CITY OF MUSKEGON

CITY COMMISSION MEETING

NOVEMBER 13, 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, November 13, 2012.

Mayor Gawron opened the meeting with a prayer from Reverend Bill Freeman from the Harbor Unitarian Universalist Congregation 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 Sue Wierengo, Byron Turnquist, Lea Markowski, Eric Hood, and Willie German, City Manager Bryon Mazade, City Attorney John Schrier, and Deputy City Clerk Linda Potter.

2012-83 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the October 23rd City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Poverty Exemption Guidelines for Board of Review. FINANCE

SUMMARY OF REQUEST: Due to recent court decisions and policy changes by the State Tax Commission, the County Equalization Department has requested the City amend its Board of Review Poverty Exemption Guidelines.

The *Resolution to Adopt Poverty Exemption Income Guidelines and Asset Test* has been prepared to meet these new standards.

FINANCIAL IMPACT: The revised guidelines provide clarification to the Board of Review in the granting of poverty-based tax exemptions.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the poverty guideline resolution as requested by the County Equalization Department.

C. **SCADA Computer Upgrade Proposal for Water Filtration Plant.** PUBLIC WORKS

SUMMARY OF REQUEST: Authorize staff to enter into an agreement with Tetra Tech 710 Avis Drive, Ann Arbor, MI for SCADA programming and the purchase of Dell computers for a total cost of $44,000.

FINANCIAL IMPACT: $44,000.

BUDGET ACTION REQUIRED: None at this time but future budget re-forecasting may be considered.

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Tetra Tech for SCADA programming and to purchase Dell replacement computer equipment for a total expense of $44,000.

D. **Deficit Elimination Plan for Home Rehabilitation Fund and State Grants Fund.** FINANCE

SUMMARY OF REQUEST: At June 30, 2012, the City of Muskegon Home Rehabilitation Fund had a deficit balance of $182,501 and the State Grants Fund had a deficit unassigned balance of $8,781. Act 275 of the Public Acts of 1980 requires that the City file a Deficit Elimination Plan with the Michigan Department of Treasury. Staff is requesting adoption of the Home Rehabilitation Fund and State Grants Fund Deficit Elimination Plan Resolutions.

FINANCIAL IMPACT: As presented by the Deficit Elimination Plan, the Home Rehabilitation Fund and State Grants Fund will no longer have a deficit by June 30, 2014.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Adoption of the Deficit Elimination Plan Resolutions.

E. **Union Contract Agreement – Service Employees International Union (SEIU), Local 517M (Clerical).** CITY MANAGER

SUMMARY OF REQUEST: To approve an agreement with SEIU, Local 517M (Clerical) to extend their union contract for one year (through December 31, 2013) under the same terms (no salary increase) and conditions.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreement to extend the union contract with SEIU, Local 517M and authorize the Mayor and Clerk to execute it.

F. **Union Contract Agreement – Service Employees International Union (SEIU), Local 517M Unit 2.** CITY MANAGER

SUMMARY OF REQUEST: To approve an agreement with SEIU, Local 517M, Unit 2 to extend their union contract for one year (through December 31, 2013) under the same terms (no salary increase) and conditions.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreement to extend the union contract with SEIU, Local 517M and authorize the Mayor and Clerk to execute it.

Motion by Commissioner Wierengo, second by Commissioner German to accept the Consent Agenda as presented.

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

Nays: None

MOTION PASSES

2012-84 PUBLIC HEARINGS:

A. <u>Request for an Industrial Facilities Exemption Certificate – Graphics House.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Graphics House Sports Promotions, Inc., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The company will be investing $154,722 in real property and $111,437 in personal property. The investment is expected to create three jobs. This qualifies them for a tax abatement of six years on personal property and 12 years on real 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 six years for personal property and twelve years for real property.

The Public Hearing opened to hear and consider any comments from the public. Mr. Brent McKinnon, 444 Irwin, representing Graphics House, explained the request.

Motion by Vice Mayor Spataro, second by Commissioner Wierengo to close the Public Hearing and approve the request for an Industrial Facilities Exemption Certificate for a term of six years for personal property and twelve years for real property for Graphics House.

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

Nays: None

MOTION PASSES

2012-85 NEW BUSINESS:

A. Transmittal of 6/30/12 *Comprehensive Annual Financial Report.* FINANCE

SUMMARY OF REQUEST: The City's *June 30, 2012 Comprehensive Annual Financial Report* (CAFR) has previously been distributed to City Commissioners via both email and hard copy. The CAFR is also available on the City's website at www.shorelinecity.com. At this time the CAFR is being formally transmitted to the Commission in accordance with state law. The CAFR has been prepared in accordance with GASB accounting standards. The CAFR also includes the single-audit of federal grants received by the City.

FINANCIAL IMPACT: The CAFR report summarizes the City's financial activities for the year and includes the independent auditor's unqualified opinion on the City's financial statements.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Acceptance of the CAFR for the period ended June 30, 2012.

Motion by Vice Mayor Spataro, second by Commissioner Hood to accept the CAFR for the period ended June 30, 2012.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments received.

ADJOURNMENT: The City Commission Meeting adjourned at 7:07 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk