commission.

1.5 The Company shall pay its specific taxes required by the act in a timely manner, and shall not delay payments so as to incur any penalties or interest.

1.6 The Company shall not appeal the valuation of any real or personal property at the facility to the Michigan Tax Tribunal or the State Tax Commission.

1.7 The Company shall fully cooperate with the City representatives in supplying all requested and required documentation regarding jobs, investment, the meeting of all goals and the timely installation and utilization of equipment and improvements. The City shall be entitled to inspect at reasonable hours the Company's premises where the said improvements and equipment have been installed and where the said jobs are performed.

1.8 The Company shall maintain, during the entire period for which the tax abatement is granted, the level of jobs, affirmative action goals, production and utilization of the improvements and equipment at the site where the district has been created and for which the tax exemption has been granted.

1.9 The Company shall not cause or fail to cure the release of any hazardous substance, or the violation of any environmental law on its premises in the City. It shall report any releases to the appropriate governmental authority in a timely and complete manner, and provide copies of said report documentation to the City. It shall comply with all orders and actions of any governmental agency having authority.

1.10 The Company shall maintain the equipment and improvements so as to minimize physical or functional obsolescence.

1.11 The Company shall continue to operate its business location in the City, containing the same number of and type of jobs, for the term of the certificate.

2. **AGREEMENT BY THE CITY.** Provided this contract has been executed and further provided all applications to create the district and achieve the industrial facility exemption certificate have been properly filed, the City shall, in a timely manner, determine in a public meeting to create the district and receive, process, and approve thereafter the Company's application for an industrial facilities exemption certificate. The City may consider this contract in a meeting separate from and prior to the meeting in which the City considers the creation of the district and approval of the application for certificate. Further, the City shall require the submission of this contract signed by the Company together with its applications, before creating the district.

3. **EVENTS OF DEFAULT.** The following actions or failures to comply shall be considered events of default by the Company:

3.1 Failure to meet any of the commitments set forth above.

3.2 The closing of the Company's facilities in the City. Closing shall mean for purpose of this Agreement, the removal, without transfer to another site within the City of substantially all of the production facilities, and the elimination of substantially all the jobs created or retained thereby, which are set forth in the Company's application.

3.3 Failure to afford to the City the documentation and reporting required.

3.4 The failure to create or retain jobs, meet affirmative action goals or expend the funds on equipment and improvements as represented in the application within the times required hereby.

3.5 The bankruptcy or insolvency of the Company.

3.6 The failure to pay any and all taxes and assessments levied on the Company's property or any other taxes, local, state or federal, including but not limited to City income taxes and the withholding of said City income taxes from employees as required by the City Income Tax Ordinance.

3.7 The performance or omission of any act which would lead to revocation under MCLA 207.565, being §15 of the Act.

3.8 The violation of any provisions, promises, commitments, considerations or covenants of this Agreement.

4. **REMEDIES ON DEFAULT.** In the event of any of the above defaults the City shall have the following remedies which it may invoke without notice, except as may be reasonably required by the Company's rights to due process:

4.1 In the event of closing as determined after investigation of the facts and a public hearing, the Company shall be immediately liable for penalties to be paid forthwith to the city as determined as follows:

4.1.1 The Company shall pay to the City for prorata distribution to the taxing units experiencing the abatement, an amount equal to the difference between the industrial facilities tax which it has paid, and the total property taxes to the relevant taxing units which it would have paid, given its installations of improvements and equipment, during the years for which the certificate was in effect.

4.1.2 Immediate Revocation. The Company hereby consents to revocation to the IFT certificate before the State Tax Commission, without hearing, and the City shall submit a copy of this Agreement to the State Tax Commission in connection with its revocation procedure, giving notice that the default has occurred and immediate revocation should occur.

4.2 In the event the improvements and equipment have not been installed before the two (2) year period, in addition to the revocation procedures before the State Tax Commission, the abatement should immediately be reduced by the City proportionately, and any installations which have not been finished at the end of said two (2) year period shall not be eligible for the abatement thereafter and shall be placed on the regular tax roll.

4.3 Failure to Expend the Funds Represented. In the event, (whether or not the installations have been completed), the Company has not expended the funds it has represented on its application that it would invest for the installation of equipment, the abatement shall be reduced prorata, and any remaining value of equipment shall be placed on the regular tax roll.

4.4 Job Creation and Retention. In the event the promised number of jobs have not been created or retained at the end of the two (2) years after the grant of the certificate by the State Tax Commission, the abatement shall be proportionately reduced.

4.5 Affirmative Action Goals. In the event, after one (1) year from the grant of the certificate by the State Tax Commission, the affirmative action goals of the City for additional jobs have not been met on a prorata basis, the abatement shall be revoked.

4.6 For other violations of this Agreement or for actions or omissions by the Company amounting to grounds for revocation by statute, the City shall recommend to the State Tax Commission immediate revocation of the certificate.

4.7 Special Assessment. For any amount due to be paid to the City, under this Section 4, the Company consents that the City shall have a personal action against the Company for the said amount, and in addition, cumulatively, and not by election, the City shall have a special assessment lien on all the property of the Company personal and real, located in the City, for the collection of the amounts due as and in the manner of property taxes and in such case the collection of the said special assessment shall be accomplished by addition by the City to the Company's property tax statement regularly rendered.

5. Governing Law. This Agreement 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.

6. Counterparts. This Agreement may be executed in one or more counterparts. Notwithstanding such execution all such counterparts shall constitute one and the same Agreement.

7. Benefit. This Agreement shall be binding upon and inure to the benefit of the respective parties, their successors and personal representatives.

8. Effective Date. This Agreement shall be effective on the date the State of Michigan Tax Commission grants the company at Industrial Facilities Exemption Certificate.

CITY OF MUSKEGON

By \_\_\_\_\_  
Stephen Gawron, Mayor

Date \_\_\_\_\_

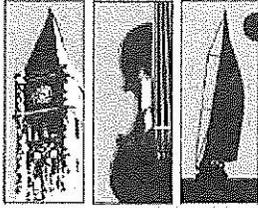
and \_\_\_\_\_  
Ann Cummings, Clerk

Date \_\_\_\_\_

By David M. Yacovone  
Its \_\_\_\_\_  
President \_\_\_\_\_

Date 9/24/2012

# MUSKEGON



West Michigan's Shoreline City

## City of Muskegon Industrial Facilities Exemption Application Summary Sheet

### Project Summary:

Johnson Technology, Inc, located at 2034 Latimer Dr., will be making real property improvements valued at \$301,000. This investment qualifies them for a 12 year abatement on real property.

### Employment Information: 328 employees

#### Racial Characteristics:

White	295 (90%)
Minority	33 (10%)
Total	328

#### Gender Characteristics:

Male	230 (70%)
Female	98 (30%)
Total	328

Total No. of Anticipated New Jobs: 24

### Investment Information:

Real Property:	\$301,000
Personal Property	\$0
Total:	\$301,000

Property Tax Information: (Annual)	All Jurisdictions	City Only
Total New Taxes Generated	\$ 8,603	\$ 4,975
Value of Abatement	\$ 4,302	\$ 2,487
Total New Taxes Collected	\$ 4,302	\$ 2,487

### Income Tax Information: (Annual)

Total Additional Income Tax Generated: \$3,844

### Company Requirements:

Adopted Affirmative Action Policy	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
Meeting w/ City Affirmative Action Director	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
Signed Tax Abatement Contract	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
Taxes Paid In Full	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
Zoning Conflicts	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

Mike Franzak  
Planner III

Dwana Thompson  
Affirmative Action Director

**AGENDA ITEM NO. \_\_\_\_\_**  
**CITY COMMISSION MEETING \_\_\_\_\_**

**TO:** Honorable Mayor and City Commissioners  
**FROM:** Bryon L. Mazade, City Manager  
**DATE:** October 3, 2012  
**RE:** Water Agreement with City of Norton Shores and Fruitport Charter Township

**SUMMARY OF REQUEST:**

To approve an agreement to supply water to the City of Norton Shores and Fruitport Charter Township beginning in 2015.

**FINANCIAL IMPACT:**

None at this time.

**BUDGET ACTION REQUIRED:**

None.

**STAFF RECOMMENDATION:**

To approve the agreement and authorize the Mayor and City Clerk to execute it.

**COMMITTEE RECOMMENDATION:**

None.

## AGREEMENT FOR MUNICIPAL WATER SUPPLY

This Agreement is effective on \_\_\_\_\_, 2012, between the **City of Muskegon**, 933 Terrace Street, Muskegon, Michigan ("Muskegon"), **City of Norton Shores**, 4814 Henry Street, Norton Shores, Michigan ("Norton Shores"), and the **Charter Township of Fruitport**, 6543 Airline Road, Fruitport, Michigan ("Fruitport").

### RECITALS

- A. Muskegon owns and operates a water production and distribution system with a capacity currently capable of serving the present customers of Muskegon's system and the estimated demand of water customers to be served by Norton Shores and Fruitport pursuant to this agreement.
- B. Norton Shores and Fruitport each own and operate a water distribution system within their respective corporate boundaries. In addition, Norton Shores and Fruitport co-own a Regional Water System consisting of transmission mains and a water tower (Regional System) described in the Regional Water Agreement of Norton Shores and Township of Fruitport, dated August 17, 1973.
- C. Norton Shores and Fruitport presently have a contract with the City of Muskegon Heights for water supply.
- D. Norton Shores and Fruitport desire to acquire all of their needed water from Muskegon.
- E. Muskegon, Norton Shores and Fruitport agree that Norton Shores and Fruitport shall not use any of Muskegon's distribution system.
- F. After the execution of this Agreement and prior to Muskegon providing water to Norton Shores and Fruitport, the Parties understand and agree that there needs to be extensive design and construction work in order for Norton Shores and Fruitport to obtain metered water from the Muskegon Water Filtration Plant, the details of which are not addressed in this Agreement. The Parties understand and agree that the cost of the design and construction shall be borne by Norton Shores and/or Fruitport.
- G. The parties enter into this agreement for the mutual benefit of Muskegon, Norton Shores and Fruitport.

### THE PARTIES AGREE AS FOLLOWS:

1. **Supply of Water.** Muskegon shall sell and supply to Norton Shores and Fruitport, under positive pressure, at the Muskegon Water Filtration Plant ("MWFP"),

located at 1900 Beach Street, in the City of Muskegon, such amounts of water as Norton Shores and Fruitport may require. The water shall be delivered to Norton Shores and Fruitport at the meter(s) located at the MWFP (“MWFP Meter(s)”) used to measure the quantity delivered. The water shall have the same quality as that which Muskegon furnishes and delivers to its own customers and at a minimum meets the applicable purity standards of the State of Michigan.

2. **Interruptions.** In the event the supply of water by Muskegon is interrupted for short periods of time, due to circumstances beyond its control, or due to breakdown in Muskegon’s Filtration Plant, such interruption shall not terminate or affect this contract, provided Muskegon exercises all due speed and diligence in eliminating the cause of such interruption, so as to minimize its duration.

3. **Rates for Water Supply.**

3.1 The water supplied by Muskegon to Norton Shores and Fruitport at the MWFP shall be paid for by Norton Shores and Fruitport, with both being jointly and severally obligated, for all water from the MWFP Meter(s). The allocation between Norton Shores and Fruitport shall be based on an agreed upon proportional method between Norton Shores and Fruitport. The rate charged by Muskegon to Norton Shores/Fruitport shall be determined annually as follows:

The “Total Water Treatment Cost Base” shall consist of the sum total of these items:

- a. All budgeted salaries, benefits, supplies, services, capital and other expenses deemed by the City to be needed for the proper operation and maintenance of the MWFP located at 1900 Beach Street, in the City of Muskegon, along with necessary appurtenances, i.e. intake lines, etc. Such costs are currently accounted for under the City’s (591-60558) cost center. The City will allocate total annual charges for insurance, indirect costs, and administration costs proportionally between the Water Filtration Plant cost center (591-60558) and the Water Distribution System cost center (591-60559);
- b. All budgeted annual debt service costs (i.e. principal, interest and related fees) associated with any debt incurred for the MWFP. This shall include both debt service existing at the time of the agreement and debt service on any future bonds, loans or other debt instruments issued for the benefit of the MWFP; and
- c. All budgeted capital project expenditures undertaken for the benefit of the MWFP.

Attached as Exhibit A is an example of that calculation for July 1, 2012 through June 30, 2013.

The "Total Water Treatment Cost Base" shall be determined on or before June 1 of each year as part of the City's budget preparation process. The "Total Water Treatment Cost Base" shall be divided by the total treated water pumped by the Muskegon Water Filtration Plant as measured by meter(s) at the Plant during the annual period beginning each May 1 and ending each April 30. This rate will be multiplied by 1.15 to arrive at the final rate charged to Norton Shores and Fruitport. The rate charged Norton Shores and Fruitport shall be determined not later than June 1 of each year and will be effective each July 1.

Annually, upon completion of Muskegon's audit, Muskegon shall provide a report showing:

- a. actual costs for the prior fiscal year versus the budgeted costs used in the rate-making process for that fiscal year; and
- b. actual water usage for that fiscal year.

Within 30 days of receiving this report, if any Party(ies) determines budgeted versus actual costs and usageresult in an overstatement or understatement of the rate used, that Party(ies) may provide notice of its intent to hire a qualified independent public auditing firm, with the cost of the independent public auditing firm being borne by the Party(ies) requesting the recalculation, experienced in governmental accounting and reasonably acceptable to all Parties to recalculate the rate for that year in accordance with this Agreement using actual costs and actual water use volumes for the year in question and shall require such review to be completed and report issued to all Party(ies) within 120 days of the notice. If no Party(ies) asks for an independent review or the independent report is not provided within the time limits provided above, any claim for overpayment or underpayment is waived. The Parties agree that the independent auditor's report will be final and any amounts deemed to be owed by any Party(ies) will be paid within 60 days of the independent auditor's report.

3.2 In the event the master meter fails to register the supply of water due to a breakdown or other failure, the charge for the water supply shall be determined by utilizing the average of the 30 day period prior to the breakdown. In the event that theMWFP Meter(s) is inaccurate because of a progressive breakdown or other reason, Muskegon reserves the right to use an average derived from a period of up to one year prior to the breakdown, in order to determine the charge for water supplied that meter, so long as the prior period is representative and if not a representative period shall be used.

4. **Term.** This agreement terminates on October 31, 2042. However, this agreement can be renegotiated if a regional water agreement is reached and Muskegon, Norton Shores and Fruitport agree to participate in same.

5. **Muskegon the Sole Source of Water; No Resale.** Effective April 15, 2015, Norton Shores and Fruitport agree that each shall purchase all of its municipal water supply from Muskegon at the MWFP, excluding emergency purchases by way of the emergency interconnect with the North Ottawa Water System. There shall be no purchase of water by Norton Shores and Fruitport from any other source. Norton Shores and Fruitport agree that the water supplied and furnished by Muskegon shall be solely for use and distribution within the systems of Norton Shores and Fruitport, except that Norton Shores and Fruitport may add customers along their respective corporate borders so long as the new customer connects to a line that existed on September 1, 2012 or a line that replaces a line that existed on September 1, 2012. Norton Shores and Fruitport may expand their existing systems, but must remain within their respective corporate boundaries, except that Norton Shores and Fruitport may install water mains after September 1, 2012 along their respective corporate boundaries and add new customers outside of their respective corporate boundaries but only with the approval of Muskegon. Norton Shores and Fruitport shall not sell or supply water to any other governmental unit not a Party to this agreement, except to service government facilities located within Norton Shores and Fruitport, without Muskegon's written approval. The above prohibition on sale of water outside of Norton Shores and Fruitport corporate boundaries does not affect the distribution and sale of water to any current water customers of Norton Shores or Fruitport.

6. **Obligations of Muskegon.**

6.1 Muskegon shall supply water to Norton Shores and Fruitport in the quantities required and send duplicate bills to City of Norton Shores, 4814 Henry Street, Norton Shores, Michigan and to Charter Township of Fruitport, 6543 Airline Road, Fruitport, Michigan for the amount actually metered, which readings will be provided with each billing.

6.2 Muskegon shall maintain and replace the MWFP Meter(s) as required, and shall charge the expense thereof to Norton Shores and Fruitport as an addition to the invoice for water charges. MWFP Meter(s) replacement shall be done by prior agreement or if the MWFP Meter(s) accuracy is demonstrated to be outside the AWWA C 700 Standard. The cost of MWFP Meter(s) testing and/or calibration shall be shared with Muskegon being obligated for one-half the expense and the other half being added as an additional expense to the invoice sent to Norton Shores and Fruitport.

6.3 For purposes of construction and maintenance of a water line to transmit water from the Muskegon Filtration Plant to the Norton Shores/Fruitport regional distribution system, Muskegon agrees to grant reasonable access to the road right of ways upon reasonable notice to Muskegon.

6.4 Prior to, during and after construction of a water line to transmit water from the Muskegon Filtration Plant to the Norton Shores/Fruitport regional distribution system, Muskegon agrees to grant reasonable access to the Filtration Plant upon reasonable notice to Muskegon.

**7. Obligations of Norton Shores and Fruitport.**

7.1 Norton Shores and Fruitport shall pay the water charges set forth above promptly on a schedule to be determined by the parties.

7.2 Norton Shores and Fruitport shall design, construct, and pay all costs for such improvements, including reimbursement for the MWFP Meter(s), to transport the purchased water from the MWFP to the Norton Shores/Fruitport regional distribution system. All necessary improvements to the MWFP treatment processes necessary to provide adequate pressure to Norton Shores and Fruitport shall be paid by Norton Shores and Fruitport and thereafter owned, operated and maintained by Muskegon as part of Muskegon's Water Filtration Plant. Muskegon, however, is not obligated to maintain any water mains necessary to transport water from the MWFP to the Norton Shores/Fruitport regional distribution system, as that is a cost borne by Norton Shores and Fruitport.

7.3 Norton Shores and Fruitport shall reimburse Muskegon as appropriate for the repair, maintenance and replacement of the MWFP Meter(s) as referred to above.

7.4 Norton Shores and Fruitport shall pay all costs for construction, design, improvement and maintenance of its own system, meters and facilities such as, but not limited to, underground systems, overhead facilities, system pumps, meters, access and repair devices, all necessary to operate its water system or to increase its pressure over that supplied by Muskegon, including the water main from the MWFP to the Norton Shores/Fruitport distribution system.

7.5 Norton Shores and Fruitport shall include in each system all necessary devices to prevent back flow of any kind into the water system which might contaminate the water system of either Party.

7.6 Norton Shores and Fruitport shall be responsible for the maintenance, repair, and replacement of its own water system unless otherwise provided for through a separate agreement.

7.7 Norton Shores and Fruitport shall administer its own water customer services including billings, collections, determining its customer rates and passing any ordinances and regulations required to operate its system and comply with this agreement.

**8. System Master Plan and Reliability.** The Parties understand and agree that the physical and financial health, reliability and growth of the entire system are directly related to that of the individual systems. Periodic reliability studies are also required as a condition of system licensing by the State of Michigan. To that end, Muskegon commissioned a *Water System Master Plan and Reliability Study* by Black and Veatch Corporation which was submitted to Muskegon in March 2011. In addition to a detailed system analysis, the Study makes specific recommendations for system improvements

and regional system planning. The Parties agree to jointly discuss and consider implementing the recommendations of the current and future Reliability Studies.

9. **No Third Party Beneficiary.** There shall be no other beneficiary or third party beneficiary to this agreement. No remedy is provided or intended by this agreement for the customers of either party.

10. **Indemnification.**

10.1 Norton Shores and Fruitport agree to hold harmless, protect and indemnify Muskegon from and against any and all liabilities, losses, damage, expenses and charges, including but not limited to attorney's fees and expenses of litigation, which may be sustained or incurred by Muskegon arising directly or indirectly to the sale of water to Norton Shores and/or Fruitport relating to the termination of any contractual relations with the City of Muskegon Heights. Past and/or future water debts of Norton Shores and/or Fruitport relating to the purchase of water from Muskegon Heights are solely the responsibility of the Norton Shores and/or Fruitport and in no way is an obligation of Muskegon.

10.2 Norton Shores and Fruitport shall save and hold Muskegon harmless from any and all claims, demands or damages arising out of the design, construction or operation of their systems, any connections between the Norton Shores and Fruitport systems, including but not limited to all damages, costs, attorney fees, laboratory expenses, fines, penalties, or any other expense arising out of any such claim, unless caused by the acts or omissions caused by Muskegon.

10.3 Muskegon agrees to hold harmless, protect and indemnify Norton Shores and Fruitport from and against any and all liabilities, losses, damage, expenses and charges, including but not limited to attorney's fees and expenses of litigation, which may be sustained or incurred by Norton Shores and Fruitport arising, directly or indirectly, if the supplied water fails to meet minimum applicable water purity standards of the State of Michigan.

11. **Assignment.** This contract may not be assigned to another entity by any Party without prior written consent of all Parties.

12. **Entire Agreement.** This Agreement sets forth the entire understanding of the Parties with respect to its subject matter. This Agreement supersedes and/or replaces all prior oral or written Agreements between the Parties.

13. **Severability.** In the event any provision of this agreement is determined to be invalid by any court or tribunal having jurisdiction, the balance of the agreement shall remain in full force and effect and the Parties shall review the invalid provision and reach an agreement as to a replacement provision.

14. **Law Applicable.** This agreement shall be interpreted under Michigan Law.

15. **Notice.** Any notice required to be given or made to a party must be in writing and will be deemed given when delivered personally or by registered or certified mail (return receipt requested), addressed to the party at its address stated above. Addresses for giving notice may be changed by giving notice of the new address.

16. **Approvals.** This agreement shall be effective on November 1, 2012, but only after approvals given by the governing body of each Party.

**City of Muskegon**

Date: \_\_\_\_\_, 2012

By \_\_\_\_\_  
Stephen Gawron, Mayor

Date: \_\_\_\_\_, 2012

and \_\_\_\_\_  
Ann Marie Cummings, Clerk

**City of Norton Shores**

Date: \_\_\_\_\_, 2012

By \_\_\_\_\_  
Gary Nelund, Mayor

Date: \_\_\_\_\_, 2012

and \_\_\_\_\_  
Lynne Fuller, Clerk

**Charter Township of Fruitport**

Date: \_\_\_\_\_, 2012

By \_\_\_\_\_  
Brian K. Werschem, Supervisor

Date: \_\_\_\_\_, 2012

and \_\_\_\_\_  
Carol Hulka, Clerk

Projected water rate if Authority purchases water from Muskegon.

**Pumpage:**

1. Total gallons pumped to Muskegon and its current customers:	2,788,600,000 <sup>1</sup>
2. Total gallons pumped to the Authority:	1,365,000,000 <sup>2</sup>
<b>Total Gallons Pumped</b>	<b>4,153,600,000</b>

**Total Filtration Plant Cost Included in Rate**

1. 100% of Operating Expenditures Filtration and CIP <sup>3</sup> :	\$2,190,555.31
2. 100% of all Filtration Plant Bonds <sup>4</sup> :	\$1,634,694.00
3. Share of Operating Expenditures Administration <sup>5</sup> :	<u>\$337,814.41</u>
<b>Total Estimated Costs</b>	<b>\$4,163,063.72</b>

Total Costs \$4,163,063.72 ÷ Total Gallons Pumped 4,153,600,000=

**\$1.002 per 1,000 gallons**

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<sup>1</sup>Based on the 2011 monthly operation reports submitted to the DEQ.

<sup>2</sup>Based on the actual water use in 2011 by the City of Norton Shores and Fruitport Township.

<sup>3</sup>Includes the variable cost of the filtration plant, line items 5200 and 5300, totaling \$843,447 and multiplying them by the percentage flow will increase with the addition of the Authority, 1.365 bg to the Authority ÷ 2.7886 bg original pumpage or, 48.95%. Multiplying total variable costs (\$843,447) by 48.95% equals \$412,867.31. Adding it to the 2013 filtration plant budget (\$1,627,688) equals \$2,040,555.31. This also includes \$150,000 in capital cost related to the filtration plant that is budgeted in line item 90000, Project Expenditures (pg. 92 for details). This assumes that all filtration related expenses in this activity and line item be moved to the filtration plant budget, line item 60558, Operating Expenditures Filtration, should an agreement be reached.

<sup>4</sup>Includes the total principal and interest costs on bonds related to the filtration plant.

<sup>5</sup>Operating Expenditures Administration (Sub-labeled as "Insurance/Indirect Costs/Administration Fee") includes a proration of the distribution costs and the filtration cost. For purposes of defining this proration, capital costs and bond payments are not included. Filtration costs are \$2,040,555.31(\$2,190,555.31 total cost less the \$150,000 in capital improvements) and the distribution cost are \$1,329,795. The filtration costs are 60.54%. This multiplied by \$558,002 = \$337,814.41

*All budget numbers based off the 2012-2013 proposed budget pages 84 and 92.*

City of Muskegon						
Annual Budget & Quarterly Budget Forecast - Other Funds						
	Actual 2010 (Sub Year)	Actual 2011 (Sub Year)	Original Budget FY2012	Actual As of FY2012 Revised	Revised Budget Estimate FY2012	Original Budget FY2013 Comments
<b>591 Water Fund</b>						
Available Cash Balance - BDY	\$ 2,307,284	\$ 3,128,723	\$ 2,888,744	\$ 3,885,189	\$ 3,885,189	\$ 2,350,891
<b>Means of Financing</b>						
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal & state grants	-	-	-	-	-	-
State shared revenue	1,564,652	3,025,327	3,155,000	2,180,850	2,792,865	3,072,451
Charges for services - City	989,516	1,895,772	2,128,000	1,368,652	1,775,700	1,952,270
Charges for services - Wholesale	-	-	-	-	-	-
Maintenance services - Township	170,335	170,335	170,000	155,624	170,000	170,000
Interest income	10,586	13,025	20,000	13,875	20,000	20,000
Lease of facilities	71,402	143,269	121,000	128,677	170,675	170,675
Repayment of CDA advance	-	-	-	-	-	-
Operating reserve in	194,189	245,418	-	116,736	-	125,000
Other	\$ 2,912,882	\$ 5,512,204	\$ 5,972,000	\$ 3,941,932	\$ 5,054,249	\$ 5,511,105
<b>30548 Operating Expenditures Administration</b>						
Salaries & Benefits	1,085	-	-	-	N/A	-
Operating Supplies	258,076	541,950	516,007	466,070	536,007	558,002
Contractual Services	7,980	-	2,000	6,704	6,000	6,000
Other Expense	-	-	-	-	-	-
Capital Outlays	-	415,395	410,188	383,151	410,188	384,694
Other Financing Uses	317,141	1,951,433	1,230,000	630,000	1,230,000	1,250,000
Other Cash Uses and Adjustments (e.g. Debt Principal)	\$ 584,262	\$ 2,019,478	\$ 2,116,195	\$ 1,455,923	\$ 2,182,195	\$ 2,198,696
	\$ 420,228	\$ 810,327	\$ 708,785	\$ 676,744	\$ 850,000	\$ 738,972
	190,809	190,280	187,933	187,933	187,933	187,933
	45,167	25,000	25,000	25,000	25,000	25,000
	28,769	65,107	53,210	51,284	52,200	52,430
	968	11,531	16,590	1,438	11,500	16,630
	\$ 649,131	\$ 1,395,011	\$ 1,445,202	\$ 1,184,659	\$ 1,603,589	\$ 1,323,779
<b>60559 Operating Expenditures Maintenance</b>						
Salaries & Benefits	228,682	590,491	654,881	485,602	654,881	725,511
Operating Supplies	53,186	232,984	275,095	189,107	275,095	286,477
Contractual Services	24,730	45,000	50,000	38,000	50,000	50,000
Other Expenses	730	1,155	2,489	2,489	2,489	2,489
Capital Outlays	26,130	108,567	45,300	51,675	65,000	55,000
Other Financing Uses	-	-	-	-	-	-
Replacement Reserve - DWPF	\$ 656,691	\$ 1,397,182	\$ 1,630,665	\$ 1,079,854	\$ 1,630,665	\$ 1,627,668
<b>60558 Operating Expenditures Filtration</b>						
Salaries & Benefits	53,186	232,984	275,095	189,107	275,095	286,477
Operating Supplies	24,730	45,000	50,000	38,000	50,000	50,000
Contractual Services	730	1,155	2,489	2,489	2,489	2,489
Other Expenses	26,130	108,567	45,300	51,675	65,000	55,000
Capital Outlays	-	-	-	-	-	-
Other Financing Uses	-	-	-	-	-	-
Replacement Reserve - DWPF	\$ 656,691	\$ 1,397,182	\$ 1,630,665	\$ 1,079,854	\$ 1,630,665	\$ 1,627,668
<b>90000 Project Expenditures</b>						
Operating Supplies	186,779	284,507	1,340,000	737,476	89%	1,110,000
Contractual Services	-	-	-	-	N/A	SEE BUDGETED CAPITAL IMPROVEMENTS FOR DETAIL
Capital Outlays	186,779	284,507	1,340,000	737,476	89%	1,082,100
	\$ 2,035,063	\$ 5,055,193	\$ 6,840,243	\$ 4,497,934	71%	\$ 5,284,427
Available Cash Balance - EDY	\$ 3,128,723	\$ 3,685,168	\$ 1,872,951	\$ 3,039,727	\$ 2,350,391	\$ 1,954,937

City of Muskegon		Quarterly Budget Reforecast and 2012-13 Proposed Budget					
		Responsibility	2012-13 Budgeted Projects	2012-13 Estimated Project Grants	Comments		
<b>2012-13 BUDGETED PROJECTS</b>							
<b>590</b>	<b>Sewer</b>						
	Sewer Rehabilitation Project (various projects)	Al-Shatel	120,000	-	Lining of Manholes and Sewer Lines		
	Austin Lift Station, Design	Al-Shatel	10,000	-	Design Only		
	Evanston Lift Station	Al-Shatel	200,000	-	Rebuild		
	GIS Update and Maintenance	Al-Shatel	20,000	-	County Licensing, Map Maintenance		
	Beidler St., Heckley to 700' South of	Al-Shatel	160,000	-	Lining or Replacement		
	Infiltration Study	Al-Shatel	65,000	-	Engineering/Design Only		
	Sewer Treatment Facility	Al-Shatel	75,000	-	Feasibility/Engineering		
			650,000	-			
<b>591</b>	<b>Water</b>						
	Water Main Replacements, Various Locations - 2" & 4" Watermain	Al-Shatel	75,000	-	Filtration Plant		
	Laketon, Wood to Getty	Al-Shatel	35,000	-	Water Repairs Associated With Street Project		
	Sherman, Lincoln to Estes	Al-Shatel	80,000	-	Water Repairs Associated With Street Project		
	Hackely, Hudson to Glen	Al-Shatel	675,000	-	Replace Watermain & Services		
	Sherman, Estes to Glenside	Al-Shatel	50,000	-	Services and Possible 30" Valve		
	GIS Update and Maintenance	Al-Shatel	20,000	-	County Licensing, Map Maintenance		
	Reliability Study, Plant	Al-Shatel	45,000	-	Required by MDEQ Every Five Years		
	Plant Cleanwell Upgrades per 2010 study	Al-Shatel	105,000	-			
	Engineering Services for Harvey St. Reservoir Upgrades	Al-Shatel	25,000	-			
			1,110,000	-			

**DATE:** 09/28/2012  
**TO:** Honorable Mayor and Commissioners  
**FROM:** Jeff Lewis, Director of Public Safety  
**RE:** Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN120025

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**SUMMARY OF REQUEST:** This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **1692 ELWOOD ST Area 13** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN120025 - 1692 ELWOOD ST

Location and ownership: This structure is located on Elwood between E. Dale and E. Larch Ave and is owned by 37 E MAIN LLC, P.O. Box 652, Lake Odessa, MI 48849.

Staff Correspondence: A dangerous building inspection was conducted on 02/22/12. An interior inspection was conducted 03/29/12. The Notice and Order to Repair was issued on 02/23/12. On 05/03/12 the HBA tabled case until June 2012 to allow owner time to submit timeline acceptable with emphasis on exterior violations to be corrected. The case returned June 7, 2012 and was tabled by the HBA for 30 days due to timeline submitted not agreeable to Inspections. The HBA declared the structure dangerous, substandard and a public nuisance on August 2, 2012.

Owner Contact: Owners were present for all 3 HBA meetings stating they were trying to establish a timeline that would best utilize their resources and be able to avail themselves of rehab grants thru the City. Two timelines were submitted that were not acceptable. An acceptable timeline was received by email August 29th with a target date to complete repairs by November 15, 2012. As of 9/28/12 there has not been an permit application received by the Inspections Department.

**Financial Impact:** CDBG Funds

**Budget action required:** None

**State Equalized value:** \$18,200 (Entire property)

**Estimated cost to repair:** \$35,000

**Staff Recommendation:** To concur with the Housing Board of Appeals decision to demolish.

## **SUMMARY FOR: 1692 ELWOOD ST**

1692 Elwood is a wood frame two family dwelling. This building needs an extensive amount of repair including new roof, soffit and fascia repairs, front porch repair, as well as numerous interior repairs.

There have been numerous contacts with the property owners and an agreeable time line for repairs was received on August 28<sup>th</sup>. On August 31<sup>st</sup> an attempt was made (by e-mail) to contact the property owner asking asking them to contact me to get the project started. To date there has been no further contact from the property owner and no permit has been applied for. This building is a blighting influence on the neighborhood and will continue deteriorate.

## CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

### DANGEROUS BUILDING INSPECTION REPORT

Wednesday, February 22, 2012

**Enforcement #** EN120025      **Property Address** 1692 ELWOOD ST  
**Parcel #**24-185-110-0004-00      **Owner** 37 E MAIN LLC

**Inspector:** Henry Faltinowski

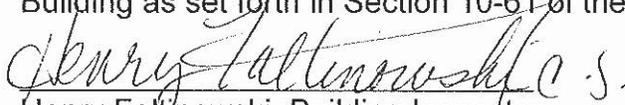
**Date completed:** 02/22/2012

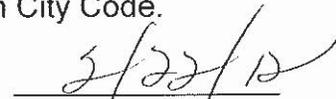
#### DEFICENCIES:

1. Replace roof covering and damaged roof sheathing.
2. Replace all damaged soffit and fascia on roof system.
3. Replace broken windows, door & screens.
4. Scrape and paint all exterior window frames-sills.
5. Tuck point open gaps in foundation block.
6. Request interior by trade inspectors.
7. Replace all damaged siding.
8. Repair chimney.

**Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.**

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

  
Henry Faltinowski, Building Inspector

  
Date

**CITY OF MUSKEGON**  
933 Terrace St., P.O. Box 536, Muskegon, MI 49443 (231)724-6715  
**DANGEROUS BUILDING INTERIOR INSPECTION REPORT**

*1692 ELWOOD ST*  
*03/29/2012*

**Inspection noted:**

Exterior

1. Replace roof covering and damaged roof sheathing.
2. Replace all damaged soffit and fascia on roof system.
3. Replace broken windows, door & screens.
4. Scrape and paint all exterior window frames-sills.
5. Tuck point open gaps in foundation block.
6. Request interior by trade inspectors.
7. Replace all damaged siding.
8. Repair chimney.

Interior

1. Repair front entry steps to porch area - concrete spalling
2. Repair all interior ceiling, wall, floor damage.
3. Remove all insulation affected by water from leaking roof.
4. Smoke alarms to code MRC.
5. Provide proper support for staircase interior, guard rail, hand rail, landing.
6. Replace any interior damaged missing doors.
7. Install hardwired smoke detectors per MRC.
8. Replace and relocate electrical service.
9. All wiring to comply with MRC.
10. Inspect & certify water service & building sewer.
11. Inspect & certify furnace water heater & chimney.
12. Pressure test gas line.
13. Hose spigots to have vacuum breaker.
14. Clean ductwork.
15. Replace T & P drainline for water heater.
16. Insure clearances are met for water heater and furnace vent.
17. Replace lead traps.
18. All work to conform with 2009 Michigan Plumbing & Mechanical Code.
19. Vent fans for bathrooms.
20. Provide scald free faucet for tubs or mixing valve.

05/24/12

**Renovation Timeline**

**Project Start – June 25th, 2012**

<u>Month</u>	<u>Week</u>	
June	4	Clean-up yard, remove trees, trim trees
July	1	Remove debris from inside and around house, remove broken windows, remove carpet
	2	Scrape paint on exterior of house, secure loose pieces of siding
	3	Repair or replace broken fascia and soffit boards
	4	Order new exterior doors
August	1	Install new exterior doors
	2	Repaint exterior trim and window trims, and new doors
	3	Install new exterior door hardware
	4	Repair and tuckpoint chimney and open gaps in foundation,
	5	Pressure test gas line, test water lines, inspect sewer lines
September	1	Inspect furnace water heater and chimney
	2	Make any necessary repairs to chimney
	3	Make repairs to furnace, and water heater as necessary
	4	Start making repairs to electrical wiring
October	1	Order new windows
	2	Remove roof, replace damaged sheathing
	3	Remove water damaged insulation, Install new roofing underlayment
	4	Install new shingles
	5	Install new windows
November	1	Relocate Electrical service
	2	Install new electrical outlets, switches, lights, hardwired smoke detectors, vent fans
	3	Make sure attic has proper insulation level
	4	Repair any broken or damaged water and drain pipes, repair ductwork
December	1	Clean ductwork, turn on gas and start up furnace, Install new vinyl siding and aluminum trims
	2	Install new vinyl siding and aluminum trims
	3	Install new vinyl siding and aluminum trims
	4	Re-frame interior stair way area, make any necessary framing changes throughout house
January	1	Repair any floor damage, repair drywall on ceilings and walls
	2	Repair cabinets, trim, interior doors
	3	repair cabinets, trim, interior doors
	4	Paint house
	5	Install new flooring wherever necessary

1692 Elwood Street, Muskegon MI  
06/29/12  
Renovation Timeline

Project Start – July 9th, 2012

<u>Month</u>	<u>Week</u>	
July	2	Clean-up yard, remove trees, trim trees
	3	Remove debris from inside and around house, remove broken windows, remove carpet
	4	Scrape paint on exterior of house, secure loose pieces of siding
August	1	Remove roof, replace damaged sheathing
	2	Remove water damaged insulation, install new roofing underlayment
	3	Install new shingles
	4	Repair or replace broken fascia and soffit boards
	5	Order new exterior doors
September	1	Install new exterior doors
	2	Repaint exterior trim and window trims, and new doors
	3	Install new exterior door hardware
October	4	Repair and tuckpoint chimney and open gaps in foundation,
	1	Make repairs to furnace, and water heater as necessary
	2	Order new windows
	3	Pressure test gas line, test water lines, inspect sewer lines
	4	Inspect furnace water heater and chimney
November	5	Install new windows
	1	Relocate Electrical service, repair wiring as necessary
	2	Install new electrical outlets, switches, lights, hardwired smoke detectors, vent fans
	3	Repair any broken or damaged water and drain pipes, repair ductwork
December	4	Clean ductwork, turn on gas and start up furnace, install new vinyl siding and aluminum trims
	1	Install new vinyl siding and aluminum trims, check for proper insulation level in attic
	2	Install new vinyl siding and aluminum trims
	3	Re-frame interior stair way area, make any necessary framing changes throughout house
January	4	Repair any floor damage, repair drywall on ceilings and walls
	1	Repair cabinets, trim, interior doors
	2	Paint house
	3	Install new flooring wherever necessary

1692 Elmwood D.B. 2/22/2012



1692 ELWOOD DR EXTERIOR 3/27/2012







