

CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 23, 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, October 23, 2012.

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

2012-78 HONORS AND AWARDS:

A. 2012 Employee Service Awards.

Mayor Gawron and the Commissioners presented the Service Awards to the City employees thanking them for their years of service.

2012-79 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

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

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

C. West Michigan Metropolitan Transportation Planning Program (WestPlan) Dues FY 2013 (October 1, 2012 – September 30, 2013). CITY MANAGER

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

transportation funds.

FINANCIAL IMPACT: \$16,040.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve this request.

D. Polling Place Accessibility Improvement Grant. CITY CLERK

SUMMARY OF REQUEST: The Michigan Department of State has issued a grant in the amount of \$48,660 to the City to make various improvements to polling locations for accessibility. Polling locations are currently located in City buildings and School buildings.

Before actual repairs are made, agreements will need to be signed authorizing the building to be used as a polling location for six years.

FINANCIAL IMPACT: Engineering costs. There is no match to the grant.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreements with the condition that we secure six year agreements for use of the buildings as a polling location.

E. U. S. Environmental Protection Agency (USEPA) Grant Submittal.
PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The Site Assessment grants that the City of Muskegon has received through the United States Environmental Protection Agency (USEPA) and the Michigan Department of Environmental Quality (MDEQ) have been invaluable in assisting the development of our community. Unfortunately, the current USEPA Site Assessment funds have nearly been exhausted. However, we would like to apply for the 2012 USEPA Hazardous Substances and Petroleum Brownfield Assessment Grant. The application is due November 19, 2012. Envirologic Technologies Inc. (Kalamazoo), our current USEPA grant manager, has once again agreed to prepare the grant on the City of Muskegon's behalf (with assistance from our staff). The City will apply for both "hazardous substances" and "petroleum" brownfield assessment funds. The City will go through a RFP process for environmental consultants if we are approved for the grants.

FINANCIAL IMPACT: If approved, the City of Muskegon will receive up to \$200,000 in hazardous substances assessment funds and up to \$200,000 in petroleum assessment funds to assist in brownfield redevelopment.

BUDGET ACTION REQUIRED: None.

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

F. Lynx Network – Request for Permit Under METRO Act. ENGINEERING

SUMMARY OF REQUEST: Approve the request for a permit from the LYNX Group and authorize the Mayor to sign the Unilateral permit form.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request for a permit to install fiber optics in the City's right of way; Terrace and Clay area.

G. Amendment to the Zoning Ordinance. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Staff initiated request to amend Section 1504 of the zoning ordinance amend the preamble of the WI-PUD, Waterfront Industrial Planned Unit Development Districts to modify dimensional requirements on new principal buildings.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their October 11, 2012, meeting by a unanimous decision.

H. Amendment to the Zoning Ordinance. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Staff initiated request to amend Section 1504 of the zoning ordinance to allow manufacturing when associated with port activity as a use permitted in WI-PUD, Waterfront Industrial Planned Unit Development Districts.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their October 11, 2012, meeting by a unanimous decision.

I. Liquor License Request – Unruly Brewing Company, LLC, 360 W. Western. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Unruly Brewing Company, LLC, for a new Micro Brewer License and a Small Wine Maker License located at 360 W.

Western Avenue.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

Motion by Commissioner Hood, second by Vice Mayor Spataro to approve the Consent Agenda as read except item B.

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

Nays: None

MOTION PASSES

2012-80 ITEM REMOVED FROM THE CONSENT AGENDA:

B. SECOND READING: Eliminate On-Street Parking Prohibition During Winter Months. CITY MANAGER

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.

Motion by Vice Mayor Spataro, second by Commissioner Wierengo to approve the elimination of on-street parking prohibition during winter months.

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

Nays: None

MOTION PASSES

2012-81 PUBLIC HEARINGS:

A. Request for an Industrial Facilities Exemption Certificate – Forming Technologies. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Forming Technologies, LLC, 1885 E. Laketon Ave., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be \$70,694 in real property and \$561,059 in personal property and will create 21 jobs. This qualifies them for a tax abatement of 12 years on real property

and 9 years on personal property.

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

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years for real property and 9 years for personal property.

The Public Hearing opened to hear and consider any comments from the public. Comments were heard from David Hembree, 1885 W. Laketon, representative from Forming Technologies.

Motion by Commissioner Hood, 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 and 9 years for personal property for Forming Technologies.

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

Nays: None

MOTION PASSES

2012-82 NEW BUSINESS:

A. First Quarter 2012-13 Budget Reforecast. FINANCE

SUMMARY OF REQUEST: At this time staff is transmitting the *First Quarter 2012-13 Budget Reforecast* which outlines proposed changes to the original budget that have come about as result of changes in revenue projections, policy priorities, labor contracts, updated economic conditions, or other factors. This year there are more changes than normal for the first quarter reforecast.

FINANCIAL IMPACT: Specific proposed changes to the budget include:

- The beginning fund balance for the General Fund is \$5,020,045 (as audited) up from \$4,576,273 estimated at the time the budget was prepared;
- General Fund revenues are reforecast to be \$271,412 (-1.2%) lower than originally budgeted. The decrease is mostly attributable to the following changes:
 - Lower property tax revenues due to the tax appeal settlement with Consumers Energy;
 - This loss is somewhat offset by estimated higher income tax and state shared revenues;
- General Fund expenditures are estimated to be \$633,024 (-2.6%) lower than originally budgeted:

- Benefit costs are projected lower for all departments due to better than expected actuarial valuation results for retiree healthcare and pensions.
- Privatization of inspections and the new streetlighting contract with Consumers Energy also contribute to lower costs;
- The contingency account is increased \$150,000 for possible tax appeal outcomes.
- The General Fund operating deficit is \$214,126 as compared to \$575,738 when the original budget was adopted.

BUDGET ACTION REQUIRED: City Commission approval of this reforecast will formally amend the City's 2012-13 budget.

STAFF RECOMMENDATION: Approval.

Motion by Vice Mayor Spataro, second by Commissioner Wierengo to approve the First Quarter 2012-2013 Budget Reforecast.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:04 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk