CITY OF MUSKEGON

CITY COMMISSION MEETING

NOVEMBER 12, 2013

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- **CALL TO ORDER:**
- **PRAYER:**
- **PLEDGE OF ALLEGIANCE:**
- **ROLL CALL:**
- **HONORS AND AWARDS:**

  A. **2013 Employee Service Awards.**

  B. **Recognition of JAAR Partnerships Participation in the Second Annual Police "GOOD BUDDY BUCKS" Program.**

  C. **Muskegon Police Department Citizen Certificate of Appreciation for Diane Kooi.**

  D. **Recognition of Fall 2013 Citizen's Police Academy Graduates.**

- **CONSENT AGENDA:**

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

  B. **Sludge Hauling and Disposal.** PUBLIC WORKS

  C. **Moratorium on Fees for 2014 Vacant Buildings.** PLANNING & ECONOMIC DEVELOPMENT

  D. **Emergency Pump Replacement at Beach Street Lift Station.** PUBLIC WORKS

  E. **Acceptance of an Easement from ADAC Automotive, Inc. at the Southwest Corner of Keating and Port City Blvd.** ENGINEERING

  F. **Winter Closure of Beach Street between Lakeshore Drive and Beachwood Park from the 3rd Friday in December to the 3rd Friday in March.** PUBLIC WORKS

  G. **Approval of the Fair Housing Agreement with Muskegon County.** COMMUNITY & NEIGHBORHOOD SERVICES

  H. **Extending the Master Plan.** PLANNING & ECONOMIC DEVELOPMENT

I. **Resolution Authorizing the SAW Grant Agreement.** ENGINEERING

- **PUBLIC HEARINGS:**

A. **Request for an Industrial Facilities Exemption Certificate – ADAC Plastics, 2050 Port City Blvd.** PLANNING & ECONOMIC DEVELOPMENT

B. **Request for an Industrial Facilities Exemption Certificate – ADAC Plastics, 2653 Olthoff Dr.** PLANNING & ECONOMIC DEVELOPMENT

C. **Request for an Exemption of New Personal Property (PA 328) – ADAC Plastics, 2050 Port City Blvd.** PLANNING & ECONOMIC DEVELOPMENT

D. **Request for an Exemption of New Personal Property (PA 328) – ADAC Plastics, 2653 Olthoff Dr.** PLANNING & ECONOMIC DEVELOPMENT

- **NEW BUSINESS:**

A. **Transmittal of 6/30/13 *Comprehensive Annual Financial Report.*** FINANCE

B. **Supplemental MERS Contribution.** FINANCE

C. **First Quarter 2013-14 Budget Reforecast.** FINANCE

D. **Rental Program and Environmental Code Compliance Professional Services Agreement.** PLANNING & ECONOMIC DEVELOPMENT

E. **Next Michigan/West Michigan Economic Partnership – Interlocal Agreement for the West Michigan Economic Development Partnership.** PLANNING & ECONOMIC DEVELOPMENT

F. **Concurrence with the Housing Board of Appeals Notice and Order to Demolish the Following:** PUBLIC SAFETY

224 W. Grand

850 Turner

860 Emerson (Garage Only)

1324 Pine

1459 Terrace

868 W. Hackley

345 W. Grand

709 E. Apple (Remove Concrete from Second Garage Only)

- **ANY OTHER BUSINESS:**

- **PUBLIC PARTICIPATION:**

- **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: **November 12, 2013**

To: **Honorable Mayor and City Commissioners**

From: **Director Jeffrey Lewis**

RE: **Recognition of JAAR Partnerships Participation in the Second Annual Police "GOOD BUDDY BUCKS" Program**

SUMMARY OF REQUEST:

RESOLUTION
RECOGNITION OF JAAR PARTNERSHIPS CONTINUING PARTICIPATION IN THE SECOND ANNUAL "GOOD BUDDY BUCKS" PROGRAM

WHEREAS, the City Commission and Muskegon Police Department in partnership with the Social Justice Commission recognizes the importance of building good character in our youth today in order to positively impact the future for everyone and;

WHEREAS, it is our desire to build positive mentoring relationships between law enforcement and youth and;

WHEREAS, it is our belief that the more positive mentoring situations we can place youth in, the less likely they will be to turn to negative influences and activities.

NOW, THEREFORE, BE IT RESOLVED, that the Muskegon City Commission hereby recognizes and thanks **JAAR Partnerships** for its participation in the second year of the successful "Good Buddy Bucks" program which rewards youth for displaying "Good Character" and allows youth to positively interact with law enforcement.

Given on behalf of the Muskegon City Commission this 12th day of November, 2013.

____
Stephen J. Gawron, Mayor

STAFF RECOMMENDATION:
Approve - Director Jeffrey Lewis

MUSKEGON

West Michigan's Shoreline City
www.shorelinecity.com

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Given on behalf of the Muskegon City Commission this 12th day of November, 2013.

Stephen J. Gawron, Mayor

Date: November 12, 2013

To: Honorable Mayor and City Commissioners

From: Director Jeffrey Lewis

RE: **Muskegon Police Department Citizen Certificate of Appreciation for Diane Kooi**

SUMMARY OF REQUEST:

To present Diane Kooi a certificate of appreciation for her life saving activity on July 19th, 2013.

Certificate attached.

STAFF RECOMMENDATION:
Approve - Director Jeffrey Lewis

MUSKEGON POLICE DEPARTMENT
Certificate of Appreciation

This certificate is gratefully awarded to

Diane Kooi

our fellow citizen, in recognition of her selfless service to her community on July 19, 2013. Ms. Kooi disregarded her own safety to swim out to assist a young lady who was struggling in the ripe tide and high waves. Ms. Kooi assisted the youth by dragging her to shore. Ms. Kooi's quick actions and selfless act saved a life.

J. Lewis

Jeffrey A. Lewis
Director of Public Safety
City of Muskegon

10/29/13
Date

MUSKEGON INTEGRITY COURTESY SERVICE POLICE

Date: **November 12, 2013**

To: **Honorable Mayor and City Commissioners**

From: **Director Jeffrey Lewis**

RE: **Recognition of Fall 2013 Citizen's Police Academy Graduates**

SUMMARY OF REQUEST:

RESOLUTION
RECOGNITION OF FALL 2013 CITIZEN'S ACADEMY GRADUATES

WHEREAS, the City Commission desires to provide citizens with a better understanding of the functions of law enforcement, dispelling misconceptions and increasing positive communication between citizens and police; and

WHEREAS, it is the desire of the Muskegon City Commission to encourage cooperation between the public and law enforcement to positively impact our communities;

NOW, THEREFORE, BE IT RESOLVED, that the Muskegon City Commission hereby congratulates and recognizes:

Jacquelin Bearer
Jodi Geiger
Denise Murphy
Olivia Neel
Connie Nesbary
Mary Ramos
Cora Russ
Diane Spoelhof
Eric Uzarski

for their faithful attendance, completion and graduation from the 10 week Fall 2013 Citizen's Police Academy

Given on behalf of the Muskegon City Commission this 12th day of November, 2013.

____
Stephen J. Gawron, Mayor

STAFF RECOMMENDATION:
Approve - Director Jeffrey Lewis

MUSKEGON

West Michigan's Shoreline City
www.shorelinecity.com

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Given on behalf of the Muskegon City Commission this 12th day of November, 2013.

Stephen J. Gawron, Mayor

Date: November 12, 2013

To: Honorable Mayor and City Commissioners

From: Ann Marie Cummings, City Clerk

RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the October 22nd City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 22, 2013

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, October 22, 2013.

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 Eric Hood, Willie German, Sue Wierengo, Byron Turnquist, and Lea Markowski, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Marie Cummings.

2013-85 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the October 7th Commission Worksession Meeting, and the October 8th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Consideration of Bids for B-251 Musketawa Trail Connector; Industrial Park to Port City Blvd. ENGINEERING

SUMMARY OF REQUEST: Award the construction of a bike path contract along the south side of Keating Avenue between Industrial Park and Port City Blvd. to TJM Services out of Allegan for $75,560.86 as they were the lowest responsible bidder.

FINANCIAL IMPACT: The construction cost of $78,560.86 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: Incorporate this project into the 2013/2014 budget when adopting the first quarterly update.

STAFF RECOMMENDATION: Award the contract to TJM for $75,560.86 and incorporate into the 2013/2014 budget.

C. **Dredging Contract for Cottage Grove and Hartshorn Launch Ramps.** PUBLIC WORKS

SUMMARY OF REQUEST: Award the dredging of the launch ramps at Cottage Grove & Hartshorn contract to Great Lakes for $192,714.26 and authorize the Mayor and Clerk to sign the contract. Great Lakes, out of Muskegon, was the only bidder on this project.

It is further requested that the award, if granted, be conditional upon approval of the bids by MDNR.

FINANCIAL IMPACT: Contract amount of $192,714.26 plus the previously approved amount for the engineer.

BUDGET ACTION REQUIRED: Adjust the budgeted amount to $210,000 instead of the amount shown of $175,000 in the upcoming budget reforecast.

STAFF RECOMMENDATION: Award the contract to Great Lakes.

D. **Remove Board of Review Member.** CITY CLERK

SUMMARY OF REQUEST: To remove Georgia Strube from the Board of Review because she moved out of the City of Muskegon.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

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

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

Nays: None

MOTION PASSES

2013-86 PUBLIC HEARINGS:

A. **Request for an Industrial Facilities Exemption Certificate – AFI Hole Drill.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, AFI Hole Drill, 1920 Port City Blvd., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be $476,000 in personal property and will create two jobs. This qualifies them for a tax abatement of six years under the current City policy.

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.

The Public Hearing opened to hear and consider any comments from the public. Steve kutches, President, gave an explanation of the project. No comments were made by the public.

Motion by Commissioner Turnquist, second by Commissioner German to close the Public Hearing and approve the resolution granting an Industrial Facilities Exemption Certificate for a term of six years for personal property for AFI Hole Drill.

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

Nays: None

MOTION PASSES

B. **<u>Request for an Industrial Facilities Exemption Certificate – AFI Machining.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, AFI Machining, 1920 Port City Blvd., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be $595,500 in personal property and will create two jobs. This qualifies them for a tax abatement of six 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 six years for personal property.

The Public Hearing opened to hear and consider any comments from the public. Steve kutches, President, commented on the project. No comments were made by the public.

Motion by Vice Mayor Spataro, second by Commissioner Wierengo to close the Public Hearing and approve the resolution granting an Industrial Facilities Exemption Certificate for a term of six years for personal property for AFI Machining.

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

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Comments were made reference Bike Time and Smartzone.

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:20 pm.

Respectfully submitted

Ann Marie Cummings, MMC
City Clerk

Date: **November 12, 2013**

To: **Honorable Mayor and City Commission**

From: **Water Filtration - DPW**

RE: **Sludge Hauling and Disposal**

SUMMARY OF REQUEST:

Authorize staff to enter into an agreement with Ottawa County Farms Landfill and Cordes Trucking for $23,634.00

FINANCIAL IMPACT:

$23,634.00

BUDGET ACTION REQUIRED:

Budgeted

STAFF RECOMMENDATION:

Staff recommends acceptance of bid from Ottawa County Farms Landfill and Cordes Trucking for sludge removal and disposal.

Date: 10/23/2013

To: Mohammed Al-Shatel, Director of DPW.

From: Kevin Herbert, Water Filtration Plant.

RE: Sludge Hauling and Disposal

The water filtration plant has a total of 6 drying beds that are used in the drying of the plant process by- product; alum sludge. The alum sludge is a combination of aluminum sulfate and settled/coagulated organic material from Lake Michigan. The sludge is dried to a cake like substance through infiltration, evaporation and the freeze cycle.

Each of the 6 beds after drying must be trucked to a landfill for disposal; North Ottawa Farms is the only landfill that will accept this type of sludge due to the presence of aluminum. We currently have 2 beds or approximately 900 tons that have been dried and ready to be disposed of. The cost for trucking is $7.40/ton and the cost of disposal from the landfill is $18.86/ton for a total cost of approximately $23,634 which has been included in the plants 2013/14 budget.

At the conclusion of the sludge removal, we will have 4 beds available and will not need to haul sludge again until 2015.

Kevin Herbert

From: charlie@cordestrucking.com
Sent: Tuesday, October 22, 2013 3:11 PM
To: Kevin Herbert
Subject: RE: FW: Muskegon Water Plant

Kevin,

Our price to haul the alum sludge to Coopersville Landfill: $7.40 per ton

Thank you for the opportunity,
Charles Cordes
Cordes Inc
Byron Center, MI

-------- Original Message --------
Subject: FW: Muskegon Water Plant
From: Kevin Herbert <kevin.herbert@shorelinecity.com>
Date: Tue, October 22, 2013 11:42 am
To: "'jim@cordestrucking.com'" <jim@cordestrucking.com>
Cc: "'charlie@cordestrucking.com'" <charlie@cordestrucking.com>

Gentlemen,

We would like to haul our sludge to Ottawa County Farms landfill, I have arranged with Tom Moore and have manifests. I need a quote from you to take to our city council for approval. We are looking at around 900 tons of alum sludge, using probably 3 trucks as we have in the past. Looking at week of November 11th.

Thanks

Kevin Herbert
Muskegon Water Plant
1900 Beach St.
Muskegon, MI 49441
231-724-4104

SPECIAL WASTE SERVICE AGREEMENT
NON-HAZARDOUS WASTES

REPUBLIC SERVICES

Special Waste Profile Number: 40421317618

Generator Billing Information

Name: City of Muskegon Water Filtration Plant

Address: 1900 Beach Street

City: Muskegon

State: MI Zip: 49441

Phone: Fax:

Contact: Kevin Herbert

Project: Same as Generator

Republic Waste Location (Company)

Ottawa County Farms Landfill

4042

County and State of Origin: MI

Additional Information:

1. **Special Waste Service**. Subject to the terms and conditions contained herein, the Company and the Generator agree to be legally bound hereby and the Company agrees to accept at its Facility, Acceptable Waste (hereinafter referred to as "Special Waste" or "Waste") delivered by Generator, and which is acceptable to the Company as herein provided.

2. **Acceptable Waste**. Only those Special Wastes described in Paragraph 3 herein and in any Special Waste Profile(s) which number is identical to the contract number referenced above, and which Profile(s) are hereby incorporated by reference herein, and which Waste is subsequently approved by the Company and is otherwise in accordance with all laws, regulations and permits, shall be acceptable for disposal at the Facility ("Acceptable Waste").

3. **(A) Rates for Disposal**:

Waste	Disposal Method	Disposal Rate:	Fees / Taxes / Misc.	Transportation
Contaminated Soil	Landfill	$18.50 per Ton	.36 Taxes	

Additional Information: No Fees

Generator shall also be liable for all taxes, fees, or other charges imposed by federal, state, local or provincial laws and regulations.

Cannot Exceed Daily Volume of 800 Tons Without Prior Approval of Company.

(B) **Incorporation by Reference**. In addition to Special Waste Profile(s), the following documents are incorporated by reference into this Agreement as if fully set forth herein.

1Waste Profile

2)

4. **Term of Agreement**. This Agreement is effective for months, commencing and shall automatically be renewed for a similar term thereafter unless either party shall give written notice (via certified mail) of termination to the other party at least thirty (30) days prior written notice.

THE COMPANY AND THE GENERATOR, IN CONSIDERATION OF THE MUTUAL OBLIGATIONS CONTAINED HEREIN, AGREE THAT THIS IS A LEGALLY BINDING AGREEMENT WHICH IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH ON THIS PAGE AND ON THE REVERSE SIDE OF THIS DOCUMENT. IN ADDITION, THE GENERATOR IS CERTIFYING THE ATTACHED TERMS AND CONDITIONS HAVE BEEN REVIEWED AND INITIALLED AT THE BOTTOM OF THE PAGE.

GENERATOR

Kevin Herbert

SIGNATURE (AUTHORIZED REPRESENTATIVE)

KEVIN HERBERT - SUPERVISOR

NAME AND TITLE (PLEASE PRINT)

10/16/13

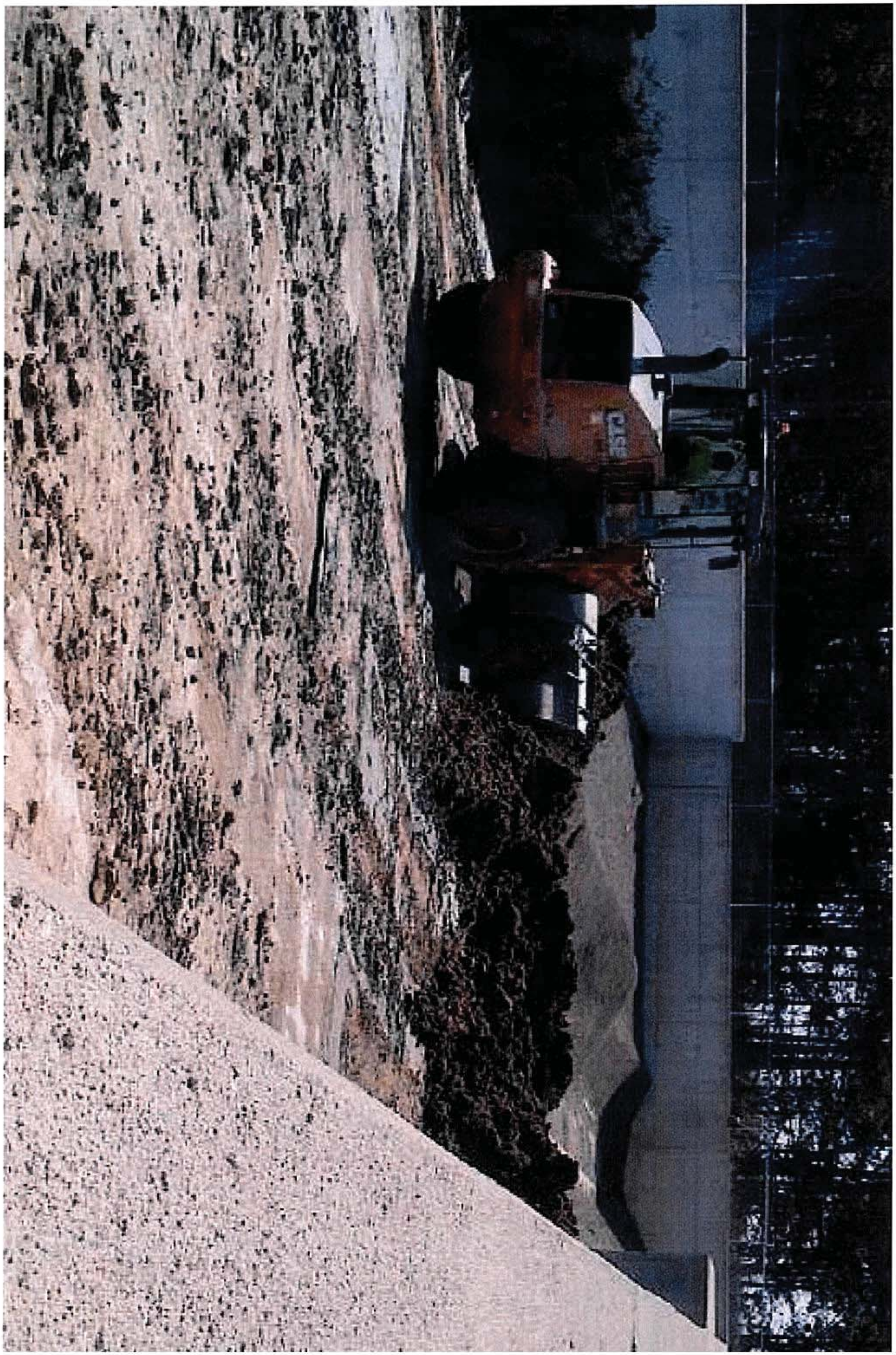
DATE

REPUBLIC SERVICES, INC/COMPANY

SIGNATURE (AUTHORIZED REPRESENTATIVE)

NAME AND TITLE (PLEASE PRINT)

DATE



Commission Meeting Date: November 12, 2013

Date: October 31, 2013

To: Honorable Mayor & City Commission

From: Planning & Economic Development Department

RE: Moratorium on fees for 2014 Vacant Buildings

SUMMARY OF REQUEST: Request to approve a moratorium on fees charged to owners of vacant buildings that are entering their sixth year billing cycle or under in 2014. Eligibility requirements for the moratorium of fees charged are proposed to remain the same as the 2013. Moratoriums would be determined based on the criteria included on the attached Vacant Building Registration Moratorium with one addition to item number 3 of the criteria (in bold):

> 3. There were no more than 2 environmental letters sent to the address with no work being performed at the address in the vacancy years in question **nor did the City need to board the structure in order to secure it.**

FINANCIAL IMPACT: Exact amount unknown but should be minimal.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of a fee moratorium for vacant building invoices meeting the approved criteria.

COMMITTEE RECOMMENDATION: None

Vacant Building Registration Moratorium on 6th year fees.

A proposed billing moratorium could be initiated for the year of 2014, impacting all structures that are about to enter their sixth vacant building billing cycle or under. This moratorium would apply only to structures that meet certain criteria to insure that the structure is being properly maintained and the owners are current on all their responsibilities to the various city departments.

The criteria staff feels a vacant building would have to meet to qualify for a moratorium of fee are:

1. All taxes & fees, such as mowing charges, vacant building registration, landlord registrations, business registrations and any other applicable fees, must be fully paid and current.
2. All city supplied utilities for the property must be fully paid.
3. There were no more than 2 environmental letters sent to the address with no work being performed at the address in the vacancy years in question **nor did the City need to board the structure in order to secure it.**
4. The building owner can demonstrate that they have made recent investments in the vacant building during the vacancy period or in the case of a building in good condition, they have continued to provide the necessary financial support for the building to be in usable and move-in condition.
5. The property has been listed during the vacancy period and is still currently listed for sale with a professional realty firm.

Due to the complexities of the overall program, city staff would utilize our current appeal process to administer the moratorium and the owners that feel they qualify would be required to apply for the moratorium after being billed. To make the public aware of this opportunity, we would have to mail a notice to each qualified owner informing them of the moratorium and its requirements to qualify. If the owner felt they could meet the criteria, they would apply with supporting documentation, if they do not meet the criteria we would hope they would not apply for it and consume staff time with the reviews.

Because of the criteria that must be met and the large number of structures that we will be billing, staff would not be able to review all the invoices prior to billing. We simply do not know if all of the structures can meet the criteria and we do not have the staff to make those determinations in advance.

Using the appeal process, staff can make the determination by requiring the owner to provide some of the above listed information and this will cut down on staff time spent. Even so, this will <u>substantially</u> increase the amount of time staff must spend processing paperwork for this program.

MUSKEGON

West Michigan's Shoreline City

www.shorelinecity.com

Agenda Item No. _________

Date: 11/12/13

To: Honorable Mayor and City Commission

From: Department of Public Works

RE: Emergency Pump Replacement at Beach Street Lift Station.

SUMMARY OF REQUEST: Authorize staff to purchase a new pump from Kennedy Industries for the Beach Street Lift Station.

FINANCIAL IMPACT: Total cost $16,603.00.

BUDGET ACTION REQUIRED: None, expenditures for the purchase would come from the Sewer Budget.

STAFF RECOMMENDATION: Approve purchase.

Memorandum

To: Mohammed Al-Shatel

From: Dave Baker

Date: 11/7/2013

Re: Pump Replacement at Beach Street Lift Station

The number 1 pump at Beach Street Lift Station failed and was sent to Kennedy Industries for repair. Several of the parts that need repair are no longer available or take a long time to receive and are very expensive. I recommend replacing the pump with a new Flygt Pump from Kennedy Industries at the quoted price of $16,603.00 including installation.

Kennedy Industries replaced pump number 2 in 2009. I would like to replace pump number 1 with the same style of pump and Kennedy Industries is the sole distributer of Flygt Pumps.

David Baker

Superintendent of Public Utilities

QUOTATION

DATE	NUMBER	PAGE
9/11/2013	48861	1 of 1

PUMPS | VALVES | REPAIRS | CONTROLS

Accepted By: ____________________

Company: ____________________

Date: ____________________

PO#: ____________________

BILL TO
MUS300
CITY OF MUSKEGON, WATER & SEWER DEPT.
WATER & SEWER DEPARTMENT
1350 E. KEATING
MUSKEGON, MI 49442

ATTENTION:
DAVE BAKER DAVE.BAKER@SHORELINECITY.COM

WE ARE PLEASED TO PROPOSE THE FOLLOWING FOR YOUR CONSIDERATION:

CUSTOMER REF/PO #	JOB #	JOB TITLE	SLP	SHIPPING TYPE
QUOTE	48861	BEACH STREET REPLACEMENT PUMP	AKM / MJH	FRT ALLOWED

QTY	DESCRIPTION

PUMP STATION EQUIPMENT CONSISTING OF:

(1) FLYGT NP3171.091 PUMP WITH 454 IMP, FLS, FM, FV, LSB, SSCJ
AND 50' CABLE RATED 30/460/3.

(1) 4" X 6" COMPACT FLG REDUCER.

(1) UL LISTED MINI CAS --- SHIPPED LOOSE.

(1) BASE FOR MINI CAS --- SHIPPED LOOSE.

(1) INSTALLATION OF MINI CAS.

NET PRICE: --- $16,603.00
****

WE DO NOT INCLUDE: CONCRETE, ANCHOR BOLTS, PIPING, VALVES, STARTERS, CONTROLS, CONDUIT, WIRING OR JUNCTION BOXES

WE APPRECIATE THIS OPPORTUNITY TO QUOTE AND LOOK FORWARD TO BEING OF FUTURE SERVICE.

SINCERELY,
MARK J. HEMEYER / AKM

This proposal is subject to Kennedy's standard terms and conditions of sale (rev'd 5/2011), which are attached or viewable at www.kennedyind.com. Terms of payment are net 30 days from date of invoice with 1-1/2% per month additional charge on unpaid balance.

NO TAXES OF ANY KIND ARE INCLUDED IN THIS PROPOSAL

Date: November 12, 2013

To: Honorable Mayor and City Commissioners

From: Engineering

RE: Acceptance of an Easement ADAC Automotive, INC. @ the Southwest corner of Keating & Port City Blvd.

SUMMARY OF REQUEST:

Accept a bike path easement from ADAC Automotive Inc., to construct and maintain a bike path at the south west corner of Keating Ave. & Port City Blvd. and authorize the mayor & clerk to sign the easement documents and direct staff to record said easement.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

Accept easement of the easement and direct staff to record said easement.

COMMITTEE RECOMMENDATION:

Date: November 12, 2013

To: Honorable Mayor and City Commissioners

From: DPW

RE: Winter Closure of Beach Street between Lakeshore Dr. & Beachwood Park from the 3rd Friday in December to the 3rd Friday in March.

SUMMARY OF REQUEST:

Authorize staff to annually close Beach Street from Lakeshore Dr. Beachwood Park. The closure would take effect from the third Friday in December until the third Friday of the following March.

FINANCIAL IMPACT:

Cost of man-power to install signage/barricades, if approved.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Authorize staff to annually install signage/barricades for the Temporary 90-Day Closure of Beach Street.

COMMITTEE RECOMMENDATION:

Commission Meeting Date: November 12, 2013

Date: **November 5, 2013**

To: **Honorable Mayor and City Commission**

From: **Community and Neighborhood Services Department**

RE: **Approval of the Fair Housing Agreement with Muskegon County**

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 per the recommendation of the 2009 Analysis of Impediments Report.

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 1st day of January, 2014, 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.seg

II. AGREEMENT ACTIVITIES AND DEFINITIONS

A. General Activities

i. <u>Education and Outreach.</u> 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 July 30, 2014 and January 30, 2014. 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 January 1, 2014, and will continue until December 31, 2014.

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: ____________________
Darrell 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

Commission Meeting Date: November 12, 2013

Date: November 7, 2013

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Extending the Master Plan

SUMMARY OF REQUEST:

The Michigan Zoning and Enabling Act requires that municipalities review their Master Plan every five years and decide whether they need to update it or extend the current plan. Staff feels that current plan developed 1997, which was also updated in 2008, is still sufficient and that focus should be put on the current zoning ordinance amendment. Planning Commission unanimously voted in favor of extending the current Master Plan at their special meeting on October 31. Staff is requesting permission to extend the Master Plan and to authorize staff to distribute the Master Plan to surrounding municipalities and ask for comments as required by the Michigan Zoning and Enabling Act. The municipalities will have 63 days to comment, then the Planning Commission will hold a public hearing to extend the current plan.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval to extend the Master Plan and authorization to distribute the plan.

COMMITTEE RECOMMENDATION:

None

Date: November 12, 2013

To: Honorable Mayor and City Commissioners

From: Engineering

RE: Resolution Authorizing the SAW Grant Agreement

SUMMARY OF REQUEST:

Adopt the attached resolution for the SAW Grant which Prien & Newhof (engineer) was authorized back in June of this year to prepare.

FINANCIAL IMPACT:

None at this time.

BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

Adopt the attached resolution

COMMITTEE RECOMMENDATION:

Michigan Finance Authority

Stormwater, Asset Management, and Wastewater (SAW)
GRANT AGREEMENT

This Grant Agreement (“Agreement”) is made as of ________________ 20___, among the Michigan Department of Environmental Quality, Office of Drinking Water and Municipal Assistance (the "DEQ"), the Michigan Finance Authority (the "Authority") (the DEQ and the Authority are, collectively, the "State") and the ________________ ________________, *County of* ________________("Grantee") in consideration for providing grant assistance to the Grantee.

The purpose of this Agreement is to provide funding for the project named below.The State is authorized to provide grant assistance pursuant to the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Legislative appropriation of funds for grant disclosure is set forth in 2013 Public Act 59.

The Grantee shall be required to repay the grant made under this Agreement (the "Grant"), within 90 days of being informed by the State to do so, under certain conditions, as set forth in Section XVIII. Program Specific Requirements: SAW Grant.

Award of a Grant under this Agreement and completion of the activities identified in Exhibit A does not guarantee loan assistance from the State Revolving Fund, Strategic Water Quality Initiatives Fund, or Stormwater, Asset Management or Wastewater.

GRANTEE INFORMATION:

____
Name/Title of Authorized Representative

____
Address

____
Address

____
Telephone number

____
E-mail address

____

GRANT INFORMATION:

Project Name: ________________________________

Project #:________________________________

Amount of Grant:$________________________________

Amount of Match $________________________

Project Total $____________________ (grant plusmatch)

Start Date: ______________**End Date**: ______________

DEQ REPRESENTATIVE:

____
Name/Title

____
Address

____
Address

____
Telephone number

____
E-mail address

AUTHORITY REPRESENTATIVE:

____
Name/Title

____
Address

____
Address

____
Telephone number

____
E-mail address

THE FORM WILL NOT BE ACCEPTED IF IT HAS BEEN EDITED, ALTERED, RETYPED, OR CONVERTED TO ANY OTHER FORMAT.

The individuals signing below certify by their signatures that they are authorized to sign this Grant Agreement on behalf of their respective parties, and that the parties will fulfill the terms of this Agreement, including the attached Exhibit A, and use this Grant only as set forth in this Agreement.

GRANTEE

Signature of Grantee	Date
Name and title (typed or printed)	

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

Its Authorized Officer	Date

MICHIGAN FINANCE AUTHORITY

Its Authorized Officer	Date

I. PROJECT SCOPE

This Agreement shall be in addition to any other contractual undertaking by the Grantee contained in the Resolution authorizing the Grant (the "Resolution").

This Agreement, including its exhibit(s), constitutes the entire agreement between the DEQ, the Authority, and the Grantee.

(A) The scope of this Grant is limited to the activities specified in Exhibit A (the "Project"), and such activities as are authorized by the State under this Agreement. Any change in project scope requires prior written approval in accordance with Section III, Changes, in this Agreement.

(B) By acceptance of this Agreement, the Grantee commits to complete the Project identified in Exhibit A within the time period allowed for in this Agreement and in accordance with the terms and conditions of this Agreement.

II. AGREEMENT PERIOD

This Agreement shall take effect on the date that it has been signed by all parties (the "Effective Date"). The Grantee shall complete the Project in accordance with all the terms and conditions specified in this Agreement no later than the EndDate shown on page one. **Only costs incurred on or after January 2, 2013 and between the Start Date and the End Date shall be eligible for payment under this Grant.**

III. CHANGES

Any decreases in the amount of the Grantee's compensation, significant changes to the Project, or extension of the End Date, shall be requested by the Grantee in writing, and approved in writing by the State in advance. The State reserves the right to deny requests for changes to the Agreement including its Exhibit A. No changes can be implemented without approval by the State.

IV. GRANTEE PAYMENTS AND REPORTING REQUIREMENTS

The Grantee shall meet the reporting requirements specified in Section XVIII of this Agreement.

V. GRANTEE RESPONSIBILITIES

(A) The Grantee agrees to abide by all local, state, and federal laws, rules, ordinances and regulations in the performance of this Grant.

(B) All local, state, and federal permits, if required, are the responsibility of the Grantee. Award of this Grant is not a guarantee of permit approval by the state.

(C) The Grantee shall be solely responsible to pay all taxes, if any, that arise from the Grantee's receipt of this Grant.

(D) The Grantee is responsible for the professional quality, technical accuracy, timely completion, and coordination of all designs, drawings, specifications, reports, and other services furnished by its subcontractors under this Agreement. The State will consider the Grantee to be the sole point of contact concerning contractual matters, including payment resulting from this Grant. The Grantee or its subcontractor shall, without additional grant award, correct or revise any errors, omissions, or other deficiencies in designs, drawings, specifications, reports, or other services.

(E) The DEQ's approval of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve the Grantee of responsibility for the technical adequacy of the work. The DEQ's review, approval, acceptance, or payment for any of the services shall not be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

(F) The Grantee acknowledges that it is a crime to knowingly and willfully file false information with the State for the purpose of obtaining this Agreement or any payment under the Agreement, and that any such filing may subject the Grantee, its agents, and/or employees to criminal and civil prosecution and/or termination of the Grant.

VI. ASSIGNABILITY

The Grantee shall not assign this Agreement or assign or delegate any of its duties or obligations under this Agreement to any other party without the prior written consent of the State. The State does not assume responsibility regarding the contractual relationships between the Grantee and any subcontractor.

VII.NON-DISCRIMINATION

The Grantee shall comply with the Elliott Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 *et seq*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq*, and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Grantee agrees to include in every subcontract entered into for the performance of this Agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.

VIII. UNFAIR LABOR PRACTICES

The Grantee shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et seq*.

IX.LIABILITY

(A) The Grantee, not the State, is responsible for all liabilities as a result of claims, judgments, or costs arising out of activities to be carried out by the Grantee under this Agreement, if the liability is caused by the Grantee, any subcontractor, or anyone employed by the Grantee.

(B) All liability as a result of claims, demands, costs, or judgments arising out of activities to be carried out by the State in the performance of this Agreement is the responsibility of the State and not the responsibility of the Grantee if the liability is materially caused by any State employee or agent.

(C) In the event that liability arises as a result of activities conducted jointly by the Grantee and the State in fulfillment of their responsibilities under this Agreement, such liability is held by the Grantee and the State in relation to each party's responsibilities under these joint activities.

(D) Nothing in this Agreement should be construed as a waiver of any governmental immunity by the Grantee, the State, its agencies, or their employees as provided by statute or court decisions.

X.CONFLICT OF INTEREST

No government employee or member of the legislative, judicial, or executive branches or member of the Grantee's governing body, its employees, partner, agencies or their families shall have benefit financially from any part of this Agreement.

XI.AUDIT AND ACCESS TO RECORDS

See Section XVIII (C).

XII.INSURANCE

(A) The Grantee shall maintain insurance or self insurance that will protect it from claims that may arise from the Grantee's actions under this Agreement or from the actions of others for whom the Grantee may be held liable.

(B) The Grantee must comply with applicant workers' compensation laws while engaging in activities authorized under this Agreement.

XIII. OTHER SOURCES OF FUNDING

The Grantee guarantees that any claims for reimbursement made to the State under this Agreement shall not be financed by any source other than the State under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to delete from Grantee's billings or to immediately refund to the State, the total amount representing such duplication of funding.

XIV.COMPENSATION

(A) A breakdown of Project costs covered under this Agreement is identified in Exhibit A. The State will pay the Grantee a total amount not to exceed the amount on page one of this Agreement, in accordance with Exhibit A, and only for expenses incurred. All other costs over and above the Grant amount, necessary to complete the Project, are the sole responsibility of the Grantee.

(B) The Grantee is committed to the match amount on page one of this Agreement, in accordance with Exhibit A. The Grantee shall expend all local match committed to the Project by the End Date of this Agreement.

(C) The State will approve payment requests after approval of reports and related documentation as required under this Agreement.

(D) The State reserves the right to request additional information necessary to substantiate payment requests.

XV.CLOSEOUT

(A) A determination of Project completion shall be made by the DEQ after the Grantee has met any match obligations and satisfactorily completed the activities and provided productsand deliverables described in Exhibit A.

(B) Upon issuance of final payment from the State, the Grantee releases the State of all claims against the State arising under this Agreement. Unless otherwise provided in this Agreement or by State law, final payment under this Agreement shall not constitute a waiver of the State's claims against the Grantee.

(C) The Grantee shall immediately refund to the State any payments or funds in excess of the costs allowed by this Agreement.

XVI. CANCELLATION

This Agreement may be canceled by the State, upon 30 days written notice, due to Executive Order, budgetary reduction, or other lack of funding upon request by Grantee or upon mutual agreement by the State and Grantee. The State reserves the right to provide just and equitable compensation to the Grantee for all satisfactory work completed under this Agreement.

XVII. TERMINATION

(A) This Agreement may also be terminated by the State for any of the following reasons upon 30 days written notice to the Grantee:

(1) If the Grantee fails to comply with the terms and conditions of the Agreement or with the requirements of the authorizing legislation cited on page 1 or the rules promulgated thereunder, or with other applicable law or rules.

(2) If the Grantee knowingly and willfully presents false information to the State for the purpose of obtaining this Agreement or any payment under this Agreement.

(3) If the State finds that the Grantee, or any of the Grantee's agents or representatives, offered or gave gratuities, favors, or gifts of monetary value to any official, employee, or agent of the State in an attempt to secure a subcontract or favorable treatment in awarding, amending, or making any determinations related to the performance of this Agreement.

(4) During the 30-day written notice period, the State shall also withhold payment for any findings under subparagraphs 1 through 3, above.

(5) If the Grantee or any subcontractor, manufacturer, or supplier of the Grantee appears in the register of persons engaging in unfair labor practices that is compiled by the Michigan Department of Licensing and Regulatory Affairs or its successor.

(B) The State may immediately terminate this Agreement without further liability if the Grantee, or any agent of the Grantee, or any agent of any subagreement, is:

(1) Convicted of a criminal offense incident to the application for or performance of a state, public, or private contract or subcontract;

(2) Convicted of a criminal offense, including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees;

(3) Convicted under state or federal antitrust statutes;

(4) Convicted of any other criminal offense which, in the sole discretion of the State, reflects on the Grantee's business integrity; or

(C) If a grant is terminated, the State reserves the right to require the Grantee to repay all or a portion of funds received under this Agreement.

XVIII. PROGRAM-SPECIFIC REQUIREMENTS: SAW REPAYABLE GRANT

(A) General Representations. The Grantee represents and warrants to, and agrees with, the Authority and DEQ, as of the date hereof as follows:

(1) Grant funds shall be expended only to cover costs for the development of an Asset Management Plan, Stormwater Management Plan, innovative wastewater or stormwater technology, construction costs for disadvantaged communities, or for planning, design and user charge development.

(2) Grant funds used for administrative activities or activities performed by municipal employees shall be limited to work that is directly related to the Project and is conducted by employees of the Grantee.

(3) The Grantee has full legal right, power and authority to execute this Agreement, and to consummate all transactions contemplated by this Agreement, the Resolution, and any and all other agreements relating thereto. The Grantee has duly authorized and approved the execution and delivery of this Agreement, the performance by the Grantee of its obligations contained in this Agreement, and this Agreement is a valid, legally binding action of the Grantee, enforceable in accordance with the terms thereof except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and by principles of equity if equitable remedies are sought.

(4) The Resolution has been duly adopted by the Grantee, acting through its executive(s) or governing body, is in full force and effect as of the date hereof, and is a valid, legally binding action of the Grantee, enforceable in accordance with the terms thereof except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and by principles of equity if equitable remedies are sought.

(5) The execution and delivery of this Agreement by the Grantee, and the fulfillment of the terms and conditions of, and the carrying out of the transactions contemplated by the Resolution and this Agreement do not and will not conflict with or constitute on the part of the Grantee a breach of, or a default under any existing law (including, without limitation, the Michigan Constitution), any court or administrative regulation, decree or order or any agreement, indenture, mortgage, obligation, lease or other instrument to which the Grantee is subject or by which it is bound and which breach or default would materially affect the validity or binding effect of the Grant, or result in a default or lien on any assets of the Grantee. No event has occurred or is continuing which with the lapse of time or the giving of notice, or both, would constitute a default by the Grantee under the Resolution or this Agreement.

(6) No consent or approval of, or registration or declaration with, or permit from, any federal, state or other governmental body or instrumentality, is or was required in connection with enactment by the Grantee of the Resolution, or execution and delivery by the Grantee of this Agreement which has not already been obtained, nor is any further election or referendum of voters required in connection therewith which has not already been held and certified and all applicable referendum periods have expired.

(7) Proceeds of the Grant will be applied (i) to the financing of the Project or a portion thereof as set forth in the Resolution and Exhibit A or (ii) to reimburse the Grantee for a portion of the cost of the Project. The Grantee will expend the proceeds of each disbursement of the Grant for the governmental purpose for which the Grant was issued.

(8) The attached Exhibit A contains a summary of the estimated cost of the Project, which the Grantee certifies is a reasonable and accurate estimate.

(9) The Grantee reasonably expects (i) to fulfill all conditions set forth in this Agreement to receive and to keep the Grant, and (ii) that no event will occur as set forth in this Agreement which will require the Grantee to repay the Grant.

(B) Repayment of Grant. The Grantee shall repay the Grant, within 90 days of being informed to do so, with interest calculated from the date Grant funds are first drawn at a rate not to exceed 8% per year, to be determined by the Authority, to the Authority for deposit into the SWQIF.

> "(a) A grant recipient (shall) proceed with a project for which grant funding is provided within 3 years after the department approves the grant (executed grant agreement). For asset management programs related to sewage collection and treatment systems, this includes significant progress, as determined by the department, toward achieving the funding structure necessary to implement the program.
>
> (b) The grant recipient (shall) repay the grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8 percent per year, to the Authority for deposit into the fund if the applicant is unable to, or decides not to, proceed with a construction project or begin implementation of an asset management program for which grant funding is provided."

SAW grant recipients for wastewater system asset management plans are required to make significant progress on the funding structure. Significant progress is defined as a 5-year plan to eliminated the gap with a minimum initial rate increase to close at least 10 percent of the funding gap. The first rate increase must be implemented within three years of the executed grant. The applicant will need to certify that all grant activities have been completed at the end of three years. Asset management plans for stormwater systems are to be implemented. Stormwater management grant recipients must develop a stormwater management plan. Innovative project grant receipients must proceed with full implementation or certify that the project is not financially or technically feasible.

(C) Covenants and Certifications.

(1) The Grantee has the legal, managerial, institutional, and financial capability to plan, design, and build the Project, or cause the Project to be built, and cause all facilities eventually constructed to be adequately operated.

(2) The Grantee certifies that no undisclosed fact or event, or pending litigation, will materially or adversely affect the Project, the prospects for its completion, or the Grantee's ability to make timely repayments of the grant if any of the two (2) conditions identified under Section XVIII(B) occur.

(3) The Grantee agrees to provide the minimum appropriate local match for grant-eligible costs and disburse match funds to service providers concurrent with grant disbursements.

(4) The Grantee agrees to maintain complete books and records relating to the grant and financial affairs of the Project in accordance with generally accepted accounting principles ("GAAP") and generally accepted government auditing standards ("GAGAS").

(5) The Grantee agrees that all municipal contracts related to the Project will provide that the contractor and any subcontractor may be subject to a financial audit and must comply with GAAP and GAGAS.

(6) The Grantee agrees to provide any necessary written authorizations to the DEQ and the Authority for the purpose of examining, reviewing, or auditing the financial records of the

Project. The applicant also agrees to require similar authorizations from all contractors, consultants, property owners or agents with which the applicant negotiates an agreement.

(7) The Grantee agrees that all pertinent records shall be retained and available to the DEQ and the Authority for a minimum of three years after satisfactory completion of the Project and final payment. If litigation, a claim, an appeal, or an audit is begun before the end of the three-year period, records shall be retained and available until the three years have passed or until the action is completed and resolved, whichever is longer.

(8) The Grantee agrees to ensure that planning and design activities of the Project are conducted in compliance with the requirements of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, its Administrative Rules; and all applicable state and federal laws, executive orders, regulations, policies, and procedures.

(9) The Grantee agrees that the Project shall proceed in a timely fashion and will exercise its best efforts to satisfy the program requirements as identified under Section XVIII(B) within three years of award of the SAW Grant from the Strategic Water Quality Initiatives Fund in accordance with Section 5204(e) of the Natural Resources and Environmental Protection Act 1994, PA 451, as amended.

(10) The Grantee acknowledges that acceptance of a wastewater asset management grant will subsequently affect future NPDES permits to include asset management language as applicable.

(D) Grantee Reimbursements and Deliverables

The Grantee may request grant disbursements no more frequently than monthly, using the Disbursement Request Form provided by the DEQ. Upon receipt of a disbursement request, the DEQ will notify the Authority, which will in turn disburse grant funds equal to 75 percent, 90 percent, or 100 percent of eligible costs, whichever percentage is applicable, that have been adequately documented. The forms provided by the State will include instructions on their use and shall be submitted to the DEQ representative at the address on page 1. All required supporting documentation (invoices) for expenses must be included with the disbursement request form. The Grantee is responsible for the final submittal of all documents prepared under this Grant and included in the Project Scope identified in Exhibit A.

(E) Miscellaneous Provisions.

(1) Applicable Law and Nonassignability. This Agreement shall be governed by the laws of the State of Michigan.

(2) Severability. If any clause, provision or section of this Agreement be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections.

(3) Execution of Counterparts. This Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute one and the same document.

XIX. USE OF MATERIAL

Unless otherwise specified in this Agreement, the Grantee may release information or material developed under this Agreement, provided it is acknowledged that the DEQ funded all or a portion of its development.

XX. SUBCONTRACTS

The State reserves the right to deny the use of any consultant, contractor, associate or other personnel to perform any portion of the project. The Grantee is solely responsible for all contractual activities performed under this Agreement. Further, the State will consider the Grantee to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Grant. All subcontractors used by the Grantee in performing the project shall be subject to the provisions of this Agreement and shall be qualified to perform the duties required.

XXI. ANTI-LOBBYING

If all or a portion of this Agreement is funded with state funds, then the Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of lobbying as defined in the State of Michigan's lobbying statute, MCL 4.415(2). "'Lobbying' means communicating directly with an official of the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action." The Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of litigation against the State. Further, the Grantee shall require that language of this assurance be included in the award documents of all subawards at all tiers.

XXII. IRAN SANCTIONS ACT

By signing this Agreement, the Grantee is certifying that it is not an Iran linked business, and that its contractors are not Iran linked businesses as outlined in Michigan Compiled Law 129.312

XXIII. DEBARMENT AND SUSPENSION

By signing this Agreement, the Grantee certifies to the best of its knowledge and belief that it, its agents, and its subcontractors:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or the state.

(2) Have not within a 3-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction as defined in 45 CFR 1185; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

(3) Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in subsection (2).

(4) Have not within a 3-year period preceding this Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.

(5) Will comply with all applicable requirements of all other state or federal laws, executive orders, regulations, and policies governing this program.

Project No. _______________

SAW Grant Program

Exhibit A

Grantee: ____

Project Name: ____

DEQ Approved Grant Amount: $ _____________; __________________________________

____Dollars

Time Period for Eligible Costs: Start Date _______________________ (month/year)

End Date _______________________ (month/year)

Description of Approved Project Scope:

____

____

DEQ Approved Project Costs	
1. Project Planning Costs	
2. Design Engineering Costs	
3. User Charge Development Costs	
4. Wastewater Asset Management Plan Costs	
5. Stormwater Asset Management Plan Costs	
6. Stormwater Management Plan Costs	
7. Innovative Wastewater and Stormwater Technology Costs	
8. Disadvantaged Community Construction Cost	
9. Cost Subtotal	
10. LESS Local Match	
11. Requested SAW Grant Amount (Line 9 minus Line 10)	

The following services have been determined to be ineligible for SAW Grant assistance, for the reasons listed, and have been excluded from the approved project costs shown above:

____

____

APPENDIX A
Wastewater Planning and Design Activities

Note: User Charge Development Costs can be included in either a planning or design grant.

Planning Grant Requirements

Applicants intending to fund projects through USDA Rural Developmentare required to develop a Preliminary Engineering Report and an Environmental Report per Rural Development guidelines.

Applicants intending to fund projects through a SAW loan or other funding source are required to develop a project proposal in accordance with the guidance below.

Applicants intending to fund projects through an SRF or SWQIF loan are required to develop a project plan in accordance with the Project Plan Preparation Guidance (http://www.michigan.gov/documents/deq/deq-ess-mfs-formsguidance-SRFppsguide_249032_7.dot).

Design Grant Requirements

All applicants are required to develop and submit plans and specifications suitable for bidding.

Applicants intending to fund projects through USDA Rural Developmentare required to submit a Preliminary Engineering Report and an Environmental Report per Rural Development guidelines.

Applicants intending to fund projects through a SAW loan or other funding source are required to submit an approvable project proposal in accordance with the guidance below. If seeking a SAW loan, the project proposal should reference an asset management plan.

Applicants intending to fund projects through an SRF or SWQIF loan are required to submit an approvable Project Plan.

Project Proposal

Below are the minimum requirements for a project proposal.

1. Study Area Identification and Description

   a. Cover the geographic area served by or affected by the proposed project. For example, for a nonpoint source (NPS) project that is replacing an asphalt mall parking lot with porous pavers, the study area should encompass, at least, the parking lot, mall, and properties that abut the parking lot.

   b. Population Data – include if relevant (e.g., needed when discussing asset management associated with future needs that would be based on population projections).

   c. Environmental Setting – include description of environmental features relevant to project's geographical area and project construction activities. Include a map.

      - If present, identify wetlands, floodplains, natural/wild scenic rivers surface waters, parks, agriculture land, and endangered/threatened species. A Michigan Natural Features Inventory review should be conducted unless the applicant can show that construction is limited to a developed area.

   d. Do NOT include land use and economic characteristics, unless relevant to the project.

2. Existing Facilities

   Should be described to the extent that existing facilities are included in the project or will be affected by the project.

3. Project Need

   Describe in detail the need for the project, as well as any relevant permit compliance issues and water quality problems. Facility or project needs should be evaluated for a time period equal to the service life of the proposed project (i.e., the proposal should evaluate needs for a timeframe long enough so that the proposed project doesn't become ineffective after only a few years or before the loan has been paid).

4. Description of Project Options Considered

   Provide a description of the options considered to address the proposed project including a brief description of the costs and potential environmental impacts.

5. Proposed Project

   Provide a detailed description of the proposed project including cost estimates and a construction schedule, as well as maps and/or diagrams.

6. Evaluation of Environmental Impacts

   Discuss impacts from project construction and operation. Include a description of measures to mitigate impacts and the beneficial impacts.

GUIDANCE FOR APPENDIX A

Grant Eligible

Planning

- Costs associated with the development of a SAW loan project proposal, SRF/SWQIF project plan, or other similar planning documents.
- Equipment and services for the purchase, installation, and operation of flow meters necessary for an infiltration and inflow (I/I) analysis.
- Costs to prepare an eligible SAW grant application, including force account work.
- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.

Design

- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.
- Costs of preparing a basis of design, value engineering services, and preparation of plans and specifications. Any design-related service required to obtain the construction permit. This includes easement-related services for property surveys and easement descriptions.

User Charge System Development Costs

- The costs associated with developing or updating the applicant's system of rates and user charges to cover the costs of project construction, operation, and maintenance.
- The costs to develop, amend, and pass sewer use ordinances, and prepare or revise intermunicipal service agreements, or rate methodologies that are necessary for construction of the proposed project.

Grant Ineligible

Planning and Design

- Purchase price and associated costs to acquire land/easements such as appraisals, title searches, easement agreement preparation, legal notices, and closing costs.
- Bidding phase services, including construction staking.

APPENDIX B
Planning and/or Design of Stormwater and/or Nonpoint Source of Water Pollution

Required Information

SAW grant assistance for stormwater and/or NPS projects must address a water quality problem. If the project is identified in one of the following documents, please submit the document with the application unless it has already been submitted to the DEQ for review and approval. (If the document has been submitted to the DEQ for review, please provide the name of the DEQ staff member in receipt of the document.)

- An approved 319/CMI NPS watershed plan
- A Municipal Separate Storm Sewer System (MS4) permit (if the proposed project is required under the permit, then attach an explanation to this application)
- An approved Total Maximum Daily Load (attach an explanation to this application)
- A SAW stormwater management plan

Planning Grant Requirements

Applicants intending to fund projects through USDA Rural Development are required to develop a Preliminary Engineering Report and an Environmental Report per Rural Development guidelines.

Applicants intending to fund projects through a SAW loan or other funding source are required to develop a project proposal in accordance to the guidance in Appendix A.

Applicants intending to fund projects through an SRF or SWQIF loan are required to develop a project plan in accordance with the Project Plan Preparation Guidance (http://www.michigan.gov/documents/deq/deq-ess-mfs-formsguidance-SRFppsguide_249032_7.dot).

Design Grant Requirements

All applicants are required to develop and submit plans and specifications suitable for bidding.

Applicants intending to fund projects through USDA Rural Development are required to submit a Preliminary Engineering Report and an Environmental Report per Rural Development guidelines.

Applicants intending to fund projects through a SAW loan or other funding source are required to submit an approvable project proposal in accordance with the guidance in Appendix A.

Applicants intending to fund projects through an SRF or SWQIF loan are required to submit an approvable project plan.

GUIDANCE FOR APPENDIX B

Grant Eligible

Planning

- Costs associated with the development of a SAW loan project proposal, SRF/SWQIF project plan, or other similar planning documents.
- Equipment and services for the purchase, installation, and operation of flow meters for a hydrological study of a storm sewer system or a watershed.
- Costs to prepare an eligible SAW grant application, including force account work.
- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.

Design

- Force account costs. The maximum rate for fringe benefits of force account costs is 40 percent of salary.
- Costs of preparing a basis of design, design and preparation for construction permit(s), value engineering services, and preparation of plans and specifications. This includes easement-related services for property surveys and easement descriptions.

User Charge System Development Costs

- The costs associated with developing or updating the applicant's system of rates and user charges to cover the costs of project construction, operation, and maintenance.
- The costs to develop, amend, and pass sewer use ordinances, and prepare or revise intermunicipal service agreements, or rate methodologies that are necessary for construction of the proposed project.

Grant Ineligible

Planning and Design

- Post-construction monitoring of stormwater best management practices (BMP) performance to determine effectiveness.
- Purchase price and associated costs to acquire land/easements such as appraisals, title searches, easement agreement preparation, legal notices, and closing costs.
- Bidding phase services, including construction staking.

APPENDIX C
Asset Management Plan for Stormwater and Wastewater

A. Proposed Scope of Work

Applicants can seek AMP grant assistance to cover the costs of the asset management plan development and implementation for wastewater and stormwater systems. This includes a complete inventory of all existing system assets. If the condition of the asset is not known, a reasonable assumption is acceptable. Cleaning and televising of the entire system is not expected.

If the wastewater AMP identifies a gap in the current revenue needs to meet expenses, then significant progress must be made toward achieving the funding structure necessary to operate the system. If no gap is identified, the applicant has fulfilled the significant progress requirement. Significant progress is defined as a 5-year plan to eliminate the gap with a minimum initial rate increase to close at least 10 percent of the funding gap. The first rate increase must be implemented within three years of the executed grant. The applicant will need to certify that all grant activities have been completed at the end of three years and submit a copy of the 5-year plan with the certification.

The stormwater AMP must be implemented within three years of the executed grant. The applicant is required to submit the Stormwater AMP Certification of Project Completeness within three years of the executed grant.

Describe the specific activities you will fund with the AMP grant assistance. Attach additional pages as necessary:

____
____
____

B. Describe your current asset management plan as applicable:

____
____
____

Provide the percentage of tasks completed and describe each asset management component of your current asset management plan

1. Asset Inventory and Condition Assessment
2. Level of Service
3. Criticality of Assets
4. Operation and Maintenance (O&M) Strategies/Revenue Structure
5. Long-term Funding/Capital Improvement Planning

C. Revenue Structure (for wastewater only)

Attach a copy of the current rates. It is expected that the applicant will submit an updated copy of the rate methodology within 2 ½ years of the executed grant to the DEQ.

If the applicant currently does not have a rate methodology, the asset management plan must include the development of a funding structure and rate methodology that provides sufficient resources to implement the asset management plan.

Is the applicant part of a regional facility? ☐ YES ☐ NO

D. Cross-Sectoring

Section 2504 e (2)(i) states that "The municipality shall coordinate, as feasible, with other infrastructure activities in the same geographic area."Asset management encourages cross-sector utilization (for water utility, roads,gas, phones, etc.); however grant assistance may only be requested for those costs directly related to the requested asset management grant.

If cross-sectoring occurs, describe how SAW costs will be tracked.

____
____
____

E. Project Cost Worksheet

Carefully read the guidance below before completing the Project Cost Worksheet.

Item	Incurred Costs	Force Account Costs	Estimated Costs	Supporting Documents	Total
Inventory				Y N	
Condition assessment (excluding televising)				Y N	
Metering/modeling				Y N	
AM/GIS Software*				Y N	
AM/GIS Training*				Y N	
AM/GIS Hardware*				Y N	
Cleaning &Televising Contracted costs Equip. rentalcosts Laborcosts				Y N	
Level of Service Service agreement development Public meeting cost Ordinance cost				Y N	
Training/certification For PACP For MACP				Y N	
Rate Structure Development costs				Y N	
Other				Y N	

*Indicates items included in the cost limitations for software, hardware, and training as described in the Guidance below.

F. National Pollutant Discharge Elimination System (NPDES) Permits for Municipal Wastewater Systems Only (Not Stormwater)

Do you currently hold a NPDES permit to cover discharges from your wastewater system?
☐ YES ☐ NO

If Yes, what is the permit number? ________________________

If you have a NPDES permit, does it currently contain an asset management requirement?
☐ YES ☐ NO

Note: For all NPDES permit holders, the applicant acknowledges that acceptance of a SAW wastewater asset management grant will result in an asset management condition in the next reissued NPDES permit. The asset management plan developed must meet NPDES permit requirements. The NPDES permit language can be found at: www.michigan.gov/cleanwaterrevolvingfund (select Forms and Guidance).

GUIDANCE FOR APPENDIX C

Grant Eligible

- AMP/Geographic Information System (GIS) mapping software/hardware/training. Total limits are as follows:

Service Area Population	Dollar Limit
Less than or equal to 5,000	$60,000
5,001 to less than or equal to 20,000	$85,000
20,001 to less than or equal to 50,000	$110,000
Greater than 50,000	$160,000

Note: Attach justification when assistance is sought for an applicant with an existing GIS system or for when an exception is being made to the above dollar limits.

- Asset condition assessment (manhole inventory, cleaning and televising)
  - All televising and documentation must be completed in accordance with National Association of Sewer Service Companies (NASSCO) Pipeline Assessment and Certification Program/Manhole Assessment Certification Program (PACP/MACP)requirements and by PACP/MACP certified personnel.
  - ***Equipment rental costs for force account work of cleaning and televising equipment owned by the applicant will be reimbursed at rates no greater than those provided in an informal quote on a per foot basis.***
  - A justification is needed to clean and televise sewers installed or relined within the last 20 years. The limit is to encourage communities to focus on sewers installed or relined prior to 1993.

- Force account costs associated with the direct implementation of the AMP/GIS software and hardware. The maximum rate for fringe costs is 40 percent of salary.

- The technical, legal, and financial costs to develop a funding structure and implementation schedule necessary to implement an AMP, or portion thereof. These tasks include those costs associated with the preparation or amendment of sewer use and rate ordinances, stormwater management ordinances, policies and design standards, preparation or revision of inter-municipal service agreements, and submittal of the proposed budgets and rate methodologies.

- Any specific tasks named as a condition of an NPDES permit not identified elsewhere in this guidance, such as mapping without GIS, a fixed asset inventory, a business risk evaluation, an annual report of operation, maintenance, and replacement (OM&R)/AMP activities, etc.

- Aerial data collection at the 12-inch resolution when it is purchased from the county or obtained from the state (for GIS purposes only).

- The development of a stormwater funding structure is not required; however, an analysis of costs to maintain the system and to support the asset management program must be included.

- Stormwater utility development costs.

- Level of service may include service agreement development, public meeting costs, and ordinance costs.

Grant Ineligible

- Annual license renewals to an existing GIS system.

- Legal fees to defend the rate structure if challenged.

Michigan Department of Environmental Quality
SAW Grant Summary for City of Muskegon

The Michigan Department of Environmental Quality has created a new grant program: SAW GRANT (storm water, asset management, and wastewater). These grants have a maximum amount of $2,000,000 per community and a low match requirement. It is our understanding that the City of Muskegon meets the disadvantaged criteria based on income and rate criteria, therefore, there is a 0% match requirement and you can apply for up to $500,000 towards construction.

For the City of Muskegon, it is proposed to submit two separate grant applications for the creation of an Asset Management Plan for the Wastewater Collection/Treatment System and the Storm Water Collection System.

The Asset Management Plans will accomplish the following:

1. Detailed and accurate system maps
2. Inventory of system components by age, materials, and sizes
3. In-depth condition assessment of every component
    a. Physical Condition Ratings
    b. Risk and Consequence of Failure Ratings
    c. Criticality Ratings
4. Review of rehabilitation/replacement options
5. Life Cycle cost analysis (75 year viewport)
6. Financial Analysis to determine income generation requirements and options
    a. Cash Balances
    b. Debt Financing
    c. Outside Funding
    d. Rate Structure (as applicable)
    e. Stabilized Income and Expenses

Applications are due to MDEQ in Lansing on December 2, 2013.

MDEQ determination of award in March 2014. This will be based on a lottery for all applications deemed administratively complete. If both applications are drawn, then you will need to choose one or the other or possibly combine for reduced scopes or work on each.

The maximum total grant amount requested for Stormwater will be $2,000,000 (this includes $500,000* for construction).

The total grant amount requested for Wastewater is $2,000,000 (this includes $500,000* for construction).

*(Please note that even if both applications are drawn by MDEQ, the maximum construction dollars that can be awarded to any one community is $500,000 and the maximum total grant dollars that can be awarded is $2,000,000.)

Required Action

Pass the attached resolution. It is required with the grant application. Please note that the sample grant application is referenced in the grant application.

Please Use the Attached Resolution "As Is"

(Do Not Substitute Your Own Form)

_____________________of__________________

County of __________________

Resolution Authorizing the SAW Grant Agreement

Minutes of the regular meeting of the ____________ of the______________ of______________ County of _________________, State of Michigan, (the "Municipality") held on ____________________.

PRESENT: Members: ____
____

ABSENT: Members: ____
____

Member ___________________offered and moved the adoption of the following resolution, seconded by Member______________________ .

WHEREAS, Part 52 (strategic water quality initiatives) of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended ("Part 52"), provides at MCL 324.5204e that the Michigan Finance Authority (the "MFA") in consultation with the Michigan Department of Environmental Quality (the "DEQ") shall establish a strategic water quality initiatives grant program; and

WHEREAS, in accordance with the provisions of 2012 PA 511, which provides grants to municipalities for sewage collection and treatment systems or storm water or nonpoint source pollution control; and

WHEREAS, in accordance with the provisions of 1985 PA 227, as amended, Part 52, and other applicable provisions of law, the MFA, the DEQ, and the Municipality that is a grant recipient shall enter into a grant agreement (the "SAW Grant Agreement") that requires the Municipality to repay the grant under certain conditions as set forth in MCL 324.5204e, as amended; and

WHEREAS, the Municipality does hereby determine it necessary to (***select one or more)***
☐establish anasset management plan, ☐establish astormwater management plan, ☐establish aplan for wastewater/stormwater, ☐establish adesign of wastewater/stormwater, ☐ pursue innovative technology, or ☐ initiate construction activities (up to $500,000 for disadvantaged community).

WHEREAS, it is the determination of the Municipality that at this time, a grant in the aggregate principal amount not to exceed _________________ ("Grant") be requested from the MFA and the DEQ to pay for the above-mentioned undertaking(s); and

WHEREAS, the Municipality shall obtain this Grant by entering into the SAW Grant Agreement with the MFA and the DEQ.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Director of Public Works (*title of the desginee's position*), a position currently held by Mohammed Al-Shatel (*name of the designee*), is designated as the Authorized Representative for purposes of the SAW Grant Agreement.

2. The proposed form of the SAW Grant Agreement between the Municipality, the MFA and DEQ (attached Sample Grant Agreement) is hereby approved and the Authorized Representative is authorized and directed to execute the SAW Grant Agreement with such revisions as are permitted by law and agreed to by the Authorized Representative.

3. The Municipality shall repay the Grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8 percent per year, to the Authority if the Municipality is unable to, or decides not to, proceed with constructing the project or implementing the asset management program for which the funding is provided within 3 years of the Grant award.

4. The Grant, if repayable, shall be a first budget obligation of the Municipality, and the Municipality is required, if necessary, to levy ad valorem taxes on all taxable property in the Municipality for the payment thereof, subject to applicable constitutional, statutory and Municipality tax rate limitations.

5. The Municipality shall not invest, reinvest or accumulate any moneys deemed to be Grant funds, nor shall it use Grant funds for the general local government administration activities or activities performed by municipal employees that are unrelated to the project.

6. The Authorized Representative is hereby jointly or severally authorized to take any actions necessary to comply with the requirements of the MFA and the DEQ in connection with the issuance of the Grant. The Authorized Representative is hereby jointly or severally authorized to execute and deliver such other contracts, certificates, documents, instruments, applications and other papers as may be required by the MFA or the DEQ or as may be otherwise necessary to effect the approval and delivery of the Grant.

7. The Municipality acknowledges that the SAW Grant Agreement is a contract between the Municipality, the MFA and the DEQ.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are rescinded.

YEAS: Members:

NAYS: Members:

RESOLUTION DECLARED ADOPTED

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the______________________ of the ______________________ of ______________________ , County of ____________________ , said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

____
Name
_______________of___________________ , Clerk
__________of___________ County of _________

THE FORM WILL NOT BE ACCEPTED IF IT HAS BEEN EDITED, ALTERED, RETYPED, OR CONVERTED TO ANY OTHER FORMAT.

Commission Meeting Date: November 12, 2013

Date: November 7, 2013

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Public Hearing - Request for an Industrial Facilities Exemption Certificate – ADAC Plastics, 2050 Port City Blvd

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SUMMARY OF REQUEST:

Pursuant to Public Act 198 of 1974, as amended, ADAC Plastics, 2050 Port City Blvd, has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The company will be making an investment of $725,000 in real property improvements and plans on creating up to 90 jobs as part of the overall project, qualifying them for a 12 year abatement.

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 on real property.

COMMITTEE RECOMMENDATION:

None

Resolution No. _______

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING APPLICATION FOR ISSUANCE
OF INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
ADAC Plastics

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 ADAC Plastics, 2050 Port City Blvd, Muskegon, Michigan 49442; and

WHEREAS, ADAC Plastics has filed an application for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to a building expansion within said Industrial Development District ; and

WHEREAS, before acting on said application the Muskegon City Commission held a public hearing on November 12, 2013, 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 facility and installation of new machinery and equipment had not begun earlier than six (6) months before October 18, 2013, the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and

WHEREAS, the building expansion is 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 ADAC Plastics, for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to the building expansion and installation of new machinery and equipment on the following described parcels of real property situated within the City of Muskegon to wit:

   CITY OF MUSKEGON PORT CITY INDUSTRIAL CENTER LOTS 9 THRU 12

3) The Industrial Facilities Tax Exemption Certificate is issued and shall be and remain in force and effect for a period of 12 years on real property.

Adopted this 12th Day of November, 2013.

Ayes:

Nays:

Absent:

BY: ___________________________________
Stephen J. 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 November 12, 2013.

____
Ann Cummings
Clerk

MUSKEGON
West Michigan's Shoreline City

City of Muskegon
Industrial Development District
Summary Sheet

Project Summary:

ADAC Plastics, Inc will be making real and personal property investments to their properties at 2050 Port City Blvd and 2653 Olthoff Dr. They will be investing over $5.7 million in personal property and $1.6 million in real property between the two locations. Below are the employment numbers for all of the facilities in Muskegon combined. This new investment will create up to 90 jobs between both facilities. The company is seeking IFT's (50% abatement on real property taxes for only this investment for 12 years) and PA 328's (100% abatement on all future personal property taxes for up to 12 years) at both facilities.

Employment Information:

Racial Characteristics:

White	468 (64%)
Minority	263 (36%)
Total	731

Gender Characteristics:

Male	346 (47%)
Female	385 (53%)
Total	731

Total No. of Anticipated New Jobs: 90

Investment Information:

Real Property Total (both facilities) $1,651,270

Real Property Tax Information: (Annual)	All Jurisdictions	City Only
Total New Taxes Generated	$ 47,198	$ 9,142
Value of Abatement	$ 23,599	$ 4,571
Total New Taxes Collected	$ 23,599	$ 4,571

Income Tax Information: (Annual)
Total Additional Income Tax Generated: $ 14,414

Company Requirements:

Adopted Affirmative Action Policy	☒ Yes	☐ No
Meeting w/ City Affirmative Action Director	☒ Yes	☐ No
Signed Tax Abatement Contract	☒ Yes	☐ No
Taxes Paid In Full	☒ Yes	☐ No
Zoning Conflicts	☐ Yes	☒ No

Mike Franzak
Planner III

Dwana Thompson
Dwana Thompson
Affirmative Action Director

Commission Meeting Date: November 12, 2013

Date: November 7, 2013

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Public Hearing - Request for an Industrial Facilities Exemption Certificate – ADAC Plastics, 2653 Olthoff Dr

---

SUMMARY OF REQUEST:

Pursuant to Public Act 198 of 1974, as amended, ADAC Plastics, 2653 Port City Blvd, has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The company will be making an investment of $926,270 in real property improvements and plans on creating up to 90 jobs as part of the overall project, qualifying them for a 12 year abatement.

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 on real property.

COMMITTEE RECOMMENDATION:

None

Resolution No. _______

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING APPLICATION FOR ISSUANCE
OF INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
ADAC Plastics

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 ADAC Plastics, 2653 Olthoff Dr, Muskegon, Michigan 49444; and

WHEREAS, ADAC Plastics has filed an application for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to a building expansion within said Industrial Development District ; and

WHEREAS, before acting on said application the Muskegon City Commission held a public hearing on November 12, 2013, 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 facility and installation of new machinery and equipment had not begun earlier than six (6) months before October 18, 2013, the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and

WHEREAS, the building expansion is 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 ADAC Plastics, for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to the building expansion and installation of new machinery and equipment on the following described parcels of real property situated within the City of Muskegon to wit:

CITY OF MUSKEGON THAT PART OF PORT CITY INDUSTRIAL CENTER #6 LOT 70 COM NW COR LOT 70 TH S 89D 56M E 213.38 FT ALG N LN SD LOT TO POB TH S 89D 56M 486.77 FT TH S 00D 45M W 819.09 FT ALG E LN SD LOT TO S LN SEC 35 & SD LOT TH S 89D 59M W ALG S LN 487.73 FT TH N 00D 45M E TO POB

3) The Industrial Facilities Tax Exemption Certificate is issued and shall be and remain in force and effect for a period of 12 years on real property.

Adopted this 12th Day of November, 2013.

Ayes:

Nays:

Absent:

BY: ______________________________
Stephen J. 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 November 12, 2013.

____
Ann Cummings
Clerk

MUSKEGON

West Michigan's Shoreline City

City of Muskegon
Industrial Development District
Summary Sheet

Project Summary:

ADAC Plastics, Inc will be making real and personal property investments to their properties at 2050 Port City Blvd and 2653 Olthoff Dr. They will be investing over $5.7 million in personal property and $1.6 million in real property between the two locations. Below are the employment numbers for all of the facilities in Muskegon combined. This new investment will create up to 90 jobs between both facilities. The company is seeking IFT's (50% abatement on real property taxes for only this investment for 12 years) and PA 328's (100% abatement on all future personal property taxes for up to 12 years) at both facilities.

Employment Information:

Racial Characteristics:

White	468 (64%)
Minority	263 (36%)
Total	731

Gender Characteristics:

Male	346 (47%)
Female	385 (53%)
Total	731

Total No. of Anticipated New Jobs: 90

Investment Information:

Real Property Total (both facilities) $1,651,270

Real Property Tax Information: (Annual)	All Jurisdictions	City Only
Total New Taxes Generated	$ 47,198	$ 9,142
Value of Abatement	$ 23,599	$ 4,571
Total New Taxes Collected	$ 23,599	$ 4,571

Income Tax Information: (Annual)
Total Additional Income Tax Generated: $ 14,414

Company Requirements:

Adopted Affirmative Action Policy	☒ Yes	☐ No
Meeting w/ City Affirmative Action Director	☒ Yes	☐ No
Signed Tax Abatement Contract	☒ Yes	☐ No
Taxes Paid In Full	☒ Yes	☐ No
Zoning Conflicts	☐ Yes	☒ No

Mike Franzak
Planner III

Dwana Thompson
Dwana Thompson
Affirmative Action Director

Commission Meeting Date: November 12, 2013

Date: November 7, 2013

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Public Hearing - Request for Exemption of New Personal Property (PA 328) – ADAC Plastics, 2050 Port City Blvd

SUMMARY OF REQUEST:

Pursuant to Public Act 328 of 1998, as amended, ADAC Plastics, Inc, 2050 Port City Blvd, has requested an exemption of new personal property. The company plans on investing over $5.7 million in personal property improvements at two Muskegon locations 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. The company plans on hiring 90 employees as part of the overall project.

FINANCIAL IMPACT:

The City will forgo 100% of the new 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 on twelve (12) years.

COMMITTEE RECOMMENDATION:

None

Resolution No. _______

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING APPLICATION FOR EXEMPTION OF NEW PERSONAL PROPERTY UNDER PA 328 OF 1998

ADAC Plastics

WHEREAS, the City of Muskegon meets the definition of an "Eligible Local Assessing District" under PA 328 of 1998, Section 7(g), by virtue of containing an eligible distressed area as defined by Section 7(f)(i), in accordance with PA 346 of 1966, Section 11; and

WHEREAS, the applicant, ADAC Plastics, meets the definition of an "Eligible Business" as defined by PA 328 of 1998 and is engaged primarily in manufacturing at the location of 2050 Port City Blvd, Muskegon, MI; and

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 ADAC Plastics, 2050 Port City Blvd, Muskegon, Michigan 49442; and

WHEREAS, ADAC Plastics has filed an application for Exemption of New Personal Property with respect to new personal property to be installed within said Industrial Development District ; and

WHEREAS, before acting on said application the Muskegon City Commission held a public hearing on November 12, 2013, 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, installation of new machinery and equipment had not begun earlier than six (6) months before October 18, 2013, the date of acceptance of the application for the Exemption of New Personal Property; and

WHEREAS, the installation of machinery and equipment is calculated to and will have the reasonable likelihood to retain, create, or prevent the loss of employment in Muskegon, Michigan; and

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 Exemption considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 328 of the Public Act of 1998 as amended and 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 ADAC Plastics, for the Exemption of New Personal Property with respect to the personal property expansion on the following described parcels of real property situated within the City of Muskegon to wit:

CITY OF MUSKEGON PORT CITY INDUSTRIAL CENTER LOTS 9 THRU 12

3) The Exemption of New Personal Property is issued and shall be and remain in force and effect for a period of twelve (12) years on personal property.

Adopted this 12th Day of November 2013.

Ayes:

Nays:

Absent:

BY: ______________________________
Stephen J. 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 November 12, 2013.

____
Ann Cummings
Clerk

Commission Meeting Date: November 12, 2013

Date: November 7, 2013

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Public Hearing - Request for Exemption of New Personal Property (PA 328) – ADAC Plastics, 2653 Olthoff Dr

---

SUMMARY OF REQUEST:

Pursuant to Public Act 328 of 1998, as amended, ADAC Plastics, Inc, 2653 Olthoff Dr, has requested an exemption of new personal property. The company plans on investing over $5.7 million in personal property improvements at two Muskegon locations 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. The company plans on hiring 90 employees as part of the overall project.

FINANCIAL IMPACT:

The City will forgo 100% of the new 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 on twelve (12) years.

COMMITTEE RECOMMENDATION:

None

Resolution No. _______

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING APPLICATION FOR EXEMPTION OF NEW PERSONAL PROPERTY UNDER PA 328 OF 1998
ADAC Plastics

WHEREAS, the City of Muskegon meets the definition of an "Eligible Local Assessing District" under PA 328 of 1998, Section 7(g), by virtue of containing an eligible distressed area as defined by Section 7(f)(i), in accordance with PA 346 of 1966, Section 11; and

WHEREAS, the applicant, ADAC Plastics, meets the definition of an "Eligible Business" as defined by PA 328 of 1998 and is engaged primarily in manufacturing at the location of 2653 Olthoff Dr, Muskegon, MI; and

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 ADAC Plastics, 2653 Olthoff Dr, Muskegon, Michigan 49444; and

WHEREAS, ADAC Plastics has filed an application for Exemption of New Personal Property with respect to new personal property to be installed within said Industrial Development District ; and

WHEREAS, before acting on said application the Muskegon City Commission held a public hearing on November 12, 2013, 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, installation of new machinery and equipment had not begun earlier than six (6) months before October 18, 2013, the date of acceptance of the application for the Exemption of New Personal Property; and

WHEREAS, the installation of machinery and equipment is calculated to and will have the reasonable likelihood to retain, create, or prevent the loss of employment in Muskegon, Michigan; and

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 Exemption considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 328 of the Public Act of 1998 as amended and 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 ADAC Plastics, for the Exemption of New Personal Property with respect to the personal property expansion on the following described parcels of real property situated within the City of Muskegon to wit:

CITY OF MUSKEGON THAT PART OF PORT CITY INDUSTRIAL CENTER #6 LOT 70 COM NW COR LOT 70 TH S 89D 56M E 213.38 FT ALG N LN SD LOT TO POB TH S 89D

56M 486.77 FT TH S 00D 45M W 819.09 FT ALG E LN SD LOT TO S LN SEC 35 & SD LOT TH S 89D 59M W ALG S LN 487.73 FT TH N 00D 45M E TO POB

3) The Exemption of New Personal Property is issued and shall be and remain in force and effect for a period of twelve (12) years on personal property.

Adopted this 12th Day of November 2013.

Ayes:

Nays:

Absent:

BY: ______________________________

Stephen J. 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 November 12, 2013.

____

Ann Cummings
Clerk

Date: November 11, 2013

To: Honorable Mayor and City Commissioners

From: Finance Department

RE: Transmittal of 6/30/13 *Comprehensive Annual Financial Report*

SUMMARY OF REQUEST: The City's *June 30, 2013 Comprehensive Annual Financial Report* (CAFR) has previously been distributed to City Commissioners via email and hard copy. The CAFR is also available on the City's website at www.shorelinecity.com. The CAFR includes the annual independent auditor's report required by state law. At this time the CAFR is being formally transmitted to the City Commission. The CAFR has been prepared in accordance with all current Governmental Accounting Standards Board (GASB) pronouncements and 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 June 30, 2013 CAFR and authorization for staff to transmit the CAFR to appropriate federal, state and private agencies.

COMMITTEE RECOMMENDATION: None.

Date: November 11, 2013

To: Honorable Mayor and City Commissioners

From: Finance Department

RE: Supplemental MERS Contribution

SUMMARY OF REQUEST: One of the biggest financial challenges facing the city is pension funding. Relative to other cities, Muskegon's pension plans are considered very well-funded. Moreover, the city has already made difficult choices – including closing defined benefit pensions to new hires – that will stop the further accumulation of long-term pension liabilities. Still, paying down our existing pension legacy costs will present budget challenges for many years to come.

Based on successful financial results for the fiscal year ended June 30, 2013, staff believes it is appropriate to take this opportunity to make a $500,000 supplemental payment (above the actuarial computed contribution amount) to MERS. This is money that the city would be required to pay to MERS eventually. Paying early - while we are in a position to afford it - ensures time remains an ally (instead of an enemy) and will help ease pressure on future city budgets.

FINANCIAL IMPACT: $500,000 supplemental payment to MERS. The impact to the fund balance of the city's general fund will be $300,000. The remaining $200,000 will be paid from monies previously set aside for MERS in the collector fund.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize staff to make a supplemental $500,000 payment to MERS no later than December 31, 2013.

COMMITTEE RECOMMENDATION: None.

Date: November 12, 2013

To: Honorable Mayor and City Commissioners

From: Finance Department

RE: First Quarter 2013-14 Budget Reforecast

SUMMARY OF REQUEST: At this time staff is transmitting the ***First Quarter 2013-14 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.

FINANCIAL IMPACT: Major first quarter proposed adjustments are as follows:

- The actual FY13 year-end fund balance for the General Fund was $5,653,558 as compared to the estimated of $5,552,504 used in preparing the FY14 budget.
- General fund revenues are estimated to be $103,042 higher than originally budgeted. The increase is attributable to higher building permit fees and state shared revenues.
- General Fund expenditures are forecast to be $367,350 higher than originally budgeted:
    - It is recommended that a supplemental $300,000 general fund contribution to MERS be made prior to year-end (see related agenda item).
    - Inspection costs will be $58,000 higher than budgeted due to higher than anticipated building activity and permit revenues.
- Other city funds are mostly in-line with original budget projections. Some proposed changes to these funds include:
    - Equipment fund revenues/expenditures are adjusted to reflect receipt of grant for police radios. Also, a large sewer jet truck purchase original scheduled for FY13 was made in FY14.
    - Sewer fund revenues/expenditures are adjusted to reflect receipt of grant for infiltration study.
    - Marina & Launch Ramp fund revenues/expenditures are adjusted to reflect receipt of grant for dredging.

BUDGET ACTION REQUIRED: City commission approval of this reforecast will formally amend the City's 2013-14 budget.

STAFF RECOMMENDATION: Approval.

COMMITTEE RECOMMENDATION: None.

City of Muskegon
2013-14 Budget Summary
Summary of Budgeted Funds

	Fund Name	Projected Beginning Fund Balance/Working Capital	Projected Revenues	Projected Expenditures	Projected Ending Fund Balance/Working Capital	Increase (Decrease) Fund Balance/Working Capital
1	General	$ 5,653,558	$ 23,286,247	$ 24,143,050	$ 4,796,755	$ (856,803)
2	Major Streets	2,153,684	3,852,945	4,915,727	1,090,902	(1,062,782)
3	Local Streets	422,159	1,677,698	1,774,549	325,308	(96,851)
4	Criminal Forfeitures Fund	172,578	18,700	14,530	176,748	4,170
5	Budget Stabilization Fund	1,700,000	-	-	1,700,000	-
6	Tree Replacement Fund	1,479	1,550	1,000	2,029	550
7	Brownfield Authority Fund (Betten)	(1,409,027)	128,290	157,580	(1,438,317)	(29,290)
8	Brownfield Authority Fund (Former Mall)	-	79,249	79,249	-	-
9	Tax Increment Finance Authority Fund	14,163	36,812	50,000	975	(13,188)
10	Downtown Development Authority Debt Fund	167,477	293,681	332,538	128,620	(38,857)
11	Local Development Finance Authority III Fund (SZ)	30,266	372,863	385,800	17,329	(12,937)
12	Arena Improvement	4,867	14,200	5,000	14,067	9,200
13	Sidewalk Improvement	469,488	41,000	152,140	358,348	(111,140)
14	Public Improvement	677,857	212,500	555,000	335,357	(342,500)
15	State Grants	126,257	538,500	529,216	135,541	9,284
16	Marina & Launch Ramp	206,007	394,800	393,027	207,780	1,773
17	Public Service Building	435,245	1,093,448	987,356	541,337	106,092
18	Engineering Services	123,887	480,500	455,631	148,756	24,869
19	Equipment	1,821,689	2,318,500	3,697,950	442,239	(1,379,450)
20	General Insurance	880,314	4,048,046	4,035,378	892,982	12,668
21	Sewer	4,158,969	6,874,351	7,520,411	3,512,909	(646,060)
22	Water	2,303,174	6,467,299	5,922,421	2,848,052	544,878
	Total All Budgeted Funds	$ 20,114,091	$ 52,231,179	$ 56,107,553	$ 16,237,717	$ (3,876,374)

CITY OF MUSKEGON
GENERAL FUND

HISTORICAL SUMMARY

Year		Revenues & Transfers In		Expenditures & Transfers Out		Fund Balance at Year-End
2000	$	23,685,516	$	22,232,657	$	2,951,734
2001		23,446,611		23,235,978		3,162,367
2002		23,617,163		23,971,534		2,807,996
2003		23,328,756		23,705,334		2,431,418
2004		23,401,793		23,388,019		2,445,192
2005		23,732,641		23,658,227		2,519,606
2006		24,669,210		24,498,776		2,690,040
2007		25,031,403		24,800,810		2,920,633
2008		25,563,632		26,100,539		2,383,726
2009		24,105,019		24,850,082		1,638,663
2010*		16,142,764		11,742,973		6,038,454
2010-11		24,029,686		25,556,758		4,511,382
2011-12		24,126,111		23,617,448		5,020,045
2012-13		23,628,056		22,708,893		5,653,558

Fiscal 2013-14 Budget Summary

FUND BALANCE AT START OF YEAR		$ 5,653,558
MEANS OF FINANCING:		
Taxes	14,630,752	62.8%
Licenses and Permits	1,328,000	5.7%
Federal Grants	42,675	0.2%
State Grants	15,000	0.1%
State Shared Revenue	3,806,443	16.3%
Other Charges	2,413,815	10.4%
Fines and Fees	417,000	1.8%
Other Revenue	429,313	1.8%
Other Financing Sources	203,249	0.9%
	23,286,247	100.0%
ESTIMATED REQUIREMENTS:		
Customer Value Added Activities	18,421,424	76.3%
Business Value Added Activities	4,090,924	16.9%
Fixed Budget Items	1,630,702	6.8%
	24,143,050	100.0%
ESTIMATED FUND BALANCE AT END OF YEAR		$ 4,796,755
OPERATING DEFICIT (USE OF FUND BALANCE)		$ (856,803)

**** Six-month transition period to new fiscal year***

City of Muskegon
Annual Budget & Quarterly Budget Reforecast - General Fund

Account	Description	Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From Original
	Available Fund Balance - BOY	$ 4,511,382	$ 5,020,045	$ 5,552,504	$ 5,653,558	$ 4,511,382	**$ 5,653,558**	$ 101,054
	Taxes							
101-00000-4100	PROPERTY TAX	6,275,258	5,686,870	5,429,962	-	-	**5,429,962**	-
101-00000-4101	CHARGE BACK COLLECTED	3	-	200	-	-	**200**	-
101-00000-4102	IN LIEU OF TAX	95,805	96,346	95,000	-	-	**95,000**	-
101-00000-4103	IFT/CFT TAX	84,332	58,087	76,421	-	-	**76,421**	-
101-00000-4104	PROPERTY TAX SANITATION	1,638,466	1,484,252	1,429,169	-	-	**1,429,169**	-
101-00000-4140	INCOME TAX	7,412,804	7,506,472	7,600,000	1,780,003	1,760,256	**7,600,000**	-
		$ 15,506,668	$ 14,832,026	$ 14,630,752	$ 1,780,003	$ 1,760,256	**$ 14,630,752**	$ -
	Licenses and permits							
101-00000-4202	BUSINESS LICENSES & PERMITS	30,642	31,623	29,500	4,585	5,573	**29,500**	-
101-00000-4203	LIQUOR LICENSES & TAX REBATE	46,039	44,955	45,000	34,390	30,268	**45,000**	-
101-00000-4204	CABLE TV LICENSES OR FEES	342,376	358,785	350,000	-	-	**350,000**	-
101-00000-4205	HOUSING LICENSES	39,885	45,575	48,000	7,220	9,545	**48,000**	-
101-00000-4206	INSPECTION FEE	30	190	-	(60)	-	**-**	-
101-00000-4207	CEMETERY-BURIAL PERMITS	87,768	89,170	110,000	23,205	23,167	**110,000**	-
101-00000-4208	BUILDING PERMITS	264,201	278,166	255,000	100,274	57,413	**300,000**	45,000
101-00000-4209	ELECTRICAL PERMITS	84,907	67,128	82,000	26,984	16,803	**100,000**	18,000
101-00000-4210	PLUMBING PERMITS	26,884	26,519	31,000	15,483	6,528	**45,000**	14,000
101-00000-4211	HEATING PERMITS	55,169	62,305	60,000	18,113	13,889	**65,000**	5,000
101-00000-4212	POLICE GUN REGISTRATION	-	-	-	1,400	-	**2,500**	2,500
101-00000-4213	RENTAL PROPERTY REGISTRATION	123,075	117,535	120,000	40,585	27,650	**120,000**	-
101-00000-4221	VACANT BUILDING FEE	112,058	108,284	100,000	21,590	22,430	**100,000**	-
101-00000-4224	TEMPORARY LIQUOR LICENSE	10,000	8,050	15,000	1,325	1,750	**13,000**	(2,000)
		$ 1,223,033	$ 1,238,284	$ 1,245,500	$ 295,094	$ 215,015	**$ 1,328,000**	$ 82,500
	Federal grants							
101-00000-4300	FEDERAL GRANTS	152,300	117,324	42,675	-	38,940	**42,675**	-
		$ 152,300	$ 117,324	$ 42,675	$ -	$ 38,940	**$ 42,675**	$ -
	State grants							
101-00000-4400	STATE GRANTS	14,295	13,819	15,000	-	-	**15,000**	-
		$ 14,295	$ 13,819	$ 15,000	$ -	$ -	**$ 15,000**	$ -
	State shared revenue							
101-00000-4502	STATE SALES TAX CONSTITUTIONAL	2,612,928	2,667,026	2,742,356	-	-	**2,722,792**	(19,564)
101-00000-4503	STATE EVIP PAYMENTS	964,920	1,033,845	1,033,845	-	-	**1,083,651**	49,806
		$ 3,577,848	$ 3,700,871	$ 3,776,201	$ -	$ -	**$ 3,806,443**	$ 30,242
	Other charges for sales and services							
101-00000-4603	TAX COLLECTION FEE	289,361	267,293	245,300	37,490	-	**245,300**	-
101-00000-4604	GARBAGE COLLECTION	48,851	46,624	48,000	8,053	9,109	**48,000**	-
101-00000-4606	ADMINISTRATION FEES	225,000	250,000	250,000	62,500	62,500	**250,000**	-
101-00000-4607	REIMBURSEMENT ELECTIONS	13,640	329	15,500	331	123	**15,500**	-
101-00000-4608	INDIRECT COST ALLOCATION	1,144,020	1,171,536	984,445	245,776	292,884	**984,445**	-

City of Muskegon
Annual Budget & Quarterly Budget Reforecast - General Fund

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From Original
101-00000-4609	PROCUREMENT CARD REBATE	37,689	54,556	54,000	-	-	**54,000**	-
101-00000-4611	SPECIAL EVENTS REIMBURSEMENT	95,788	66,596	75,000	78,948	50,037	**75,000**	-
101-00000-4612	CEMETERY SALE OF LOTS	24,592	31,482	25,000	10,553	7,874	**25,000**	-
101-00000-4614	REIMBURSEMENT LOT CLEAN UP	43,028	32,462	35,000	4,507	10,180	**35,000**	-
101-00000-4615	POLICE DEPARTMENT INCOME	42,421	67,322	45,000	22,685	11,218	**60,000**	15,000
101-00000-4617	FIRE DEPARTMENT INCOME	703	2,843	2,200	785	190	**2,500**	300
101-00000-4619	MISC. SALES AND SERVICES	2,801	2,452	3,000	-	(414)	**3,000**	-
101-00000-4620	FIRE PROTECTION-STATE PROP	137,127	117,776	84,970	500	-	**84,970**	-
101-00000-4621	ZONING & ENCROACHMENT FEES	11,855	11,164	11,000	5,220	1,445	**11,000**	-
101-00000-4622	MISC. CLERK FEES	1,365	2,827	2,800	338	831	**2,800**	-
101-00000-4624	TAX ABATEMENT APPLICATION FEES	3,439	5,904	6,000	500	2,284	**6,000**	-
101-00000-4625	MISC. TREAS. FEES	44,502	42,948	50,000	3,072	1,932	**50,000**	-
101-00000-4631	REIMBURSEMENT SCHOOL OFFICER	15,450	25,276	24,500	-	6,180	**24,500**	-
101-00000-4633	OBSOLETE PROPERTY FEES	200	-	-	250	-	**-**	-
101-00000-4634	PASSPORTS	3,790	4,160	3,500	925	495	**3,500**	-
101-00000-4635	START UP CHARGE/REFUSE	9,343	10,615	10,000	1,650	2,970	**10,000**	-
101-00000-4636	REFUSE BAG & BULK SALES	28,878	23,852	23,000	6,756	7,148	**23,000**	-
101-00000-4637	APPLIANCE STICKER	232	25	300	25	-	**300**	-
101-00000-4642	LIEN LOOK UPS	17,180	15,700	15,000	2,770	4,230	**15,000**	-
101-00000-4648	FALSE ALARM FEES/POLICE	10,680	5,265	13,000	2,445	-	**10,000**	(3,000)
101-00000-4649	CEMETERY-MISC. INCOME	61,645	17,369	20,000	3,911	4,866	**20,000**	-
101-00000-4650	SENIOR CITIZENS TRANSPORTATION	11,123	8,382	-	50	4,125	**-**	-
101-00000-4651	REIMBURSEMENT LOT MOWING	58,740	43,648	50,000	11,699	14,434	**50,000**	-
101-00000-4656	SITE PLAN REVIEW	3,400	3,600	3,500	200	700	**3,500**	-
101-00000-4657	COLUMBARIUM NICHE	79	1,725	1,000	-	800	**1,000**	-
101-00000-4658	IMPOUND FEES	40,920	38,844	42,000	8,750	8,394	**42,000**	-
101-00000-4660	MISC RECREATION INCOME	6,551	6,667	6,500	2,412	1,350	**6,500**	-
101-00000-4661	LEASE GREAT LAKES NAVAL MEMORIAL	15,000	15,000	15,000	5,000	3,750	**15,000**	-
101-00000-4663	FLEA MARKET AT FARMERS MARKET	28,664	30,935	35,000	14,750	15,702	**35,000**	-
101-00000-4664	FARMERS MARKET INCOME	47,805	42,599	40,000	29,608	23,932	**40,000**	-
101-00000-4665	LEASE BILLBOARDS	6,800	6,800	6,800	-	-	**6,800**	-
101-00000-4670	PICNIC SHELTER	21,485	19,600	35,000	5,895	1,975	**35,000**	-
101-00000-4671	MCGRAFT PARK	48,213	61,053	46,000	1,970	400	**46,000**	-
101-00000-4673	RENTAL - CENTRAL DISPATCH	43,526	44,938	45,000	8,345	8,430	**45,000**	-
101-00000-4674	RENTAL - CITY HALL	6,600	16,244	19,200	5,792	2,400	**19,200**	-
101-00000-4675	RENTALS - BEACH	9,491	2,500	10,000	2,500	-	**10,000**	-
		$ 2,661,976	$ 2,618,909	$ 2,401,515	$ 596,960	$ 562,473	**$ 2,413,815**	$ 12,300

Fines and fees

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From Original
101-00000-4701	INCOME TAX-PENALTY & INTEREST	191,679	174,801	175,000	33,950	39,765	**175,000**	-
101-00000-4702	DELINQUENT FEES	24,051	30,872	40,000	-	-	**40,000**	
101-00000-4703	INTEREST/LATE INVOICES	-	-	-	12	-	**-**	-
101-00000-4704	PENALTIES/INTEREST/FINES	2,328	2,318	2,000	538	601	**2,000**	-
101-00000-4754	TRAFFIC FINES & FEES	105,995	77,803	90,000	15,260	25,225	**70,000**	(20,000)
101-00000-4755	COURT FEES	123,926	125,184	130,000	14,593	19,477	**130,000**	-
		$ 447,978	$ 410,978	$ 437,000	$ 64,353	$ 85,068	**$ 417,000**	$ (20,000)

City of Muskegon
Annual Budget & Quarterly Budget Reforecast - General Fund

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From Original
	Other revenue							
101-00000-4800	MISC. & SUNDRY	13,994	9,208	5,000	709	193	**5,000**	-
101-00000-4802	REIMB:DEMOS AND BOARD-UPS	9,227	10,639	10,000	1,607	6,155	**8,000**	(2,000)
101-00000-4803	CDBG PROGRAM REIMBURSEMENTS	415,322	333,929	326,288	-	18,115	**326,288**	-
101-00000-4805	CONTRIBUTIONS	2,596	3,755	11,000	1,200	960	**11,000**	-
101-00000-4806	BIKE/PROPERTY AUCTIONS-POLICE	10,598	6,058	2,000	-	200	**2,000**	-
101-00000-4811	FISHERMANS LANDING REIMBURSEMENT	16,775	17,471	16,500	-	-	**16,500**	-
101-00000-4814	PROMOTIONAL PRODUCTS	22	25	25	109	-	**25**	-
101-00000-4818	RECOVERY OF BAD DEBT	1,763	7,122	7,000	125	291	**7,000**	-
101-00000-4821	CONTRIBUTIONS/GRANTS	-	2,250	22,000	-	-	**22,000**	-
101-00000-4823	CONTRIBUTIONS - DISC GOLF COURSE IMPROVE	1,280	4,480	-	-	1,600	**-**	-
101-00000-4825	CONTRIBUTIONS - VETERAN'S PARK MAINT	18,502	16,155	16,500	-	-	**16,500**	-
101-00000-4829	COMMUNITY FOUNDATION GRANT - MCGRAFT PARI	-	4,800	-	-	-	**-**	-
101-00000-4841	GRANT: COMMUNITY FOUNDATION	10,000	10,000	15,000	15,000	-	**15,000**	-
		$ 500,079	$ 425,892	$ 431,313	$ 18,750	$ 27,513	**$ 429,313**	$ (2,000)
	Interest & Operating Transfers							
101-00000-4902	OP. TRANS FROM SPECIAL REVENUE	13,828	52,995	79,249	-	2,500	**79,249**	-
101-00000-4903	OP. TRANS FROM DEBT SERVICE	50,000	50,000	50,000	12,500	12,500	**50,000**	-
101-00000-4904	OP. TRANS FROM CAPITAL PROJECTS	1,125	-	-	-	-	**-**	-
101-00000-4906	OP. TRANS FROM INTERNAL SERVICE FUND	-	200,000	-	-	200,000	**-**	-
101-00000-4908	OP. TRANS FROM NONEXPENDABLE	2,226	20,653	23,000	-	2,950	**23,000**	-
101-00000-4970	INTEREST INCOME	9,378	69,568	50,000	(1,338)	3,380	**50,000**	-
101-00000-4971	UNREALIZED GAIN (LOSS) ON INVESTMENT	(34,662)	(123,263)	-	(32,087)	(16,772)	**-**	-
101-00000-4980	SALE OF FIXED ASSETS	-	-	1,000	-	-	**1,000**	-
		$ 41,895	$ 269,953	$ 203,249	$ (20,925)	$ 204,558	**$ 203,249**	$ -
	Total general fund revenues and other sources	$ 24,126,073	$ 23,628,056	$ 23,183,205	$ 2,734,235	$ 2,893,822	**$ 23,286,247**	$ 103,042

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
	I. Customer Value Added Activities							
40301	**Police Department**							
5100	SALARIES & BENEFITS	7,570,540	7,650,897	7,844,317	1,628,190	1,708,218	**7,844,317**	-
5200	SUPPLIES	76,955	63,751	97,280	14,443	17,162	**97,280**	-
5300	CONTRACTUAL SERVICES	875,146	893,404	818,350	196,207	230,704	**818,350**	-
5400	OTHER EXPENSES	21,781	16,611	15,000	1,542	3,781	**15,000**	-
5700	CAPITAL OUTLAYS	7,132	17,591	22,600	326	4,410	**33,200**	10,600
		$ 8,551,554	$ 8,642,254	$ 8,797,547	$ 1,840,708	$ 1,964,275	**$ 8,808,147**	$ 10,600
		$ 8,551,554	$ 8,642,254	$ 8,797,547	$ 1,840,708	$ 1,964,275	**$ 8,808,147**	$ 10,600
50336	**Fire Department**							
5100	SALARIES & BENEFITS	3,259,426	2,842,619	3,031,120	661,777	600,994	**3,031,120**	-
5200	SUPPLIES	98,384	103,835	83,000	20,031	20,021	**83,000**	-
5300	CONTRACTUAL SERVICES	201,406	420,775	401,900	98,051	92,557	**401,900**	-
5400	OTHER EXPENSES	2,182	3,514	3,850	1,750	1,676	**7,000**	3,150
5700	CAPITAL OUTLAYS	57,270	42,880	56,400	2,159	8,978	**56,400**	-
		$ 3,618,668	$ 3,413,623	$ 3,576,270	$ 783,768	$ 724,226	**$ 3,579,420**	$ 3,150
50338	**New Central Fire Station**							
5100	SALARIES & BENEFITS	-	-	-	-	-	**-**	-
5200	SUPPLIES	-	-	-	-	-	**-**	-
5300	CONTRACTUAL SERVICES	56,009	58,416	60,000	8,931	9,506	**60,000**	-
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 56,009	$ 58,416	$ 60,000	$ 8,931	$ 9,506	**$ 60,000**	$ -
50387	**Fire Safety Inspections**							
5100	SALARIES & BENEFITS	463,384	164,533	102,067	-	96,424	**102,067**	-
5200	SUPPLIES	5,951	1,547	-	118	1,255	**1,000**	1,000
5300	CONTRACTUAL SERVICES	128,447	306,646	342,400	10,918	7,368	**400,000**	57,600
5400	OTHER EXPENSES	3,973	950	-	-	941	**-**	-
5700	CAPITAL OUTLAYS	1,708	(742)	-	-	-	**-**	-
		$ 603,463	$ 472,934	$ 444,467	$ 11,036	$ 105,988	**$ 503,067**	$ 58,600
		$ 4,278,140	$ 3,944,973	$ 4,080,737	$ 803,735	$ 839,720	**$ 4,142,487**	$ 61,750
60523	**General Sanitation**							
5100	SALARIES & BENEFITS	30,917	19,689	14,044	4,007	4,240	**14,044**	-
5200	SUPPLIES	16	-	-	-	-	**-**	-
5300	CONTRACTUAL SERVICES	1,530,445	1,522,242	1,679,514	133,943	236,193	**1,679,514**	-
5400	OTHER EXPENSES	-	-	-			**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
5900	OTHER FINANCING USES	200,000	200,000	200,000	50,000	50,000	**200,000**	-
		$ 1,761,378	$ 1,741,931	$ 1,893,558	$ 187,950	$ 290,433	**$ 1,893,558**	$ -
60550	**Stormwater Management**							
5100	SALARIES & BENEFITS	-	-	-	-	-	**-**	-
5200	SUPPLIES	198	-	-	-	-	**-**	-
5300	CONTRACTUAL SERVICES	13,072	12,994	15,000	-	-	**15,000**	-
5400	OTHER EXPENSES	-	-	-			**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 13,270	$ 12,994	$ 15,000	$ -	$ -	**$ 15,000**	$ -
60448	**Streetlighting**							

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
5100	SALARIES & BENEFITS	-	-	-	-	-	**-**	-
5200	SUPPLIES	-	-	-	-	-	**-**	-
5300	CONTRACTUAL SERVICES	560,199	655,118	650,000	108,630	110,523	**650,000**	-
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	5,000	-	-	**5,000**	-
		$ 560,199	$ 655,118	$ 655,000	$ 108,630	$ 110,523	**$ 655,000**	$ -
60707	**Senior Citizen Transit**							
5100	SALARIES & BENEFITS	65,909	31,420	3,771	725	13,389	**3,771**	-
5200	SUPPLIES	-	-	-	-	-	**-**	-
5300	CONTRACTUAL SERVICES	10,400	10,396	40,000	5,000	2,400	**35,000**	(5,000)
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 76,309	$ 41,816	$ 43,771	$ 5,725	$ 15,789	**$ 38,771**	$ (5,000)
60446	**Community Event Support**							
5100	SALARIES & BENEFITS	14,857	13,668	10,000	5,041	2,857	**10,000**	-
5200	SUPPLIES	58	1,015	800	75	443	**800**	-
5300	CONTRACTUAL SERVICES	5,297	4,586	10,000	5,446	455	**10,000**	-
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 20,212	$ 19,269	$ 20,800	$ 10,562	$ 3,755	**$ 20,800**	$ -
70751	**Parks Maintenance**							
5100	SALARIES & BENEFITS	353,705	342,929	386,722	76,231	75,403	**386,722**	-
5200	SUPPLIES	65,534	54,898	89,720	23,347	19,282	**89,720**	-
5300	CONTRACTUAL SERVICES	620,372	603,317	651,937	174,748	199,397	**651,937**	-
5400	OTHER EXPENSES	102	4	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	10,673	8,314	6,000	565	-	**6,000**	-
		$ 1,050,386	$ 1,009,462	$ 1,134,379	$ 274,891	$ 294,082	**$ 1,134,379**	$ -

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
70757	**Mc Graft Park Maintenance**							
5100	SALARIES & BENEFITS	6,934	3,935	8,095	2,187	465	**8,095**	-
5200	SUPPLIES	3,479	2,851	3,250	2,004	591	**3,250**	-
5300	CONTRACTUAL SERVICES	29,358	15,456	33,850	9,835	6,839	**33,650**	(200)
5400	OTHER EXPENSES	106	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	106	1,220	-	180	-	**200**	200
		$ 39,982	$ 23,462	$ 45,195	$ 14,206	$ 7,895	**$ 45,195**	$ -
70276	**Cemeteries Maintenance**							
5100	SALARIES & BENEFITS	106,333	89,049	80,894	17,005	22,485	**80,894**	-
5200	SUPPLIES	6,975	5,258	6,810	2,350	1,291	**6,810**	-
5300	CONTRACTUAL SERVICES	247,644	259,567	256,806	91,622	94,729	**256,806**	-
5400	OTHER EXPENSES	-	1,563	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	7,594	7,466	7,000	-	135	**7,000**	-
		$ 368,546	$ 362,903	$ 351,510	$ 110,977	$ 118,640	**$ 351,510**	$ -
70585	**Parking Operations**							
5100	SALARIES & BENEFITS	830	1,076	1,200	215	-	**1,200**	-
5200	SUPPLIES	-	-	-	150	-	**200**	200
5300	CONTRACTUAL SERVICES	3,654	4,189	4,000	979	914	**3,800**	(200)
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 4,484	$ 5,265	$ 5,200	$ 1,344	$ 914	**$ 5,200**	$ -
70357	**Graffiti Removal**							
5100	SALARIES & BENEFITS	4,312	3,122	4,000	607	558	**4,000**	-
5200	SUPPLIES	513	91	200	-	67	**200**	-
5300	CONTRACTUAL SERVICES	265	640	4,661	278	383	**4,661**	-
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 5,090	$ 3,853	$ 8,861	$ 885	$ 1,008	**$ 8,861**	$ -
70863	**Farmers' Market & Flea Market**							
5100	SALARIES & BENEFITS	20,918	27,276	25,370	8,519	8,170	**25,370**	-
5200	SUPPLIES	2,197	2,913	2,700	-	1,341	**2,700**	-
5300	CONTRACTUAL SERVICES	30,953	33,051	31,188	11,929	11,539	**31,188**	-
5400	OTHER EXPENSES	45	25	100	-	-	**100**	-
5700	CAPITAL OUTLAYS	294	-	2,000	22	-	**2,000**	-
		$ 54,407	$ 63,265	$ 61,358	$ 20,470	$ 21,050	**$ 61,358**	$ -
		$ 3,954,262	$ 3,939,338	$ 4,234,632	$ 735,640	$ 864,089	**$ 4,229,632**	$ (5,000)

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
70775	**General Recreation**							
5100	SALARIES & BENEFITS	-	3,062	-	-	99	**-**	-
5200	SUPPLIES	230	96	200	-	-	**200**	-
5300	CONTRACTUAL SERVICES	108,784	92,786	95,700	38,081	38,804	**95,700**	-
5400	OTHER EXPENSES	51	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 109,065	$ 95,944	$ 95,900	$ 38,081	$ 38,903	**$ 95,900**	$ -
80387	**Environmental Services**							
5100	SALARIES & BENEFITS	337,789	331,404	357,849	80,936	65,171	**357,849**	-
5200	SUPPLIES	10,247	10,649	8,300	1,906	2,522	**8,300**	-
5300	CONTRACTUAL SERVICES	191,979	194,996	233,240	82,072	82,184	**233,240**	-
5400	OTHER EXPENSES	228	547	2,000	-	-	**2,000**	-
5700	CAPITAL OUTLAYS	1,422	3,897	3,500	2,486	108	**3,500**	-
		$ 541,665	$ 541,493	$ 604,889	$ 167,400	$ 149,985	**$ 604,889**	$ -
		$ 650,729	$ 637,437	$ 700,789	$ 205,481	$ 188,888	**$ 700,789**	$ -
10875	**Other - Contributions to Outside Agencies**							
	MUSKEGON AREA TRANSIT (MATS)	80,164	80,164	77,460	32,432	11,392	**77,460**	-
	NEIGHBORHOOD ASSOCIATION GRANTS	17,738	17,738	21,000	-	-	**21,000**	-
	MUSKEGON AREA FIRST	45,566	45,566	45,660	-	-	**45,660**	-
	VETERANS MEMORIAL DAY COSTS	-	4,463	7,000	-	-	**7,000**	-
	WEST MI ECONOMIC DEVELOPMENT PARTNERSHIP	-	-	3,000	-	-	**3,000**	-
	DOWNTOWN MUSKEGON NOW	-	42,995	79,249	-	-	**79,249**	-
	LAKESIDE BUSINESS DISTRICT	2,500	2,500	2,500	-	-	**2,500**	-
	211 SERVICE	2,500	2,500	2,500	-	-	**2,500**	-
	MLK DIVERSITY PROGRAM	1,000	1,000	1,000	-	-	**1,000**	-
	MUSKEGON AREA LABOR MANAGEMENT (MALMC)	-	1,000	1,000	-	-	**1,000**	-
	SUPPLEMENTAL MERS CONTRIBUTION	-	-	-	-	-	**300,000**	300,000
	Contributions To Outside Agencies	$ 149,468	$ 197,926	$ 240,369	$ 32,432	$ 11,392	**$ 540,369**	$ 300,000
		$ 149,468	$ 197,926	$ 240,369	$ 32,432	$ 11,392	**$ 540,369**	$ 300,000
	Total Customer Value Added Activities	$ 17,584,153	$ 17,361,928	$ 18,054,074	$ 3,617,996	$ 3,868,364	**$ 18,421,424**	$ 367,350
	As a Percent of Total General Fund Expenditures	**74.5%**	**76.5%**	**75.9%**	**72.1%**	**73.3%**	**76.3%**	

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
	II. Business Value Added Activities							
10101	**City Commission**							
5100	SALARIES & BENEFITS	67,018	66,891	66,778	14,291	13,713	**66,778**	-
5200	SUPPLIES	6,880	8,515	11,000	8,517	8,386	**11,000**	-
5300	CONTRACTUAL SERVICES	3,201	14,961	14,500	9,067	291	**14,500**	-
5400	OTHER EXPENSES	1,436	847	2,000	705	90	**2,000**	-
5700	CAPITAL OUTLAYS	4,371	2,295	1,500	240	1,546	**1,500**	-
		$ 82,906	$ 93,509	$ 95,778	$ 32,820	$ 24,026	**$ 95,778**	$ -
10102	**City Promotions & Public Relations**							
5100	SALARIES & BENEFITS	-	-	-	-	-	**-**	-
5200	SUPPLIES	1,067	474	350	198	92	**350**	-
5300	CONTRACTUAL SERVICES	6,146	9,357	9,000	861	120	**9,000**	-
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 7,214	$ 9,831	$ 9,350	$ 1,059	$ 212	**$ 9,350**	$ -
10172	**City Manager**							
5100	SALARIES & BENEFITS	261,589	263,747	261,736	54,061	54,290	**261,736**	-
5200	SUPPLIES	1,297	538	1,400	1,096	67	**1,400**	-
5300	CONTRACTUAL SERVICES	7,032	4,196	7,500	660	2,841	**7,500**	-
5400	OTHER EXPENSES	2,225	336	-	927	(26)	**-**	-
5700	CAPITAL OUTLAYS	1,166	1,092	1,000	-	-	**1,000**	-
		$ 273,309	$ 269,909	$ 271,636	$ 56,744	$ 57,172	**$ 271,636**	$ -
10145	**City Attorney**							
5100	SALARIES & BENEFITS	-	-	-	-	-	**-**	-
5200	SUPPLIES	-	830	2,000	850	830	**2,000**	-
5300	CONTRACTUAL SERVICES	354,865	320,106	340,000	77,204	86,195	**340,000**	-
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 354,865	$ 320,936	$ 342,000	$ 78,054	$ 87,025	**$ 342,000**	$ -
		$ 718,294	$ 694,185	$ 718,764	$ 168,677	$ 168,435	**$ 718,764**	$ -
20228	**Affirmative Action**							
5100	SALARIES & BENEFITS	80,618	79,907	79,488	17,910	17,033	**79,488**	-
5200	SUPPLIES	264	239	750	35	64	**750**	-
5300	CONTRACTUAL SERVICES	1,785	1,051	1,627	150	217	**1,627**	-
5400	OTHER EXPENSES	319	151	800	5	17	**800**	-
5700	CAPITAL OUTLAYS	-	1,092	2,350	1,627	-	**2,350**	-
		$ 82,987	$ 82,440	$ 85,015	$ 19,727	$ 17,331	**$ 85,015**	$ -

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
20215	**City Clerk & Elections**							
5100	SALARIES & BENEFITS	243,389	266,352	266,716	60,888	61,527	**266,716**	-
5200	SUPPLIES	25,026	32,880	35,040	7,933	12,208	**35,040**	-
5300	CONTRACTUAL SERVICES	11,797	29,335	31,684	10,108	7,910	**31,684**	-
5400	OTHER EXPENSES	2,367	2,497	2,500	106	594	**2,500**	-
5700	CAPITAL OUTLAYS	6,380	6,189	1,000	-	-	**1,000**	-
		$ 288,959	$ 337,253	$ 336,940	$ 79,035	$ 82,239	**$ 336,940**	$ -
20220	**Civil Service**							
5100	SALARIES & BENEFITS	4,245	3,429	-	-	3,429	**-**	-
5200	SUPPLIES	3,810	-	500	-	-	**500**	-
5300	CONTRACTUAL SERVICES	88,071	82,446	85,050	19,898	19,477	**85,050**	-
5400	OTHER EXPENSES	2,418	2,563	2,800	-	-	**2,800**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 98,543	$ 88,438	$ 88,350	$ 19,898	$ 22,906	**$ 88,350**	$ -
		$ 470,489	$ 508,131	$ 510,305	$ 118,660	$ 122,476	**$ 510,305**	$ -
30202	**Finance Administration**							
5100	SALARIES & BENEFITS	278,978	187,092	193,021	38,250	39,731	**193,021**	-
5200	SUPPLIES	2,933	2,961	2,970	460	640	**2,970**	-
5300	CONTRACTUAL SERVICES	133,853	172,202	174,300	31,646	36,530	**174,300**	-
5400	OTHER EXPENSES	1,505	1,166	500	226	210	**500**	-
5700	CAPITAL OUTLAYS	3,834	725	500	-	-	**500**	-
		$ 421,103	$ 364,146	$ 371,291	$ 70,582	$ 77,111	**$ 371,291**	$ -
30209	**Assessing Services**							
5100	SALARIES & BENEFITS	3,126	3,312	4,500	494	405	**4,500**	-
5200	SUPPLIES	-	-	-	-	-	**-**	-
5300	CONTRACTUAL SERVICES	422,034	326,878	321,700	74,580	88,592	**321,700**	-
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	-	-	-	-	-	**-**	-
		$ 425,160	$ 330,190	$ 326,200	$ 75,074	$ 88,997	**$ 326,200**	$ -
30805	**Arena Administration**							
5100	SALARIES & BENEFITS	-	-	-	-	-	**-**	-
5200	SUPPLIES	-	-	-	-	-	**-**	-
5300	CONTRACTUAL SERVICES	238,492	237,423	238,000	235,000	235,000	**238,000**	-
5400	OTHER EXPENSES	-	-	-	-	-	**-**	-
5700	CAPITAL OUTLAYS	1,599	1,538	1,550	-	-	**1,550**	-
		$ 240,091	$ 238,961	$ 239,550	$ 235,000	$ 235,000	**$ 239,550**	$ -

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
30205	**Income Tax Administration**							
5100	SALARIES & BENEFITS	349,617	310,903	337,493	68,983	65,706	**337,493**	-
5200	SUPPLIES	11,035	7,917	10,760	1,258	698	**10,760**	-
5300	CONTRACTUAL SERVICES	66,871	68,153	70,550	6,686	7,987	**70,550**	-
5400	OTHER EXPENSES	792	318	1,000	-	-	**1,000**	-
5700	CAPITAL OUTLAYS	4,081	1,475	2,500	-	-	**2,500**	-
		$ 432,397	$ 388,766	$ 422,303	$ 76,927	$ 74,391	**$ 422,303**	$ -
30253	**City Treasurer**							
5100	SALARIES & BENEFITS	318,736	301,576	298,022	63,328	67,018	**298,022**	-
5200	SUPPLIES	65,720	69,608	66,000	13,311	13,099	**66,000**	-
5300	CONTRACTUAL SERVICES	126,643	111,392	109,000	19,667	25,149	**109,000**	-
5400	OTHER EXPENSES	343	882	800	-	-	**800**	-
5700	CAPITAL OUTLAYS	5,710	51	1,000	-	51	**1,000**	-
		$ 517,152	$ 483,509	$ 474,822	$ 96,306	$ 105,317	**$ 474,822**	$ -
30248	**Information Systems Administration**							
5100	SALARIES & BENEFITS	301,869	308,966	314,865	64,436	62,693	**314,865**	-
5200	SUPPLIES	481	159	2,156	-	41	**2,156**	-
5300	CONTRACTUAL SERVICES	31,224	25,747	44,284	20,468	2,671	**44,284**	-
5400	OTHER EXPENSES	4,114	6,947	12,000	-	106	**12,000**	-
5700	CAPITAL OUTLAYS	33,513	49,526	13,731	9,737	17,924	**13,731**	-
		$ 371,201	$ 391,345	$ 387,036	$ 94,641	$ 83,435	**$ 387,036**	$ -
		$ 2,407,105	$ 2,196,917	$ 2,221,202	$ 648,530	$ 664,251	**$ 2,221,202**	$ -
60265	**City Hall Maintenance**							
5100	SALARIES & BENEFITS	39,062	41,519	34,267	8,768	7,525	**34,267**	-
5200	SUPPLIES	10,126	11,581	13,275	1,400	2,492	**13,275**	-
5300	CONTRACTUAL SERVICES	178,543	183,702	230,600	27,555	38,973	**230,600**	-
5400	OTHER EXPENSES	191	-	500	-	-	**500**	-
5700	CAPITAL OUTLAYS	7,164	7,495	6,900	875	3,192	**6,900**	-
		$ 235,086	$ 244,297	$ 285,542	$ 38,598	$ 52,182	**$ 285,542**	$ -
		$ 235,086	$ 244,297	$ 285,542	$ 38,598	$ 52,182	**$ 285,542**	$ -

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
80400	**Planning, Zoning and Economic Development**							
5100	SALARIES & BENEFITS	267,122	276,971	283,841	58,545	57,555	**283,841**	-
5200	SUPPLIES	2,759	3,228	4,000	724	403	**4,000**	-
5300	CONTRACTUAL SERVICES	19,914	15,171	61,770	7,554	4,040	**61,770**	-
5400	OTHER EXPENSES	1,272	2,418	3,000	783	675	**3,000**	-
5700	CAPITAL OUTLAYS	1,848	2,434	2,500	1,278	1,233	**2,500**	-
		$ 292,915	$ 300,222	$ 355,111	$ 68,884	$ 63,906	**$ 355,111**	$ -
		$ 292,915	$ 300,222	$ 355,111	$ 68,884	$ 63,906	**$ 355,111**	$ -
	Total Business Value Added Activities	$ 4,123,889	$ 3,943,752	$ 4,090,924	$ 1,043,349	$ 1,071,250	**$ 4,090,924**	$ -
	As a Percent of Total General Fund Expenditures	**17.5%**	**17.4%**	**17.2%**	**20.8%**	**20.3%**	**16.9%**	
	III. Fixed Budget Items							
30999	**Transfers To Other Funds**							
	MAJOR STREET FUND	-	250,000	-	-	-	**-**	-
	LOCAL STREET FUND	280,000	280,000	540,000	135,000	110,000	**540,000**	-
	ENGINEERING	75,000	-	-	-	-	**-**	-
	SIDEWALK	-	-	-	-	-	**-**	-
	PUBLIC IMPROVEMENT FIRE EQUIPMENT RESERVE	-	-	-	-	-	**-**	-
	ARENA MAINTENANCE	-	-	-	-	-	**-**	-
	STATE GRANTS	-	-	-	-	-	**-**	-
	LDFA DEBT SERVICE FUND (SMARTZONE)	100,000	160,000	160,000	40,000	-	**160,000**	-
	GENERAL INSURANCE	28,046	28,046	28,046	7,011	7,011	**28,046**	-
		$ 483,046	$ 718,046	$ 728,046	$ 182,011	$ 117,011	**$ 728,046**	$ -
30851	**General Insurance**	257,320	233,873	251,656	-	-	**251,656**	-
30906	**Debt Retirement**	281,954	279,678	280,000	173,473	174,873	**280,000**	-
10891	**Contingency and Bad Debt Expense**	513,590	65,933	250,000	416	2,575	**250,000**	-

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
90000	**Major Capital Improvements**	373,495	105,683	121,000	-	42,131	**121,000**	
91112	CHARGEPOINT CAR CHARGING	5,037	-	-	-	-	**-**	-
91301	MCGRAFT PARK IMPROVEMENTS	-	-	22,000	-	-	**22,000**	-
91302	VETERAN'S PARK UPGRADES	-	-	12,000	-	-	**12,000**	-
91303	PARKS IMPROVEMENTS: PM & BEUKEMA	-	-	20,000	-	-	**20,000**	-
91304	BOARDWALK REPAIRS	-	-	25,000	-	-	**25,000**	-
91116	ADA PROJECT 2011-2012	1,432	5,748	20,000	-	-	**20,000**	-
91118	MCGRAFT PARK ROOF & RESURFACE TENNIS COU	2,087	-	-	-	-	**-**	-
91119	CITY HALL TUCK POINTING & ROOF OVER PD	15,489	38,021	-	-	38,021	**-**	-
91120	VOIP PHONE SYSTEM	50,363	21,380	22,000	-	-	**22,000**	-
91125	BS&A FINANCIAL MANAGEMENT SOFTWARE	154,646	2,105	-	-	5	**-**	-
91129	JEFFERSON & APPLE CITY HALL PARKING LOT	6,196	28,056	-	-	3,604	**-**	-
91206	CITY HALL HVAC CLEANING	-	9,880	-	-	-	**-**	-
91305	CITY HALL WINDOWS	-	-	-	-	-	**-**	-
91130	CITY HALL TUCK POINTING/WINDOWS	1,817	-	-	-	-	**-**	-
99012	GIS TRAINING	4,169	-	-	-	-	**-**	-
99148	JAG GRANT	106,135	493	-	-	501	**-**	-
99152	DOJ JAG GRANT MUSKEGON HEIGHTS	26,126	-	-	-	-	**-**	-
	Total Fixed-Budget Items	$ 1,909,406	$ 1,403,213	$ 1,630,702	$ 355,900	$ 336,590	**$ 1,630,702**	$ -
	As a Percent of Total General Fund Expenditures	**8.1%**	**6.2%**	**6.9%**	**7.1%**	**6.4%**	**6.8%**	
	Total General Fund	$ 23,617,448	$ 22,708,893	$ 23,775,700	$ 5,017,245	$ 5,276,204	**$ 24,143,050**	$ 367,350

Recap: Total General Fund By Line Item Expenditure Classification

		Actual FY2012	Actual FY2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	**1Q Reforecast FY2014**	Increase (Decrease) From FY13 Reforecast
5100	Salaries & Benefits	$ 14,451,224	$ 13,635,344	$ 14,010,176	$ 2,935,394	$ 3,049,098	**$ 14,010,176**	$ -
5200	Operating Supplies	402,136	385,834	442,461	100,206	102,995	**443,661**	1,200
5300	Contractual Services	6,710,688	7,122,498	7,560,136	1,550,206	1,691,880	**7,912,336**	352,200
5400	Other Expenses	559,041	107,272	296,850	6,460	10,639	**300,000**	3,150
5700	Capital Outlays	529,359	260,221	258,031	19,495	79,708	**268,831**	10,800
5900	All Other Financing Uses	965,000	1,197,724	1,208,046	405,484	341,884	**1,208,046**	-
	Total General Fund	$ 23,617,448	$ 22,708,893	$ 23,775,700	$ 5,017,245	$ 5,276,204	**$ 24,143,050**	$ 367,350

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

202 Major Streets and State Trunklines Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 566,001	$ 2,507,008	$ 1,365,652	$ 2,153,684	$ 2,507,008	$ 2,153,684	**$ 788,032**	
	Means of Financing								
	Special assessments	$ 167,342	$ 125,674	$ 120,000	$ -	$ -	$ 120,000	**$ -**	
	Federal & state grants	1,377,820	796,438	1,005,000	-	-	1,005,000	**-**	
	State shared revenue	2,537,508	2,564,176	2,682,945	307,663	270,239	2,682,945	**-**	
	Interest income	34,829	24,246	25,000	681	2,017	25,000	**-**	
	Operating transfers in		250,000	-	-	-	-	**-**	
	Other	2,099,396	35,793	20,000	36,372	3,496	20,000	**-**	
		$ 6,216,895	$ 3,796,327	$ 3,852,945	$ 344,716	$ 275,752	$ 3,852,945	**$ -**	
60900	**Operating Expenditures**								
5100	Salaries & Benefits	$ 518,030	$ 548,724	$ 696,909	$ 100,176	$ 88,607	$ 696,909	**$ -**	
5200	Operating Supplies	241,072	173,777	259,200	22,872	11,853	259,200	**-**	
5300	Contractual Services	821,383	972,191	972,415	203,462	188,384	972,415	**-**	
5400	Other Expenses	11,295	22,340	500	-	-	500	**-**	
5700	Capital Outlays		-	-	-	-	-	**-**	
5900	Other Financing Uses	25,330	232,791	231,703	207,796	205,462	231,703	**-**	**Debt service on 2011 MTF bonds**
		$ 1,617,110	$ 1,949,823	$ 2,160,727	$ 534,306	$ 494,306	$ 2,160,727	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	2,658,778	2,199,828	2,755,000	614,407	98,730	2,755,000	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
		$ 2,658,778	$ 2,199,828	$ 2,755,000	$ 614,407	$ 98,730	$ 2,755,000	**$ -**	
		$ 4,275,888	$ 4,149,651	$ 4,915,727	$ 1,148,713	$ 593,036	$ 4,915,727	**$ -**	
	Available Fund Balance - EOY	$ 2,507,008	$ 2,153,684	$ 302,870	$ 1,349,687	$ 2,189,724	$ 1,090,902	**$ 788,032**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

203 Local Streets Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 663,340	$ 826,851	$ 161,357	$ 422,159	$ 826,851	$ 422,159	**$ 260,802**	
	Means of Financing								
	Special assessments	$ 109,166	$ 127,402	$ 90,000	$ -	$ -	$ 90,000	**$ -**	
	Federal & state grants	-	-	-	-	-	32,000	**32,000**	**CDBG Contribution**
	Metro act fees	140,850	143,669	140,000	-	-	140,000	**-**	
	State shared revenue	639,476	644,593	640,698	65,650	58,816	640,698	**-**	
	Interest income	27,090	18,057	20,000	392	1,443	20,000	**-**	
	Operating transfers in	480,000	680,000	740,000	185,000	320,000	740,000	**-**	**From General Fund**
	Other	2,410	5,899	15,000	5,609	581	15,000	**-**	
		$ 1,398,992	$ 1,619,620	$ 1,645,698	$ 256,651	$ 380,840	$ 1,677,698	**$ 32,000**	
60900	**Operating Expenditures**								
5100	Salaries & Benefits	$ 457,536	$ 417,786	$ 464,049	$ 71,005	$ 96,081	$ 464,049	**$ -**	
5200	Operating Supplies	64,067	114,772	140,000	10,877	19,986	140,000	**-**	
5300	Contractual Services	616,506	591,674	820,000	118,451	139,920	820,000	**-**	
5400	Other Expenses	4,046	(140)	500	-	13	500	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
		$ 1,142,155	$ 1,124,092	$ 1,424,549	$ 200,333	$ 256,000	$ 1,424,549	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	93,326	900,220	350,000	8,728	53,594	350,000	**-**	
		$ 93,326	$ 900,220	$ 350,000	$ 8,728	$ 53,594	$ 350,000	**$ -**	
		$ 1,235,481	$ 2,024,312	$ 1,774,549	$ 209,061	$ 309,594	$ 1,774,549	**$ -**	
	Available Fund Balance - EOY	$ 826,851	$ 422,159	$ 32,506	$ 469,749	$ 898,097	$ 325,308	**$ 292,802**	

257 Budget Stabilization Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 1,500,000	$ 1,500,000	$ 1,700,000	$ 1,700,000	$ 1,500,000	$ 1,700,000	**$ -**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	-	-	-	-	-	-	
	State shared revenue	-	-	-	-	-	-	-	
	Charges for services	-	-	-	-	-	-	-	
	Interest income	-	-	-	-	-	-	-	
	Operating transfers in - General Fund	-	-	-	-	-	-	-	
	Operating transfers in - TIFA Fund	-	-	-	-	-	-	-	
	Operating transfers in - Insurance Fund	-	200,000	-	-	200,000	-	-	
	Other	-	-	-	-	-	-	-	
		$ -	$ 200,000	$ -	$ -	$ 200,000	$ -	**$ -**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	-	
5300	Contractual Services	-	-	-	-	-	-	-	
5400	Other Expenses	-	-	-	-	-	-	-	
5700	Capital Outlays	-	-	-	-	-	-	-	
5900	Other Financing Uses	-	-	-	-	-	-	-	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	-	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Available Fund Balance - EOY	$ 1,500,000	$ 1,700,000	$ 1,700,000	$ 1,700,000	$ 1,700,000	$ 1,700,000	**$ -**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

264 Criminal Forfeitures Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 140,828	$ 149,174	$ 164,719	$ 172,578	$ 149,174	$ 172,578	**$ 7,859**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	-	-	-	-	-	-	**-**	
	Interest income	1,136	840	700	144	252	700	**-**	
	Operating transfers in - General Fund	-	-	-	-	-	-	**-**	
	Operating transfers in - TIFA Fund	-	-	-	-	-	-	**-**	
	Operating transfers in - Insurance Fund	-	-	-	-	-	-	**-**	
	Other	11,422	24,915	18,000	2,447	14,007	18,000	**-**	
		$ 12,558	$ 25,755	$ 18,700	$ 2,591	$ 14,259	$ 18,700	**$ -**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	3,933	2,286	5,000	-	8	7,500	**2,500**	**Records area security improvements**
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	279	65	-	-	-	-	**-**	
5900	Other Financing Uses	-	-	-	-	-	7,000	**7,000**	**Transfer to Equipment - grant match**
		$ 4,212	$ 2,351	$ 5,000	$ -	$ 8	$ 14,500	**$ 9,500**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	30	30	30	30	**-**	
		$ -	$ -	$ 30	$ 30	$ 30	$ 30	**$ -**	
		$ 4,212	$ 2,351	$ 5,030	$ 30	$ 38	$ 14,530	**$ 9,500**	
	Available Fund Balance - EOY	$ 149,174	$ 172,578	$ 178,389	$ 175,139	$ 163,395	$ 176,748	**$ (1,641)**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
285	**Tree Replacement Fund**								
	Available Fund Balance - BOY	$ 5,119	$ 4,999	$ 1,049	$ 1,479	$ 4,999	$ 1,479	**$ 430**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	2,000	5,000	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	-	-	-	-	-	-	**-**	
	Interest income	37	14	50	1	8	50	**-**	
	Operating transfers in - General Fund	-	-	-	-	-	-	**-**	
	Operating transfers in - TIFA Fund	-	-	-	-	-	-	**-**	
	Operating transfers in - Insurance Fund	-	-	-	-	-	-	**-**	
	Other	200	2,496	1,500	-	-	1,500	**-**	
		$ 2,237	$ 7,510	$ 1,550	$ 1	$ 8	$ 1,550	**$ -**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ 3,659	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	2,357	5,350	1,000	96	-	1,000	**-**	
5300	Contractual Services	-	2,021	-	-	-	-	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
		$ 2,357	$ 11,030	$ 1,000	$ 96	$ -	$ 1,000	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ 2,357	$ 11,030	$ 1,000	$ 96	$ -	$ 1,000	**$ -**	
	Available Fund Balance - EOY	$ 4,999	$ 1,479	$ 1,599	$ 1,384	$ 5,007	$ 2,029	**$ 430**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

295 Brownfield Redevelopment Authority (Betten Project)

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 65,349	$ (1,503,400)	$ (1,513,615)	$ (1,409,027)	$ (1,503,400)	$ (1,409,027)	**$ 104,588**	
	Means of Financing								
	Property taxes	$ 142,429	$ 156,765	$ 127,690	$ -	$ -	$ 127,690	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	-	-	-	-	-	-	**-**	
	Interest income	671	716	600	89	225	600	**-**	
	Operating transfers in - General Fund	-	-	-	-	-	-	**-**	
	Operating transfers in - TIFA Fund	-	-	-	-	-	-	**-**	
	Operating transfers in - Insurance Fund	-	-	-	-	-	-	**-**	
	Other	-	-	-	-	-	-	**-**	
		$ 143,100	$ 157,481	$ 128,290	$ 89	$ 225	$ 128,290	**$ -**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	1,698,021	-	-	-	-	-	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	13,828	63,108	157,580	25,277	29,475	157,580	**-**	
		$ 1,711,849	$ 63,108	$ 157,580	$ 25,277	$ 29,475	$ 157,580	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ 1,711,849	$ 63,108	$ 157,580	$ 25,277	$ 29,475	$ 157,580	**$ -**	
	Available Fund Balance - EOY	$ (1,503,400)	$ (1,409,027)	$ (1,542,905)	$ (1,434,215)	$ (1,532,650)	$ (1,438,317)	**$ 104,588**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
296	**Brownfield Redevelopment Authority (Mall Area Project)**								
	Available Fund Balance - BOY	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Means of Financing								
	Property taxes	$ -	$ 42,995	$ 79,249	$ -	$ -	$ 79,249	**$ -**	
	Federal & state grants	-	-	-	-	-	-	-	
	State shared revenue	-	-	-	-	-	-	-	
	Charges for services	-	-	-	-	-	-	-	
	Interest income	-	-	-	-	-	-	-	
	Operating transfers in - General Fund	-	-	-	-	-	-	-	
	Operating transfers in - TIFA Fund	-	-	-	-	-	-	-	
	Operating transfers in - Insurance Fund	-	-	-	-	-	-	-	
	Other	-	-	-	-	-	-	-	
		$ -	$ 42,995	$ 79,249	$ -	$ -	$ 79,249	**$ -**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	-	
5300	Contractual Services	-	-	-	-	-	-	-	
5400	Other Expenses	-	-	-	-	-	-	-	
5700	Capital Outlays	-	-	-	-	-	-	-	
5900	Other Financing Uses	-	42,995	79,249	-	-	79,249	-	
		$ -	$ 42,995	$ 79,249	$ -	$ -	$ 79,249	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	-	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ -	$ 42,995	$ 79,249	$ -	$ -	$ 79,249	**$ -**	
	Available Fund Balance - EOY	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

290 Local Development Finance Authority III Fund - Edison Landing (Smartzone)

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 21,348	$ 96,745	$ 94,556	$ 30,266	$ 96,745	$ 30,266	**$ (64,290)**	
	Means of Financing								
	Property taxes	$ 83,420	$ 85,627	$ 137,713	$ -	$ -	$ 137,713	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	-	-	-	-	-	-	**-**	
	Interest income	3,569	150	150	34	79	150	**-**	
	Operating transfers in - General Fund	100,000	160,000	160,000	40,000	40,000	160,000	**-**	
	Other	306,196	75,000	75,000	75,000	-	75,000	**-**	**Community Foundation**
		$ 493,185	$ 320,777	$ 372,863	$ 115,034	$ 40,079	$ 372,863	**$ -**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	250	-	500	-	-	500	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	417,538	387,256	385,300	-	-	385,300	**-**	
		$ 417,788	$ 387,256	$ 385,800	$ -	$ -	$ 385,800	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ 417,788	$ 387,256	$ 385,800	$ -	$ -	$ 385,800	**$ -**	
	Available Fund Balance - EOY	$ 96,745	$ 30,266	$ 81,619	$ 145,300	$ 136,824	$ 17,329	**$ (64,290)**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

305 Tax Increment Finance Authority Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 16,445	$ 19,639	$ 14,278	$ 14,163	$ 19,639	$ 14,163	**$ (115)**	
	Means of Financing								
	Property taxes	$ 53,057	$ 44,439	$ 36,612	$ -	$ -	$ 36,612	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	-	-	-	-	-	-	**-**	
	Interest income	137	85	200	9	27	200	**-**	
	Operating transfers in - General Fund	-	-	-	-	-	-	**-**	
	Operating transfers in - TIFA Fund	-	-	-	-	-	-	**-**	
	Operating transfers in - Insurance Fund	-	-	-	-	-	-	**-**	
	Other	-	-	-	-	-	-	**-**	
		$ 53,194	$ 44,524	$ 36,812	$ 9	$ 27	$ 36,812	**$ -**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	50,000	50,000	50,000	12,500	12,500	50,000	**-**	
		$ 50,000	$ 50,000	$ 50,000	$ 12,500	$ 12,500	$ 50,000	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ 50,000	$ 50,000	$ 50,000	$ 12,500	$ 12,500	$ 50,000	**$ -**	
	Available Fund Balance - EOY	$ 19,639	$ 14,163	$ 1,090	$ 1,672	$ 7,166	$ 975	**$ (115)**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
394	**Downtown Development Authority Fund**								
	Available Fund Balance - BOY	$ 272,145	$ 186,771	$ 166,941	$ 167,477	$ 186,771	$ 167,477	**$ 536**	
	Means of Financing								
	Property taxes	$ 305,797	$ 313,432	$ 292,531	$ -	$ -	$ 292,531	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State proposal A reimbursement revenue	-	-	-	-	-	-	**-**	
	Charges for services	-	-	-	-	-	-	**-**	
	Interest income	2,477	1,435	1,150	140	410	1,150	**-**	
	Operating transfers in - General Fund	-	-	-	-	-	-	**-**	
	Operating transfers in - PIF	-	-	-	-	-	-	**-**	
	Operating transfers in - Insurance Fund	-	-	-	-	-	-	**-**	
	Other	-	-	-	-	-	-	**-**	
		$ 308,274	$ 314,867	$ 293,681	$ 140	$ 410	$ 293,681	**$ -**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	-	-	250	-	-	250	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	393,648	334,161	332,288	(1,130)	593	332,288	**-**	
		$ 393,648	$ 334,161	$ 332,538	$ (1,130)	$ 593	$ 332,538	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ 393,648	$ 334,161	$ 332,538	$ (1,130)	$ 593	$ 332,538	**$ -**	
	Available Fund Balance - EOY	$ 186,771	$ 167,477	$ 128,084	$ 168,747	$ 186,588	$ 128,620	**$ 536**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

408 Arena Improvement Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 779	$ 23,779	$ 6,479	$ 4,867	$ 23,779	$ 4,867	**$ (1,612)**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	22,885	8,165	14,000	-	-	14,000	**-**	
	Interest income	115	97	200	4	36	200	**-**	
	Operating transfers in	-	-	-	-	-	-	**-**	
	Other	23,400	-	-	-	-	-	**-**	
		$ 46,400	$ 8,262	$ 14,200	$ 4	$ 36	$ 14,200	**$ -**	
30906	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-					**-**	
5300	Contractual Services	-	-	5,000	-	-	5,000	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	23,400	27,174	-	-	4,004	-	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
		$ 23,400	$ 27,174	$ 5,000	$ -	$ 4,004	$ 5,000	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
		$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ 23,400	$ 27,174	$ 5,000	$ -	$ 4,004	$ 5,000	**$ -**	
	Available Fund Balance - EOY	$ 23,779	$ 4,867	$ 15,679	$ 4,871	$ 19,811	$ 14,067	**$ (1,612)**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

403 Sidewalk Improvement Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 665,541	$ 575,774	$ 468,965	$ 469,488	$ 575,774	$ 469,488	**$ 523**	
	Means of Financing								
	Special assessments	$ 55,668	$ 39,349	$ 35,000	$ -	$ -	$ 35,000	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	-	-	-	-	-	-	**-**	
	Interest income	11,581	6,681	6,000	393	1,012	6,000	**-**	
	Operating transfers in	-	-	-	-	-	-	**-**	
	Other	-	-	-	-	-	-	**-**	
		$ 67,249	$ 46,030	$ 41,000	$ 393	$ 1,012	$ 41,000	**$ -**	
30906	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	151,705	152,080	152,140	-	-	152,140	**-**	**Debt service on 2003 sidewalk bonds**
		$ 151,705	$ 152,080	$ 152,140	$ -	$ -	$ 152,140	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	5,311	236	-	-	-	-	**-**	
5400	Other Expenses	-	-	-			-	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
		$ 5,311	$ 236	$ -	$ -	$ -	$ -	**$ -**	
		$ 157,016	$ 152,316	$ 152,140	$ -	$ -	$ 152,140	**$ -**	
	Available Fund Balance - EOY	$ 575,774	$ 469,488	$ 357,825	$ 469,881	$ 576,786	$ 358,348	**$ 523**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

404 Public Improvement Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 551,506	$ 559,637	$ 709,558	$ 677,857	$ 559,637	$ 677,857	**$ (31,701)**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Property taxes	-	-	-	-	-	-	**-**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	Charges for services	40,416	-	-	-	-	-	**-**	
	Sales of property	21,090	1	5,000	-	16	5,000	**-**	
	Interest income	5,700	3,554	7,500	822	1,145	7,500	**-**	
	Operating transfers in	-	-	-	-	-	-	**-**	
	Other	37,659	320,409	200,000	-	-	200,000	**-**	**MMRMA dividend earmarked for fire equipment replacement**
		$ 104,865	$ 323,964	$ 212,500	$ 822	$ 1,161	$ 212,500	**$ -**	
30936	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	-	-	5,000	-	-	5,000	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	45,499	-	-	-	-	-	**-**	
5900	Other Financing Uses	-	-		-	-		**-**	
		$ 45,499	$ -	$ 5,000	$ -	$ -	$ 5,000	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	51,235	-	-	-	-	-	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	205,744	550,000	(2,741)	1,715	550,000	**-**	
		$ 51,235	$ 205,744	$ 550,000	$ (2,741)	$ 1,715	$ 550,000	**$ -**	
		$ 96,734	$ 205,744	$ 555,000	$ (2,741)	$ 1,715	$ 555,000	**$ -**	
	Available Fund Balance - EOY	$ 559,637	$ 677,857	$ 367,058	$ 681,420	$ 559,083	$ 335,357	**$ (31,701)**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

482 State Grants Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Fund Balance - BOY	$ 237,439	$ 147,766	$ 127,550	$ 126,257	$ 147,766	$ 126,257	**$ (1,293)**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	121,630	49,875	381,000	-	-	506,000	**125,000**	**Trail, blight elimination grant, EPA**
	Sales of Property	-	-	-	-	-	-	**-**	
	Interest income	9,250	1,708	2,500	-	-	2,500	**-**	
	Operating transfers in	-	-	-	-	-	-	**-**	
	Other	-	-	30,000	-	-	30,000	**-**	**Contribution from schools for blight grant**
		$ 130,880	$ 51,583	$ 413,500	$ -	$ -	$ 538,500	**$ 125,000**	
30936	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	120,505	-	-	-	-	-	**-**	
5900	Other Financing Uses	100,048	-	-	-	-	-	**-**	
		$ 220,553	$ -	$ -	$ -	$ -	$ -	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	73,092	23,216	12,313	250	23,216	**-**	**Brownfield loan repayment**
5700	Capital Outlays	-	-	411,000	-	-	506,000	**95,000**	**Trail, blight elimination grant, EPA**
		$ -	$ 73,092	$ 434,216	$ 12,313	$ 250	$ 529,216	**$ 95,000**	
		$ 220,553	$ 73,092	$ 434,216	$ 12,313	$ 250	$ 529,216	**$ 95,000**	
	Available Fund Balance - EOY	$ 147,766	$ 126,257	$ 106,834	$ 113,944	$ 147,516	$ 135,541	**$ 28,707**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

594 Marina & Launch Ramp Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Cash Balance - BOY	$ 243,852	$ 263,362	$ 232,436	$ 206,007	$ 263,362	$ 206,007	**$ (26,429)**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	88,046	175,000	-	-	210,000	**35,000**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	198,418	220,853	180,000	43,883	50,969	180,000	**-**	
	Interest income	1,949	1,383	800	195	440	800	**-**	
	Operating transfers in	-	-	-	-	-	-	**-**	
	Other	9,952	13,377	4,000	5,580	2,950	4,000	**-**	
		$ 210,319	$ 323,659	$ 359,800	$ 49,658	$ 54,359	$ 394,800	**$ 35,000**	
70756	**Operating Expenditures - Marina**								
5100	Salaries & Benefits	$ 17,276	$ 27,517	$ 26,812	$ 5,238	$ 6,423	$ 26,812	**$ -**	
5200	Operating Supplies	9,912	7,010	7,600	1,795	1,475	7,600	**-**	
5300	Contractual Services	155,456	169,707	118,415	48,889	60,872	118,415	**-**	
5400	Other Expenses	260	89	200	-	-	200	**-**	
5700	Capital Outlays	5,806	1,709	17,500	-	527	17,500	**-**	
5900	Other Financing Uses	47	-	-	-	-	-	**-**	
	Other Cash Uses (e.g. Debt Principal)	-	70,590	-	-	-	-	**-**	
		$ 188,757	$ 276,622	$ 170,527	$ 55,922	$ 69,297	$ 170,527	**$ -**	
70759	**Operating Expenditures - Ramps**								
5100	Salaries & Benefits	$ -	$ 186	$ 1,000	$ -	$ 186	$ 1,000	**$ -**	
5200	Operating Supplies	90	946	1,000	-	773	1,000	**-**	
5300	Contractual Services	11,371	6,808	10,500	4,955	3,241	10,500	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
	Other Cash Uses (e.g. Debt Principal)	(9,409)	-	-	-	-	-	**-**	
		$ 2,052	$ 7,940	$ 12,500	$ 4,955	$ 4,200	$ 12,500	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	96,452	175,000	-	-	210,000	**35,000**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
		$ -	$ 96,452	$ 175,000	$ -	$ -	$ 210,000	**$ 35,000**	
		$ 190,809	$ 381,014	$ 358,027	$ 60,877	$ 73,497	$ 393,027	**$ 35,000**	
	Available Cash Balance - EOY	$ 263,362	$ 206,007	$ 234,209	$ 194,788	$ 244,224	$ 207,780	**$ (26,429)**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

661 Equipment Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Cash Balance - BOY	$ 2,880,251	$ 1,819,863	$ 1,546,209	$ 1,821,689	$ 1,819,863	$ 1,821,689	**$ 275,480**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	-	-	-	-	84,000	**84,000**	**Law enforcement grant - radios**
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	2,033,929	2,171,472	2,100,000	447,028	455,204	2,100,000	**-**	
	Interest income	20,707	27,585	27,500	9,891	12,036	27,500	**-**	
	Operating transfers in	-	-	-	-	-	7,000	**7,000**	**Grant match from criminal forfeitures**
	Other	82,380	87,613	100,000	21,132	7,591	100,000	**-**	
		$ 2,137,016	$ 2,286,670	$ 2,227,500	$ 478,051	$ 474,831	$ 2,318,500	**$ 91,000**	
60932	**Operating Expenditures**								
5100	Salaries & Benefits	$ 445,560	$ 417,357	$ 421,002	$ 89,442	$ 89,118	$ 421,002	**$ -**	
5200	Operating Supplies	806,413	855,383	899,700	221,689	178,926	899,700	**-**	
5300	Contractual Services	733,902	775,120	767,748	163,687	169,349	767,748	**-**	
5400	Other Expenses	855	828	2,000	185	86	2,000	**-**	
5700	Capital Outlays	577,576	421,622	1,134,000	523,879	49,253	1,607,500	**473,500**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
	Other Cash Uses (e.g. Debt Principal)	79,765	(185,466)	-	-	-	-	**-**	
		$ 2,644,071	$ 2,284,844	$ 3,224,450	$ 998,882	$ 486,732	$ 3,697,950	**$ 473,500**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ 553,333	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
		$ 553,333	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ 3,197,404	$ 2,284,844	$ 3,224,450	$ 998,882	$ 486,732	$ 3,697,950	**$ 473,500**	
	Available Cash Balance - EOY	$ 1,819,863	$ 1,821,689	$ 549,259	$ 1,300,858	$ 1,807,962	$ 442,239	**$ (107,020)**	

642 Public Service Building Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Cash Balance - BOY	$ 268,058	$ 383,301	$ 428,846	$ 435,245	$ 383,301	$ 435,245	**$ 6,399**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	969,342	1,085,289	1,087,448	271,322	271,322	1,087,448	**-**	
	Interest income	2,571	2,201	6,000	373	675	6,000	**-**	
	Operating transfers in	-	-	-	-	-	-	**-**	
	Other	-	210	-	-	-	-	**-**	
		$ 971,913	$ 1,087,700	$ 1,093,448	$ 271,695	$ 271,997	$ 1,093,448	**$ -**	
60442	**Operating Expenditures**								
5100	Salaries & Benefits	$ 571,707	$ 586,104	$ 595,176	$ 128,012	$ 112,916	$ 595,176	**$ -**	
5200	Operating Supplies	16,353	18,315	16,650	5,033	5,164	16,650	**-**	
5300	Contractual Services	218,170	296,295	302,480	51,135	59,072	302,480	**-**	
5400	Other Expenses	9,785	691	750	-	-	750	**-**	
5700	Capital Outlays	14,068	10,389	22,300	17,158	1,856	22,300	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	26,587	2,896	-	-	-	-	**-**	
		$ 856,670	$ 914,690	$ 937,356	$ 201,338	$ 179,008	$ 937,356	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	121,066	50,000	15,025	-	50,000	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
		$ -	$ 121,066	$ 50,000	$ 15,025	$ -	$ 50,000	**$ -**	
		$ 856,670	$ 1,035,756	$ 987,356	$ 216,363	$ 179,008	$ 987,356	**$ -**	
	Available Cash Balance - EOY	$ 383,301	$ 435,245	$ 534,938	$ 490,577	$ 476,290	$ 541,337	**$ 6,399**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

643 Engineering Services Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Cash Balance - BOY	$ (93,420)	$ 53,417	$ 102,181	$ 123,887	$ 53,417	$ 123,887	**$ 21,706**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	428,481	451,922	437,000	46,399	194,027	400,000	**(37,000)**	
	Interest income	4	564	500	91	123	500	**-**	
	Operating transfers in	-	-	-	-	-	-	**-**	
	Other	105,783	72,362	80,000	2,808	68,732	80,000	**-**	
		$ 534,268	$ 524,848	$ 517,500	$ 49,298	$ 262,882	$ 480,500	**$ (37,000)**	
60447	**Operating Expenditures**								
5100	Salaries & Benefits	$ 307,740	$ 320,345	$ 324,088	$ 71,758	$ 70,878	$ 324,088	**$ -**	
5200	Operating Supplies	5,842	7,713	9,730	861	2,124	9,730	**-**	
5300	Contractual Services	123,597	99,008	99,613	20,627	23,133	99,613	**-**	
5400	Other Expenses	-	1,636	1,000	-	-	1,000	**-**	
5700	Capital Outlays	5,455	5,432	11,200	4,435	1,034	11,200	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	(55,203)	13,297	-	-	-	-	**-**	
		$ 387,431	$ 447,431	$ 445,631	$ 97,681	$ 97,169	$ 445,631	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	6,947	10,000	12,429	860	10,000	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
		$ -	$ 6,947	$ 10,000	$ 12,429	$ 860	$ 10,000	**$ -**	
		$ 387,431	$ 454,378	$ 455,631	$ 110,110	$ 98,029	$ 455,631	**$ -**	
	Available Cash Balance - EOY	$ 53,417	$ 123,887	$ 164,050	$ 63,075	$ 218,270	$ 148,756	**$ (15,294)**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

677 General Insurance Fund

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
	Available Cash Balance - BOY	$ 1,420,174	$ 1,933,642	$ 1,915,067	$ 880,314	$ 1,933,642	$ 880,314	**$ (1,034,753)**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	-	-	-	-	-	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	3,608,788	3,021,299	3,250,000	812,273	657,264	3,250,000	**-**	
	Interest income	10,395	23,989	20,000	8,990	10,974	20,000	**-**	
	Retireee Health Reimbursement	902,938	798,600	750,000	134,254	151,270	750,000	**-**	
	MMRMA dividend payment	-	-	-	-	-	-	**-**	
	Operating transfers in	28,046	28,046	28,046	7,011	7,011	28,046	**-**	
	Other	-	-	-	-	-	-	**-**	
		$ 4,550,167	$ 3,871,934	$ 4,048,046	$ 962,528	$ 826,519	$ 4,048,046	**$ -**	
30851	**Operating Expenditures**								
5100	Salaries & Benefits	$ 32,969	$ 32,185	$ 32,178	$ 7,119	$ 6,715	$ 32,178	**$ -**	
5200	Operating Supplies	-	540	200	-	-	200	**-**	
5300	Contractual Services	4,277,725	4,029,298	4,000,000	886,030	803,839	4,000,000	**-**	
5400	Other Expenses	-	490	1,000	-	200	1,000	**-**	
5700	Capital Outlays	-	3,310	2,000	395	430	2,000	**-**	
5900	Other Financing Uses	81,096	600,000	-	-	600,000	-	**-**	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	(908,424)	259,439	-	-	-	-	**-**	
		$ 3,483,366	$ 4,925,262	$ 4,035,378	$ 893,544	$ 1,411,184	$ 4,035,378	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ 553,333	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
		$ 553,333	$ -	$ -	$ -	$ -	$ -	**$ -**	
		$ 4,036,699	$ 4,925,262	$ 4,035,378	$ 893,544	$ 1,411,184	$ 4,035,378	**$ -**	
	Available Cash Balance - EOY	$ 1,933,642	$ 880,314	$ 1,927,735	$ 949,298	$ 1,348,977	$ 892,982	**$ (1,034,753)**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
590	**Sewer Fund**								
	Available Cash Balance - BOY	$ 3,320,219	$ 3,701,462	$ 3,655,685	$ 4,158,969	$ 3,701,462	$ 4,158,969	**$ 503,284**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	-	10,000	-	-	144,000	**134,000**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services	6,308,525	7,044,257	6,562,851	1,473,382	1,570,857	6,562,851	**-**	
	Interest income	25,008	20,783	17,500	3,438	6,266	17,500	**-**	
	Repayment of DDA advance	-	-	-	-	-	-	**-**	
	Operating transfers in	-	-	-	-	-	-	**-**	
	Other	147,109	27,335	150,000	5,224	6,617	150,000	**-**	
		$ 6,480,642	$ 7,092,375	$ 6,740,351	$ 1,482,044	$ 1,583,740	$ 6,874,351	**$ 134,000**	
30548	**Operating Expenditures Administration**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	333,856	304,916	288,957	56,621	60,332	288,957	**-**	
5400	Other Expenses	19,221	13,278	12,000	8,678	4,581	12,000	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	(3,965)	(179,300)	-	-	-	-	**-**	
		$ 349,112	$ 138,894	$ 300,957	$ 65,299	$ 64,913	$ 300,957	**$ -**	
60559	**Operating Expenditures Maintenance**								
5100	Salaries & Benefits	$ 481,291	$ 511,494	$ 657,360	$ 121,798	$ 123,128	$ 657,360	**$ -**	
5200	Operating Supplies	26,203	45,803	47,440	9,179	8,054	47,440	**-**	
5300	Contractual Services	4,897,216	418,548	426,654	100,706	110,418	426,654	**-**	
5400	Other Expenses	-	-	2,000	-	-	2,000	**-**	
5700	Capital Outlays	986	6,780	16,000	2,747	3,443	16,000	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
		$ 5,405,696	$ 982,625	$ 1,149,454	$ 234,430	$ 245,043	$ 1,149,454	**$ -**	
60557	**Operating Expenditures Treatment**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	-	5,286,893	5,200,000	463,651	1,085,190	5,200,000	**-**	
5400	Other Expenses	-	-	-	-	-	-	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
		$ -	$ 5,286,893	$ 5,200,000	$ 463,651	$ 1,085,190	$ 5,200,000	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	344,591	226,456	760,000	32,415	12,431	870,000	**110,000**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
		$ 344,591	$ 226,456	$ 760,000	$ 32,415	$ 12,431	$ 870,000	**$ 110,000**	
		$ 6,099,399	$ 6,634,868	$ 7,410,411	$ 795,795	$ 1,407,577	$ 7,520,411	**$ 110,000**	
	Available Cash Balance - EOY	$ 3,701,462	$ 4,158,969	$ 2,985,625	$ 4,845,218	$ 3,877,625	$ 3,512,909	**$ 527,284**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

Code		Actual 2012	Actual 2013	Original Budget Estimate FY2014	Actual to Date 9/30/13	Actual to Date 9/30/12	1Q Reforecast FY2014	Increase (Decrease) From FY14 Original	Comments
591	**Water Fund**								
	Available Cash Balance - BOY	$ 3,585,169	$ 2,782,590	$ 2,397,782	$ 2,303,174	$ 2,782,590	$ 2,303,174	**$ (94,608)**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
	Federal & state grants	-	6,188	7,000	-	5,403	7,000	**-**	
	State shared revenue	-	-	-	-	-	-	**-**	
	Charges for services - City	2,903,177	3,240,046	3,582,746	870,001	941,828	3,582,746	**-**	**10% rate increase effective 10/1/13**
	Charges for services - Wholesale	1,870,053	2,132,729	2,389,553	611,520	682,047	2,389,553	**-**	
	Maintenance services - Township	177,450	166,225	170,000	18,332	20,181	170,000	**-**	
	Interest income	19,625	10,982	20,000	1,575	3,732	20,000	**-**	
	Lease of facilities	156,478	202,460	173,000	46,778	38,088	173,000	**-**	
	Repayment of DDA advance	-	-	-	-	-	-	**-**	
	Operating transfers in	-	-	-	-	-	-	**-**	
	Other	127,312	167,861	125,000	48,200	49,286	125,000	**-**	
		$ 5,254,095	$ 5,926,491	$ 6,467,299	$ 1,596,406	$ 1,740,565	$ 6,467,299	**$ -**	
30548	**Operating Expenditures Administration**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5200	Operating Supplies	-	-	-	-	-	-	**-**	
5300	Contractual Services	537,845	555,273	517,549	108,930	116,733	517,549	**-**	
5400	Other Expenses	17,683	18,607	17,000	5,842	3,173	17,000	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
5900	Other Financing Uses	410,187	349,535	352,635	96,604	102,491	352,635	**-**	**Water System Bond Interest**
	Other Cash Uses and Adjustments (e.g. Debt Principal)	1,507,904	1,053,438	1,295,000	-	-	1,295,000	**-**	**Water System Bond Principal**
		$ 2,473,619	$ 1,976,853	$ 2,182,184	$ 211,376	$ 222,397	$ 2,182,184	**$ -**	
60559	**Operating Expenditures Maintenance**								
5100	Salaries & Benefits	$ 795,793	$ 864,872	$ 782,058	$ 194,945	$ 180,849	$ 782,058	**$ -**	
5200	Operating Supplies	228,357	184,091	212,027	69,722	75,563	212,027	**-**	
5300	Contractual Services	340,925	391,921	321,806	103,418	83,760	321,806	**-**	
5400	Other Expenses	43,297	83,511	57,830	21,940	8,544	57,830	**-**	
5700	Capital Outlays	5,714	16,599	16,000	131	13,542	16,000	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
		$ 1,414,086	$ 1,540,994	$ 1,389,721	$ 390,156	$ 362,258	$ 1,389,721	**$ -**	
60558	**Operating Expenditures Filtration**								
5100	Salaries & Benefits	$ 633,066	$ 668,538	$ 716,980	$ 141,153	$ 153,306	$ 716,980	**$ -**	
5200	Operating Supplies	228,723	242,374	290,000	40,307	50,055	290,000	**-**	
5300	Contractual Services	477,313	530,021	567,536	76,595	101,094	567,536	**-**	
5400	Other Expenses	2,469	3,650	3,500	750	790	3,500	**-**	
5700	Capital Outlays	55,988	84,549	47,500	1,411	10,033	47,500	**-**	
5900	Other Financing Uses	-	-	-	-	-	-	**-**	
	Replacement Reserve - DWRF	-	-	-	-	-	-	**-**	
		$ 1,397,559	$ 1,529,132	$ 1,625,516	$ 260,216	$ 315,278	$ 1,625,516	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	
5300	Contractual Services	771,410	1,358,928	725,000	32,097	771,848	725,000	**-**	
5700	Capital Outlays	-	-	-	-	-	-	**-**	
		$ 771,410	$ 1,358,928	$ 725,000	$ 32,097	$ 771,848	$ 725,000	**$ -**	
		$ 6,056,674	$ 6,405,907	$ 5,922,421	$ 893,845	$ 1,671,781	$ 5,922,421	**$ -**	
	Available Cash Balance - EOY	$ 2,782,590	$ 2,303,174	$ 2,942,660	$ 3,005,735	$ 2,851,374	$ 2,848,052	**$ (94,608)**	

City of Muskegon

Quarterly Budget Reforecast and 2013-14 Proposed Budget

		Responsibility	2013-14 Budgeted Projects (Including Carryover Amounts From Prior FY) Original	2013-14 Budgeted Projects (Including Carryover Amounts From Prior FY) 1Q Reforecast	2013-14 Estimated Project Grant Revenue Original	2013-14 Estimated Project Grant Revenue 1Q Reforecast	Grant Year	Comments
	BUDGETED MAJOR CAPITAL PROJECTS							
101	**General Fund**							
	VOIP Phone System	Maurer	$ 22,000	**$ 22,000**	$ -	**$ -**		Year 2 of 5 annual payments, 0% interest
	Mc Graft Park Improvements	Al-Shatel	22,000	**22,000**	22,000	**22,000**	FY14	Contribution from McGraft Trust
	Capital Improvements - PM & Beukema Parks	Al-Shatel	20,000	**20,000**				Roofs & other major repairs
	Boardwalk Repairs	Al-Shatel	25,000	**25,000**				Primarily at Kruse Park
	ADA Compliance, Various Locations	Al-Shatel	20,000	**20,000**	-	**-**		Federal agreement
	Veteran's Park Upgrades	Al-Shatel	12,000	**12,000**	-	**-**		City's share
			121,000	**121,000**	22,000	**22,000**		
202	**Major Streets**							
	Laketon, Park to Peck	Al-Shatel	1,175,000	**1,175,000**	704,000	**704,000**	FY14	Design in FY13; Construction FY14; STP Funds
	State Projects - Required Payments	Al-Shatel	30,000	**30,000**				Various projects
	Laketon, Wood to Getty	Al-Shatel	275,000	**275,000**	-			Reconstruct - concrete with STP Funds
	Sherman, Estes to Glenside	Al-Shatel	1,050,000	**1,050,000**	301,000	**301,000**	FY14	Changed to design only in FY13
	Southern Avenue, 5th to Sanford	Al-Shatel	225,000	**225,000**	-	**-**		Design Only in FY13
			2,755,000	**2,755,000**	1,005,000	**1,005,000**		
203	**Local Streets**							
	Merrill, Fifth to First/Third	Al-Shatel	150,000	**150,000**	-	**32,000**		Resurface as part of sewer replacement
	Palmer, McGraft to Southern (850')	Al-Shatel	200,000	**200,000**	-	**-**		Reconstruct
			350,000	**350,000**	-	**32,000**		
404	**Public Improvement Fund**							
	New Fire Truck	Lewis	550,000	**550,000**	-	**-**		Replaces Engine 22
			550,000	**550,000**	-	**-**		
408	**Arena Improvement Fund**							

City of Muskegon
Quarterly Budget Reforecast and 2013-14 Proposed Budget

		Responsibility	2013-14 Budgeted Projects (Including Carryover Amounts From Prior FY) Original	2013-14 Budgeted Projects (Including Carryover Amounts From Prior FY) 1Q Reforecast	2013-14 Estimated Project Grant Revenue Original	2013-14 Estimated Project Grant Revenue 1Q Reforecast	Grant Year	Comments
	BUDGETED MAJOR CAPITAL PROJECTS							
			-	**-**	-	**-**		
			-	**-**	-	**-**		
482	**State Grants Fund**							
	EPA Grant	Brubaker-Clarke	26,500	**26,500**	26,500	**26,500**		
	Blight Elimination Grant	Brubaker-Clarke	134,500	**134,500**	134,500	**134,500**		Demo Bluffton School & General Plumbing
	SmartZone Pre-Seed	Brubaker-Clarke	-	**-**	-	**-**		
	Musketawa Trail Connection (Keating to Black Creek)	Al-Shatel	250,000	**260,000**	250,000	**260,000**		Contingent upon DNR land purchase
	Musketawa Trail Connection (Industrial - Port City)	Al-Shatel	-	**85,000**	-	**85,000**	FY14	
			411,000	**506,000**	411,000	**506,000**		
590	**Sewer**							
	Palmer, McGraft to Southern	Al-Shatel	120,000	**120,000**	-	**-**		Replace sewer as part of street project
	Merrill, Fifth to First/Third (1100')	Al-Shatel	170,000	**170,000**	-	**-**		Replace 15" sewer with 20" sewer
	Southern Avenue, Fifth to Sanford	Al-Shatel	40,000	**40,000**	-	**-**		Design in FY13 & construction in FY14
	Sewer Rehabilitation Project (Various Projects)	Al-Shatel	150,000	**150,000**	-	**-**		Lining of manholes and sewer lines
	Austin Lift Station	Al-Shatel	230,000	**230,000**	-	**-**		Design in FY13 & construction in FY14
	Infiltration Study, S-2	Al-Shatel	50,000	**160,000**	-	**144,000**		
			760,000	**870,000**	-	**144,000**		
591	**Water**							
	High Service Valves - Upgrade 2 of 4 to Ball Valves	Al-Shatel	130,000	**130,000**	-	**-**		
	Projects Identified in Reliability Study	Al-Shatel	75,000	**75,000**	-	**-**		Study underway/completed by August
	Laketon, Park to Peck	Al-Shatel	165,000	**165,000**	-	**-**		Water repairs associated with street project
	Water Main Replacements, Various Locations - 2" & 4" Waterma	Al-Shatel	120,000	**120,000**	-	**-**		
	Southern Avenue, 5th to Sanford	Al-Shatel	30,000	**30,000**	-	**-**		Design in FY13 & construction in FY14
	Sherman, Estes to Glenside	Al-Shatel	165,000	**165,000**	-	**-**		Changed to Design Only in FY13

City of Muskegon
Quarterly Budget Reforecast and 2013-14 Proposed Budget

		Responsibility	2013-14 Budgeted Projects (Including Carryover Amounts From Prior FY) Original	2013-14 Budgeted Projects (Including Carryover Amounts From Prior FY) 1Q Reforecast	2013-14 Estimated Project Grant Revenue Original	2013-14 Estimated Project Grant Revenue 1Q Reforecast	Grant Year	Comments
	BUDGETED MAJOR CAPITAL PROJECTS							
	GIS Update and Maintenance	Al-Shatel	20,000	**20,000**	-	**-**		County licensing & map maintenance
	Water Plant Reliability Study	Al-Shatel	20,000	**20,000**	-	**-**		Required by MDEQ Every Five years
			725,000	**725,000**	-	**-**		
594	**Marina**							
	Cottage Grove & Hartshorn Marina Dredging	Al-Shatel	175,000	**210,000**	175,000	**210,000**	FY14	Grant Amount Increased
			175,000	**210,000**	175,000	**210,000**		
642	**PSB**							
	Bathroom & Roof Repairs	Al-Shatel	25,000	**25,000**				New facility in the equipment area
	Fiber Connection to DPW	Maurer	25,000	**25,000**	-	**-**		Improved connection; 2-3 Year Payback
			50,000	**50,000**	-	**-**		
643	**Engineering Services**							
	Intergovernmental Engineering Work	Al-Shatel	10,000	**10,000**	10,000	**10,000**		
			10,000	**10,000**	10,000	**10,000**		
661	**Equipment Fund**							
20/Quant	*Non-Vehicular Equipment:*							
1	Flail Mower	Al-Shatel	9,500	**9,500**	-	**-**		Replaces unit 70201 (1987)
1	Sweeper Broom	Al-Shatel	15,000	**15,000**	-	**-**		Replaces unit 50180B (1991)
4	Trailers & Low Boy	Al-Shatel	25,000	**60,000**	-	**-**		New, transporting equipment
1	Arrow Board	Al-Shatel	4,500	**4,500**	-	**-**		New
2	Front Plows	Al-Shatel	10,000	**10,000**	-	**-**		New
1	Scale	Al-Shatel	-	**12,000**	-	**-**		Carryover - Budgeted, Not Purchased FY13
			64,000	**111,000**	-	**-**		
5746	*Communications Equipment:*							

City of Muskegon
Quarterly Budget Reforecast and 2013-14 Proposed Budget

		Responsibility	2013-14 Budgeted Projects (Including Carryover Amounts From Prior FY) Original	2013-14 Budgeted Projects (Including Carryover Amounts From Prior FY) 1Q Reforecast	2013-14 Estimated Project Grant Revenue Original	2013-14 Estimated Project Grant Revenue 1Q Reforecast	Grant Year	Comments
	BUDGETED MAJOR CAPITAL PROJECTS							
9	Radar units - Police	Al-Shatel	27,000	**27,000**	-	**-**		
9	Light bars for new police cruisers	Al-Shatel	23,000	**23,000**	-	**-**		
18	In-Car Video System, Includes Server - Police	Al-Shatel	63,000	**63,000**	-	**-**		
5	Handheld Radios - Parks	Al-Shatel	6,000	**6,000**	-	**-**		
20	Radios - Police	Al-Shatel	20,000	**111,500**	-	**84,000**		Mobile/Portables (Police) per Jeff Lewis
			139,000	**230,500**	-	**84,000**		
5730	*Vehicles:*							
9	Cruisers/Police SUV's (3)	Al-Shatel	270,000	**260,000**	-	**-**		Includes police package outfitting
1	Mini-Excavator	Al-Shatel	50,000	**50,000**	-	**-**		Water Department - new - needed for tight areas
1	Backhoe	Al-Shatel	90,000	**90,000**	-	**-**		Replaces 50252 (2000)
1	Loader	Al-Shatel	150,000	**150,000**	-	**-**		Replaces 50164 (2000)
1	Utility Vehicle - Cemetery	Al-Shatel	13,000	**11,500**	-	**-**		Replaces 70560 (1995)
1	T.V. Truck for Sewers	Al-Shatel	185,000	**185,000**	-	**-**		Replacement
2	Plow Truck	Al-Shatel	120,000	**265,000**	-	**-**		Replaces 1992 Vehicles (#620 & #622)
1	3/4 Ton Truck	Al-Shatel	25,000	**25,000**	-	**-**		Replaces Vehicle #573 - Parks
1	1 Ton Truck	Al-Shatel	28,000	**28,000**	-	**-**		New
1	Sewer Jet	Al-Shatel	-	**201,500**	-	**-**		Carryover - Budgeted, Not Purchased FY13
			931,000	**1,266,000**	-	**-**		
	Total Equipment Fund		1,134,000	**1,607,500**	-	**84,000**		
			$ 6,491,000	**$ 7,204,500**	$ 1,623,000	**$ 2,013,000**		

Commission Meeting Date: November 12, 2013

Date: November 5, 2013

To: Honorable Mayor & City Commission

From: Planning & Economic Development Department

RE: Rental Program and Environmental Code Compliance Professional Services Agreement ("Agreement")

SUMMARY OF REQUEST: To approve the Agreement with SafeBuilt of Michigan, Inc. to provide rental program and environmental code compliance services to the City of Muskegon, including the Lease Agreement (Exhibit C). The Vacant Building and Dangerous Building programs will remain with the Community & Economic Development Division, with a supervisor and an inspector (see memo attached).

FINANCIAL IMPACT: The contract will save the City on costs associated with the rental program and environmental code compliance services. Also, it is anticipated that additional funds will be generated through broader enforcement and oversight of all programs.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the agreement between the City of Muskegon and SafeBuilt of Michigan, Inc. and to authorize the Mayor and Clerk to execute the contract at the discretion of City staff on or after December 1, 2013.

Memorandum

To: Honorable Mayor & City Commission

CC: Frank Peterson, City Manager

From: Cathy Brubaker-Clarke, Director of Community & Economic Development

Date: 11/7/2013

Re: Rental and Environmental Code Compliance Contract

City staff and SafeBuilt have negotiated a "Rental Program and Environmental Code Compliance Professional Services Agreement". The Agreement provides for SafeBuilt to take over responsibilities for the Rental Inspections Program and the Environmental Code Compliance Program (Grass & Trash; 24-Hour Terrace Violations). The Agreement is attached.

For the services provided by SafeBuilt, the City will pay $34,170 per month for the first year (increases for remaining two years). The City will continue to receive rental inspection fees, up to $160,000 a year. If these revenues are exceeded, the City and SafeBuilt will split the remainder. SafeBuilt will also lease out the former Civil Service office and pay rent to the City in the amount of $200 per month.

In addition, the Planning Department will retain the position of Code Compliance Supervisor and one Code Compliance Inspector. The Department will continue to administer the Vacant Building and Dangerous Building Programs.

A cost savings is expected by contracting out the rental inspection and code compliance services. In addition to general savings, it is also expected that SafeBuilt will be able to increase the number of inspections; thus raising the revenue overall (e.g., the City currently is expected to receive $160,000 in rental inspection fees; contracting with SafeBuilt the amount of revenue is expected to rise with increased inspections, providing additional revenue to the City).

Meanwhile, by retaining the position of Code Compliance Supervisor and Code Compliance Inspector, the revenues of the City are expected to increase. The staff will have more time to find vacant buildings, thus raising the revenue ($108,000 for the 2012-2013 budget year). Also, the Supervisor and Inspector will have more time to pursue zoning inspections issues (with the potential of raising revenue).

Staff met with the respective employee unions to discuss the contract with SafeBuilt and the potential cost savings to the City. Both representatives from Local 517 M and Local 517M, Unit 2 agreed not to dispute the contract as long as one code enforcement inspector was retained by the City.

Overall, it is expected that contracting out services for rental inspections and environmental code compliance, while retaining the Code Compliance Supervisor and one Code Compliance Inspector, will increase City revenue, while also increasing productivity and efficiency.

EXHIBIT C: Lease Agreement

CITY OF MUSKEGON

Landlord

TO

SAFEBUILT MICHIGAN, INC.

Tenant

LEASE

Dated: **November 05, 2013**

Premises in the City Hall Building
City of Muskegon
County of Muskegon
State of Michigan

Suite – (Former Civil Services Space)

LEASE

THIS LEASE, made November 05, 2013, between the City of Muskegon, a Michigan municipality ("Landlord" or "the City") of 933 Terrace Street, Muskegon, Michigan, 49443, and SAFEbuilt Michigan, Inc., a Michigan foreign profit corporation ("Tenant");

ARTICLE I
DEFINITIONS

1.01 DEFINITIONS: As used herein the following terms and phrases shall have the meanings indicated:

A. Commencement Date: December 01, 2013

B. Term: The period of December 01, 2013 through November 30, 2016 ending at midnight of the last day.

C. Rent Commencement Date: December 01, 2013.

D. Demised Premises: Suite – (Former Civil Services Space), which is N/A square feet of office space, located on the second floor within the building containing the City of Muskegon's City Hall at 933 Terrace Street, Muskegon, Michigan, 49443. See Exhibit A, 2nd floor plan of City Hall, highlighting Demised Premises.

E. Common Areas: All areas, spaces and improvements which Landlord makes available from time to time for the common use and benefit of Tenant, including, without limitation, customer parking spaces, roads, walkways, promenades, sidewalks, landscaped and planted areas, public rest rooms, and those portions of utility and sewer lines and systems and fire protection and sprinkler alarm systems serving the common use and benefit of Tenant.

F. Landlord: The City of Muskegon, the owner of the fee of the Demised Premises.

G. Requirements: All laws, statutes, ordinances (including, but not limited to, building codes and zoning regulations and ordinances), orders, rules, regulations and requirements of all federal, state, county and municipal governments, and the appropriate agencies, officers, departments, boards and commissions thereof, and the board of fire underwriters and/or the fire insurance rating organization or similar organization performing the same or similar functions, whether now or hereafter in force, applicable to the Building or any part thereof and/or the Demised Premises or the use or manner of use of the Building or any part thereof and/or the Demised Premises or the sidewalks and curbs adjacent thereto.

H. The Building: The structure located at 933 Terrace Street, in which the Demised Premises are located and in which City of Muskegon City Hall is located.

ARTICLE II
DEMISE AND CONSTRUCTION

2.01 DEMISE. Upon and subject to the terms and conditions of this Lease, Landlord hereby leases to Tenant, and Tenant hereby hires from Landlord, the Demised Premises, for the Term. Tenant acknowledges that the dimensions, shape and location of the Demised Premises as described herein are approximate. Notwithstanding the foregoing, Landlord reserves exclusively to itself and Tenant shall have no right in and to (a) the use of the exterior faces of all perimeter walls, (b) the use of the roof, (c) the use of the land, improvements and space below the bottom of the lower floor slabs of the Demised Premises and above the interior surface of the ceiling of the Demised Premises, and (d) the use of the improvements and space above the highest ceiling of the Demised Premises. Landlord also reserves and Tenant shall have no right in and to the air rights above Tenant's office space.

2.02 CONSTRUCTION. Tenant shall accept the Demised Premises in their present “AS IS” condition and Landlord shall have no work to perform whatsoever with respect to the Demised Premises.

2.03 FURNITURE. Landlord shall provide any cubicle dividers, desks, file cabinets, shelves, tables, floor mates, and/or wall document holders that are existing in the Demised Premises on the Commencement Date. The use of the existing property shall be included in the Fixed Rent and be included as part of the Demised Premises. Landlord shall not provide any additional office furniture or equipment.

2.04 ACCEPTANCE OF DEMISED PREMISES. Tenant’s occupancy of Suite – (Former Civil Services Space)shall be conclusive evidence against Tenant as an admission that every part of the Demised Premises is accepted "as is". Landlord shall have no responsibility in any respect for damages to property of Tenant caused by water, flooding, waves or fluids of any nature or origin whatsoever. Tenant hereby waives any and all benefits or rights to which Tenant might become entitled by reason of any and all provisions of law that permit a tenant to make repairs at the expense of a landlord or to terminate a lease by reason of the condition of the Demised Premises.

ARTICLE III
FIXED RENT AND SECURITY

3.01 PAYMENT OF FIXED RENT. Commencing upon the Rent Commencement Date, Tenant shall pay rent at the monthly rate of $200.00, in advance of the first day of each month during the Term, except that if the Rent Commencement Date is not the first day of a month, Fixed Rent for the period commencing on the Rent Commencement Date and ending on the last day of the month in which the Rent Commencement Date occurs shall be apportioned on the basis of the number of days in said month as compared to 365 days and paid on the Rent Commencement Date. The Fixed Rent shall be paid promptly when due, in lawful money of the United States, without notice or demand and without deduction, abatement, counterclaim or setoff of any amount or for any reason whatsoever, to Landlord at the address of Landlord set forth at the head of this Lease or such other address as Landlord may designate or to such other person as Landlord may designate.

3.02 LATE CHARGES AND RETURN CHECK CHARGES. If payment of any Fixed Rent shall not have been paid by the date on which such amount was due and payable a late charge equal to the greater of (i) FIFTY DOLLARS ($50.00) and (ii) one and one-half percent (1-1/2%) per calendar month or any part thereof (or the then maximum lawful interest rate, if less), from the date on which such amount was due, on the amount overdue shall, at the Landlord's option, be payable as damages for Tenant's failure to make prompt payment. In addition to any other penalties or remedies available to Landlord in the event of any late payment by Tenant, if any check in payment of any Fixed Rent is returned to Landlord by Tenant's bank by reason of insufficient funds, uncollected funds or otherwise, a return check administrative charge of FIFTY DOLLARS ($50.00) shall be payable to Landlord by Tenant. The late charges and return check administrative charges for any month shall be payable the first day of the following month, and in default of payment of any such charges, Landlord shall have (in addition to all other remedies) the same rights as provided in this Lease for nonpayment of Rent. Landlord and Tenant agree that the foregoing late charges and return check administrative charges represent a reasonable estimate of the costs which Landlord will incur by reason of late payment by Tenant and returned checks, and are fair compensation to Landlord for its loss suffered by such late payment or returned check. Nothing in this Section contained and no acceptance of late charges by Landlord shall be deemed to extend or change the time for payment of Fixed Rent.

3.03 ACCORD AND SATISFACTION. No payment by Tenant or receipt by Landlord of any lesser amount than the amount stipulated to be paid hereunder shall be deemed other than on account of the earliest stipulated Fixed Rent nor shall any endorsement or statement on any check or letter be deemed an accord and satisfaction, and Landlord may accept any check or payment without prejudice to Landlord's right to recover the balance due or to pursue any other remedy available to Landlord.

3.04 SECURITY DEPOSIT: None required.

3.05 TAXES AND OTHER GOVERNMENT CHARGES.Tenant shall pay, before any penalty or interest attaches, to Landlord beginning on the Commencement Date, the amount of general property taxes, special taxes, lessee-user taxes, special assessments, and other governmental charges of any kind whatsoever levied or assessed against or with respect to the Premises at any time during the Term of this Lease which are attributable to an increase in taxable value of Landlord's property based upon Tenant’s lease. Tenant shall pay, before any penalty or interest attaches, all personal property taxes levied or assessed against the personal property of Tenant located upon the Demised Premises, and all personal property taxes levied or assessed against any and all personal property included under the Fixed Rent, and shall, upon written request, furnish to Landlord duplicate receipts thereof. Tenant shall pay, before penalty or interest attaches, special assessments, income (including, any privilege or excise taxes based on gross revenue), and all other taxes levied on Tenant's business.

ARTICLE IV
COMMON AREAS AND PARKING

4.01 MAINTENANCE OF AND CHANGES IN COMMON AREAS. Subject to the provisions of Section 7.04, Landlord will operate, manage, equip, light, repair and maintain, or cause to be operated, managed, equipped, lighted, repaired and maintained, the Common Areas for their intended purposes. Landlord reserves the right, at any time and from time to time to make changes, additions, alterations or improvements in and to such Common Areas provided same shall not unreasonably block or interfere with Tenant's means of ingress or egress to and from the Demised Premises.

4.02 USE OF COMMON AREAS. Tenant and its licensees and their respective officers, employees, agents, customers and invitees, shall have the non-exclusive right, in common with Landlord and all others to whom Landlord has granted or may hereafter grant such rights. Landlord reserves the right, at any time and from time to time, to close temporarily all or any portions of the Common Areas for any of the following purposes when in Landlord's reasonable judgment any such closing is necessary or desirable: to make repairs or changes therein or to effect construction, repairs or changes, to prevent the acquisition of public rights in such areas, to protect or preserve persons or property and Landlord may do such other acts in and to the Common Areas as in its judgment may be desirable. While conducting business after regular business hours on weeknights or weekends, Tenant may access the public restrooms. Tenant's clients may be permitted to use the public restrooms but are not permitted to enter any other part of the City Hall building closed to the public after regular business hours on weeknights and weekends.

4.03 PARKING. Tenant and its officers, agents, and employees shall park their vehicles only in areas from time to time designated by Landlord as the areas for such parking. Tenant shall, upon written notice from Landlord, within five (5) days, furnish Landlord, or its authorized agent, the State automobile license tag number assigned to its vehicle or vehicles and the vehicles of all of its officers, agents and employees employed in the Demised Premises. Landlord, after notice to Tenant that Tenant or any of its officers, agents or employees are not parking in said designated parking areas or off-premises, as applicable, may, at its option, in addition to any other remedies it may have, tow away such vehicles at Tenant's expense.

ARTICLE V
UTILITIES AND SERVICES

5.01 UTILITIES AND MECHANICAL MAINTENANCE. Landlord shall furnish heat, electricity and water/sewer utilities serving Tenant and charges for said utilities shall be included in the Fixed Rent. Tenant shall make all necessary arrangements for internet and phone services and shall be responsible for all associated charges for said utilities. Separate telephone and internet lines are required for Tenant that shall not be connected to the telephone or internet systems used by City employees in the building.

5.02 MAIL. Tenant shall not receive mail at any City office within City Hall. Tenant's mail shall be delivered directly to its space or Tenant may maintain a post office box.

ARTICLE VI
USE AND ENJOYMENT OF DEMISED PREMISES

6.01 PERMITTED USES. Tenant shall use the Demised Premises solely for the purpose of conducting the business of SAFEbuilt Michigan, Inc. and Tenant shall not use or permit or suffer the use of the Demised Premises for any other purpose whatsoever. The City of Muskegon will allow SAFEbuilt Michigan, Inc. to service other W. Michigan communities form the leased space within City Hall. Tenant shall not advertise its services by stating it conducts business in Muskegon City Hall or in any way suggest the City endorses Tenant's services because of this Lease agreement. Marketing brochures, business cards and all forms of advertising may state the address of the building of the Demised Premises but may not refer to "City Hall". Tenant acknowledges that Muskegon City Hall is open to the public between the hours of 8:30 a.m. to 5:00 p.m. and for morning and evening meetings before or after those hours on certain days. Tenant acknowledges that on most weekends and holidays, City Hall is closed to the public. Tenant shall be provided with three (3) keys that open the outer doors of City Hall. Those keys are to be accounted for at all times and are not to be reproduced unless reproduced and replaced by the Landlord. Lost keys shall be immediately reported to the Director of Community Development. Tenant shall be liable for any and all damage and expenses resulting from the loss of any of the provided keys (including, but not limited to, necessary rekeying of any and all City Hall locks). Tenant shall instruct its employees of the importance of locking all outer doors to City Hall upon entering and leaving the building during hours when it is not open to the public. Tenant waives any claim or cause of action regarding the nonavailability of the office space during emergency periods when, due to electrical power outages, police or fire situations or acts of nature that City Hall remains closed to Tenant.

6.02 <u>SIGNS</u>. Tenant shall provide a suitable identification sign or signs of such size, design and character as Landlord shall designate and/or approve, and Tenant shall install same on the door to Suite – (Former Leisure Services Space). All costs of fabricating, constructing, installing, operating, maintaining and removing any and all such identification signs shall be borne by Tenant. Other than such permitted signs, Tenant shall not place or install, or permit or suffer to be placed or installed, or maintain, any sign upon or outside of the Demised Premises or in any part of the building unless approved by Landlord. Tenant shall not place, install or maintain, or permit or suffer to be placed, installed or maintained, on the exterior of the Demised Premises, any awning, canopy, banner, flag, pennant, aerial, antenna or the like, nor place or maintain on the interior or exterior of the glass of the windows or the doors of the Demised Premises any sign.

6.03 <u>COMPLIANCE WITH LAWS</u>. Tenant shall comply with the certificate of occupancy relating to the Demised Premises and with all Requirements. Without limiting the generality of the foregoing, Tenant shall not engage in any activity on or about the Demised Premises that violates any Requirement(s) pertaining to environmental laws or hazardous substances and shall take all investigatory and/or remedial action required by any governmental agency or applicable Requirements for cleanup and removal of any contamination involving any hazardous substance created or caused, directly or indirectly, by Tenant.

6.04 <u>ACCESS TO PREMISES AND EXCAVATION</u>. Landlord shall have the right to enter upon and in the Demised Premises at all reasonable times to examine the same and to make such repairs, alterations, improvements and additions in the Demised Premises as Landlord may deem necessary, and Landlord shall be allowed to take all materials into and upon the Demised Premises that may be required therefor without the same constituting an eviction of Tenant, in whole or in part, and the Fixed Rent shall in no way abate while such repairs, alterations, improvements or additions are being made by reason of loss or interruption of the business of Tenant due to the prosecution of any such work; provided, however, Landlord shall use reasonable efforts not to unreasonably interfere with or interrupt Tenant's business in the Demised Premises, but in no event shall Landlord be required to incur any additional expense for work to be done during hours or days other than regular business hours and days.

Tenant agrees that the City's personnel files in the Demised Premises shall remain there and the City shall have access to said files as needed. Tenant shall not move or view said files.

6.05 MECHANICS' LIENS. Nothing contained in this Lease shall be deemed, construed or interpreted to imply any consent or agreement on the part of Landlord to subject Landlord's interest or estate to any liability under any mechanic's or other lien law. If any mechanic's or other lien or any notice of intention to file a lien is filed against the City, or the Demised Premises, or any part thereof, for any work, labor, services or materials claimed to have been performed or furnished for or on behalf of Tenant or anyone holding any part of the Demised Premises through or under Tenant, Tenant shall cause the same to be canceled and discharged of record by payment, bond or order of a court of competent jurisdiction within 20 days after the earlier to occur of (i) such lien or notice becoming of record or (ii) the giving of notice by Landlord to Tenant. Landlord shall have the right to post any notices of non-responsibility which Landlord may deem necessary for the protection of Landlord and Landlord's interest in the Demised Premises from mechanics' liens or liens of a similar nature; and Tenant shall, before the commencement of any work which might result in any such lien, give written notice to Landlord of its intention to do so in sufficient time to enable the posting of such notices.

ARTICLE VII
ALTERATIONS, REPAIRS AND CHANGES

7.01 ALTERATIONS BY TENANT. Tenant shall not make or cause to be made any improvements, alterations, additions, changes, replacements or installations to the Demised Premises, or make any holes or cuts in the walls, ceilings, roofs, or floors thereof, or change the exterior color or architectural treatment of the Demised Premises, without on each occasion first obtaining the consent of Landlord, and if such consent is granted, Tenant shall carry such worker's compensation and general liability insurance and such other insurance as Landlord may require, naming Landlord as an additional insured. In no event whatsoever shall Tenant make any penetrations into the roof deck or the concrete slab or any fire wall without having obtained Landlord's prior written consent, which consent, it is expressly understood and agreed by Tenant may be given or withheld by Landlord in Landlord's sole and absolute discretion, and which consent may be expressly conditioned upon Landlord, at Tenant's sole cost and expense, performing such work on Tenant's behalf and/or overseeing the performance of such work by Tenant to Landlord's satisfaction. Tenant shall submit to Landlord plans and specifications for such work at the time Landlord's consent is sought. Any such improvements, alterations, additions, changes, replacements or installations will be performed in a good and workmanlike manner in accordance with the approved plans and specifications and in compliance with all Requirements and shall be performed and completed by Tenant in an expeditious manner. The cost of such improvements, alterations, additions, changes, replacements or installations shall be paid in cash or its equivalent so that the Demised Premises shall at all times be free of liens for work, labor, services or materials claimed to have been performed or furnished for or on behalf of Tenant or anyone holding any part of the Demised Premises through or under Tenant. All contractors and subcontractors performing work in or to the Demised Premises shall be approved by Landlord prior to the performance of any such work.

7.02 REPAIRS BY LANDLORD. Landlord shall make necessary structural repairs to the Demised Premises (but excluding windows and window frames, doors, plate glass, store fronts, showcases and signs) and shall keep in good condition and repair the foundations and roof of the Demised Premises and those portions of the utility systems that are for common use. Landlord shall not be required to make any such repairs where same were caused or occasioned by any act, omission or negligence of Tenant, or licensees of Tenant, or any of their respective officers, employees, agents, customers, invitees or contractors. Landlord shall not be required to commence any such repair until notice shall be received from Tenant specifying the nature of the repair. The provisions of this Section shall not apply in the case of damage by fire or other casualty or by eminent domain, in which event the obligations of the parties shall be as provided in other Sections of this Lease. All costs and expenses incurred by Landlord pursuant to the provisions of this Section shall be deemed to constitute Common Area costs.

7.03 REPAIRS AND MAINTENANCE BY TENANT. Except for repairs required to be performed by Landlord under Section 7.02, Tenant shall make all repairs and replacements to, and shall keep clean, neat, safe, sanitary, in good order, repair and condition (including all painting and decorating necessary to maintain at all times a clean and sightly appearance) and free of vermin, the Demised Premises, including both inside and the outside, and any equipment, facilities, fixtures and systems therein. In making repairs, Tenant shall use materials equal in kind and quality to the original work. Tenant shall repaint and refurbish the Demised Premises at reasonable periodic intervals to assure that the Demised Premises is kept in a first-class and attractive condition through the Term. In cleaning the Demised Premises, Tenant shall hire the same custodial service provided the Landlord has hired for the cleaning of the Common Areas of The Building. Tenant shall purchase a level of custodial services sufficient to keep the Demised Premises in an equivalent condition as the portion of The Building occupied by the Landlord. The provisions of this Section shall not apply in the case of damage by fire or other casualty or by eminent domain, in which event the obligations of the parties shall be as provided in other Sections of this Lease. All alterations and repairs hereunder shall be subject to the requirements and conditions set forth in Section 7.01 hereinbefore and shall be performed by contractors approved by Landlord, and all such work shall conform to existing structures and quality of the building.

7.04 CHANGES BY LANDLORD. Landlord reserves the right, at any time and from time to time, to increase, reduce or change the number, type, size, location, elevation, nature and use of any of the Common Areas including, without limitation, the right to move and/or remove same and to add additional stories thereon, provided same shall not unreasonably block or interfere with Tenant's means of ingress or egress to and from the Demised Premises.

7.05 LANDLORD'S CONSENT. In no event shall Landlord be required to consent to any improvements, alterations, additions, changes, replacements or installations which, when completed, will, in Landlord's judgment, be of such a character which will reduce the value, rentability or usefulness of the Demised Premises or which will affect the facade, mechanical, electrical or structural components of either the Demised Premises or the building or which would reduce the Floor Space of the Demised Premises.

7.06 FIRE OR CASUALTY; CONDEMNATION. In the event the Demised Premises are totally destroyed by fire, wind, or other causes beyond the control of the Landlord, or are condemned or otherwise taken by authority of local, state or federal government, then in any of these events the lease Term shall cease and terminate as of the date of such destruction, condemnation or taking. In the event of any loss or damage by fire or other casualty for which the building or improvements on the Demised Premises may be insured, all amounts payable upon any policy or policies of insurance shall be paid to Landlord. If the Demised Premises are damaged by fire, rain, wind or other such causes, so as to render the same partially untenable or partially unfit for use, but are repairable within a reasonable time, then this Lease shall remain in full force and effect, but Tenant's rent shall be proportionately reduced until the Demised Premises are repaired.

ARTICLE VIII
INSURANCE AND INDEMNITY

8.01 INSURANCE BY TENANT. A. Tenant shall maintain the following insurance at Tenant's sole cost and expense: (a) commercial general public liability insurance covering the Demised Premises and the conduct or operation of business therein, naming Landlord as additional insured, with limits of not less than $1,000,000 combined single limit for bodily injury or death and for property damage, including water damage and sprinkler leakage liability, (b) fire and extended coverage insurance covering Tenant's stock in trade, fixtures, furniture, furnishings, removable floor coverings, equipment, signs and all other property of Tenant in the Demised Premises to the extent of one hundred (100%) percent of the full insurable value of the property covered and not less than the amount sufficient to avoid the effect of the co-insurance provisions of the applicable policy or policies, (c) comprehensive automobile liability insurance including owned, non-owned and hired car coverage in an amount not less than $3,000,000 combined single limit per occurrence for bodily injury or death and for property damage, and (d) any other insurance required for compliance with any Requirements. Tenant shall deliver to Landlord and any additional insured specified by Landlord to Tenant such fully paid-for-policies or certificates evidencing such coverage before the Commencement Date. Tenant shall procure and pay for renewals of such insurance from time to time before the expiration thereof, and Tenant shall deliver to Landlord and any additional insured such renewal policy or certificates evidencing such renewal at least 30 days before the expiration of any existing policy. All such policies shall be issued by companies of recognized responsibility licensed to do business in the state in which the Demised Premises is located and having a general policy holder's rating of not less than A, and financial ratings of not less than Class VIII as rated in the most current "Best's" Insurance Reports, and all such policies shall contain a provision whereby the same cannot be canceled or modified unless Landlord and any additional insured are given at least 30 days prior written notice by certified or registered mail of such cancellation or modification.

B. Tenant shall require any contractor of Tenant performing work in, on or about the Demised Premises to take out and keep in full force and effect, at no expense to Landlord (a) commercial general public liability insurance in respect of the Demised Premises, and the conduct of its work therein, naming Landlord as additional insured, with limits of not less than $3,000,000 combined single limit for bodily injury or death and for property damage, including water damage and sprinkler leakage legal liability; (b) workers' compensation or similar insurance in form and amounts required by law (but in no event less than a combined single limit of $1,000,000 per occurrence); and (c) comprehensive automobile liability insurance including owned, non-owned and hired car coverage in an amount not less than $3,000,000 combined single limit per occurrence for bodily injury or death and for property damage.

C. It is understood and agreed by naming Landlord as an additional insured, coverage afforded is considered to be primary and any other insurance Landlord may have in effect shall be considered secondary and/or excess. It is further understood and agreed that thirty (30) days advance written notice shall be given to Landlord of cancellation, non-renewal, reduction and/or material change of any required insurance policy.

8.02 INCREASE IN PREMIUMS. Tenant shall not do, permit or suffer to be done any act, matter, thing or failure to act in respect of the Demised Premises or use or occupy the Demised Premises or conduct or operate Tenant's business in any manner objectionable to insurance companies whereby the fire insurance or any other insurance now in force or hereafter to be placed on the Demised Premises or the building or any part thereof shall become void or suspended or bring or keep anything upon the Demised Premises which shall increase the rate of premiums of insurance on the Demised Premises or the building or any part thereof or on the property located therein. If by reason of failure of Tenant to comply with the foregoing provisions of this Section, any premiums in respect of insurance maintained by Landlord shall be higher than those which would normally have been in effect, then Tenant shall be liable to Landlord as hereinafter set forth. In case of a breach of this covenant, in addition to all other rights and remedies of Landlord hereunder, Tenant shall (a) indemnify Landlord and hold Landlord harmless from and against any loss which would have been covered by insurance which shall have become void or suspended because of such breach by Tenant and (b) pay to Landlord any and all increases of premiums on any insurance, including, without limitation, rent insurance, resulting from any such breach. In addition to the foregoing, Tenant will, if Landlord so requests, cease any action and/or remove any objects or improvements which have resulted in increases in Landlord's insurance premiums.

8.03 INDEMNIFICATION AND RELEASE. In the event legal proceedings are threatened or filed against either party involving in any manner the performance of this Lease, notification shall be given to the other party, including any knowledge or information which may result in a claim against either of them, and cooperation shall take place between the parties whenever any claim is filed against either party, involving in any manner the performance of this Lease. Tenant shall defend and indemnify Landlord and shall hold Landlord harmless from and against any and all injuries, losses, claims, actions, damages, liabilities and expenses (including attorneys' fees and expenses) to persons or property arising from, related to or in connection with the use or occupancy of the Demised Premises or the conduct or operation of business therein or any default in the performance of any obligation of Tenant under this Lease. Landlord shall not be liable or responsible for, and Tenant hereby releases Landlord from, all liability or responsibility to Tenant or any person claiming by, through or under Tenant, by way of subrogation or otherwise, for any loss or damage to any property in or around the Demised Premises or to Tenant's business irrespective of the cause of such loss or damage, and Tenant shall require its insurer(s) to include in all of Tenant's casualty insurance policies which could give rise to a right of subrogation against Landlord a clause or endorsement whereby the insurer(s) shall waive any rights of subrogation against Landlord. If Landlord shall, without fault on its part, be made a party to any litigation commenced by or against Tenant, Tenant shall indemnify and hold Landlord harmless from and against all costs, expenses and reasonable attorneys' fees incurred or paid by Landlord in connection with such litigation.

ARTICLE IX
MISCELLANEOUS

9.01 ASSIGNMENT OR SUBLETTING. Tenant shall not assign or sublet its rights under this Lease.

9.02 RENEWAL. This Lease may be renegotiated for additional terms following the completion of the current Term.

9.03 DEFAULT AND REPOSSESSION. If the Demised Premises shall be deserted or vacated, or if there shall be a default in the payment of rent or any part thereof for more than seven days after written notice of such default by the Landlord, or if there shall be default in the performance of any other covenant, agreement, condition, rule or regulation herein contained or incorporated herein by reference for more than seven days after written notice of such default by the Landlord, this Lease (if the Landlord so elects) shall thereupon become null and void, and the Landlord shall have the right to reenter or repossess the Demised Premises, either by summary proceedings, surrender, or otherwise, and dispossess and remove therefrom the Tenant, or other occupants thereof, and their effects, without being liable to any prosecution therefor. Tenant agrees to pay all expenses and damages incurred by Landlord as a result of Tenant's default, including Landlord's reasonable attorney fees. If Tenant shall fail to perform any of its obligations hereunder, Landlord may, if it so elects, and after five days' prior notice to Tenant, cure such default at Tenant's expense, and Tenant agrees to reimburse Landlord (as additional rent) for all costs and expenses incurred as a result thereof upon demand.

9.04 NULL AND VOID. This Lease runs with an Agreement for Professional Services, entered into by and between the City of Muskegon and SAFEbuilt Michigan, Inc., and (if the Landlord so elects) shall become null and void at the expiration or termination of the Agreement for Professional Services. The Agreement for Professional Services runs with this Lease and (if the Landlord so elects) shall become null and void at the expiration or termination of this Lease.

9.05 OWNERSHIP OF IMPROVEMENTS AND PERSONAL PROPERTY. All installations, alterations, additions, betterments and improvements upon the Demised Premises, made by any party, shall become the property of Landlord when installed and shall remain upon and be surrendered with the Demised Premises as a part thereof at the expiration or sooner termination of the Term. Movable trade fixtures and other personal property which Tenant installs at its own expense shall remain Tenant's property and may be removed at any time provided Tenant promptly repairs any damage caused by such removal and provided further that Tenant shall not then be in default under this Lease.

9.06 END OF TERM. At the expiration or sooner termination of the Term, Tenant shall quit and surrender to Landlord the Demised Premises, broom clean and in good order and condition, ordinary wear and tear and damage by fire and any other insured casualty excepted. At such expiration or sooner termination Tenant shall remove all property of Tenant and its signage and at the option of Landlord, shall remove any or all alterations and other improvements made by Tenant to the Demised Premises as designated by Landlord and Tenant shall repair all damage to the Demised Premises caused by such removal and restore the Demised Premises to the condition in which they were at the Commencement Date. Such removal, repair and restoration shall be effected in accordance with the rules and regulations, including construction rules and guidelines, of Landlord. It is agreed that any holding over by the Tenant upon expiration of the Term of this Lease or any renewal or extension hereof, shall operate as an extension of this Lease from month to month only.

9.07 WAIVER OF JURY TRIAL AND RIGHT TO COUNTERCLAIM. Landlord and Tenant shall and they hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Demised Premises, and any emergency or other statutory remedy. Tenant further agrees that it shall not interpose any counterclaim(s) in a summary proceeding or in any action based on holdover or non-payment of Fixed Rent.

9.08 NO WAIVER. The failure of Landlord to insist in any one or more cases upon the strict performance or observation of any obligation of Tenant hereunder or to exercise any right or option contained herein shall not be construed as a waiver or relinquishment for the future of any such obligation of Tenant or any right or option of Landlord. Landlord's receipt and acceptance of Fixed Rent, or Landlord's acceptance of performance of any other obligation by Tenant, with knowledge of Tenant's breach of any provision of this Lease, shall not be deemed a waiver of such breach. No consent, approval or waiver, express or implied, by Landlord or Tenant to or of any breach of any covenant, agreement or obligation, of Landlord or Tenant shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, agreement or obligation unless in each case in writing signed by Landlord or Tenant, whichever the case may be. Landlord's failure during the Term to prepare and deliver to Tenant any bill, statement or notice with respect to any item of Fixed Rent or any increases thereto by operation of any provision of this Lease, shall not in any way cause Landlord to forfeit or surrender its right to collect any item of Fixed Rent which may become due during the Term nor shall such failure extend the date(s) on which any such items of Fixed Rent is due. In no event shall Landlord be deemed to have any obligation to bill any item of Fixed Rent or any increases thereto. IN NO EVENT SHALL LANDLORD BE LIABLE FOR THE ACTS OF ANY TENANT OR OCCUPANT. IN ADDITION, IN NO EVENT SHALL LANDLORD BE LIABLE FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, TENANT'S LOST PROFITS OR GOOD WILL.

9.09 QUIET ENJOYMENT. Landlord covenants that Tenant, on paying the Fixed Rent and performing all of Tenant's obligations under this Lease, shall peacefully and quietly have, hold and enjoy the Demised Premises, the Common Areas and the appurtenances throughout the Term without hindrance, ejection or molestation by any person lawfully claiming under Landlord, subject to the terms and provisions of this Lease and to all mortgages and ground and underlying leases of record to which this Lease may be or become subject and subordinate. The parties acknowledge that as of the date of signing this Lease, the City is one of Tenant’s clients and uses Tenant’s business services. Leasing space within the City Hall building is in no way to be construed as entering into an employer-employee relationship.

9.10 NOTICES. Any notice, demand, waiver, approval or consent hereunder shall be in writing and shall be deemed duly served if mailed by registered or certified mail, postage prepaid, in any post office station or letter box in the continental United States, return receipt requested, or sent by reputable overnight carrier with delivery charges prepaid and proof of delivery service to be provided, addressed:

If to Tenant, to it at the address Tenant shall have last designated by notice to Landlord.

If to Landlord, to it at 933 Terrace St., Muskegon, MI 49443; Attention: City Manager or such other address as Landlord shall have last designated by notice to Tenant. With a copy to, Parmenter O’Toole at 601 Terrace Street, Muskegon MI 49440; Attention: John Schrier.

Such notice, demand, waiver, approval or consent shall be deemed served two (2) days after mailing, or the next business day if sent by reputable overnight carrier.

9.11 LEGAL EXPENSES. If a suit be brought for recovery of possession of the Demised Premises, for the recovery of Fixed Rent, or because of the breach of any other covenant, agreement or condition on the part of Tenant to be kept or performed, or a violation of any rules and regulations promulgated pursuant to this Lease and a breach shall be established, Tenant shall pay Landlord all expenses incurred in connection therewith, including appeals of the above, including reasonable attorneys' fees and expenses. In case any such suit is settled before judgment is entered therein, such costs, expenses and fees, including reasonable actual attorney fees, shall nevertheless be recoverable by Landlord as part of said settlement.

9.12 INTERPRETATION. Irrespective of the place of execution or performance, this Lease shall be governed by and construed in accordance with the laws of the state of Michigan.

9.13 LANDLORD'S RIGHTS. The taking of any action permitted hereunder by Landlord shall not be construed or deemed to be a forcible or unlawful entry into or a detainer of the Demised Premises, or an eviction, partial eviction or constructive eviction of Tenant from the Demised Premises or any portion thereof and shall not relieve Tenant of its obligations under this Lease.

9.14 COMPLETE AGREEMENT. There are no representations, agreements, arrangements or understandings, oral or written, between the parties relating to the subject matter of this Lease that are not fully expressed in this Lease. This Lease cannot be changed or terminated orally or in any manner other than by a written agreement executed by both parties. In making and executing this Lease, Tenant has relied solely on such investigations, examinations and inspections as Tenant has chosen to make or has made and Tenant acknowledges that Landlord has afforded Tenant the opportunity for full and complete investigations, examinations and inspections.

9.15 SEVERABILITY. Should any one or more of the provisions of this Lease be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of this Lease shall not in any way be impaired or affected.

9.16 COUNTERPARTS. This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute but one Lease.

9.17 TIME OF THE ESSENCE. Time is of the essence of each term, covenant, condition and obligation of this Lease.

9.18 INDEPENDENT CONTRACTOR STATUS. Nothing in this Lease shall be deemed to alter Tenant's independent contractor status in relationship to Landlord. This Lease shall not create an employee-employer relationship between Tenant and Landlord.

IN WITNESS WHEREOF, Landlord and Tenant have hereunto executed this Lease as of the day and year first above written.

LANDLORD:

City of Muskegon, a Michigan municipal corporation

By: ____
Stephen Gawron, Mayor

By: ____
Ann Cummings, City Clerk

TENANT:
SAFEbuilt Michigan, Inc., a Michigan foreign profit corporation

By:____________________________________

Name:_________________________________

Title:__________________________________

(Tenant's Federal Taxpayer Identification Number is - 27-1314735)

CITY OF MUSKEGON, MICHIGAN
RENTAL PROGRAM AND ENVIRONMENTAL CODE COMPLIANCE
PROFESSIONAL SERVICES AGREEMENT
Proposed

This Agreement for Professional Services ("Agreement") is entered into by and between theCity of Muskegon, a Michigan municipal corporation, 933 Terrace Street, Muskegon, MI 49440, ("City") and SAFEbuilt Michigan, Inc., ("SAFEbuilt"), licensed to do business in the State of Michigan, whose address is 500 West Big Beaver Road, Troy, Michigan 48083. City and SAFEbuilt are individually referred to as a"Party" and may be collectively referenced as the "Parties."

RECITALS AND REPRESENTATIONS

WHEREAS, the City has the responsibility under State laws and City Ordinance to adopt andenforce adopted ordinances, conduct inspections, andconduct other professional services as described in this Agreement; and

WHEREAS, SAFEbuilt has represented to the City that it has substantial knowledge andexperience in the interpretation and application of the City's adopted Code of Ordinances with regard torental registration program and environmental code compliance.

WHEREAS, SAFEbuilt represents that SAFEbuilt has the skill, ability, and expertise to performthe services described in this Agreement; and

WHEREAS, the City desires to engage SAFEbuilt to provide the services described in thisAgreement subject to the terms and conditions of the Agreement.

NOW, THEREFORE, in consideration of the benefits and obligations of this Agreement, theParties mutually agree as follows:

1.0 AGREEMENT

1.1 References to "SAFEbuilt" shall include any employees of SAFEbuilt, itscontractors, subcontractors, independent contractors.

2.0 SERVICES

2.1 Services. As directed by and under the supervision of the Director of Community and Economic Development, or his/her designee, SAFEbuilt shall provide the City with the services described in **Exhibit A**("Scope of Services").

2.2 Incumbent Employees. SAFEbuilt is under no obligation to hire or retain current City of Muskegon employees. SAFEbuilt will hire the best candidate for the available positions. SAFEbuilt will interview all interested incumbent employees.

2.3 Changes to Services. The City may request a change or changes in theServices. Any changes to Services that are mutually agreed upon between theCity and SAFEbuilt shall be made in writing which shall specifically designate anychanges in compensation for the Services and be made an amendment to theAgreement after approval by City Commission. To be effective, any changes must beapproved by City Commission, and signed by SAFEbuilt and the Mayor and City Clerk.

3.0 COMPENSATION

3.1 Commencement of Services. Following execution of this Agreement by bothParties and on the Effective Date of December 01, 2013 or thirty (30) days after SAFEbuilt's receipt of this fully executed agreement; whichever is later(the "Effective Date"), SAFEbuilt shall be authorizedto commence performance of the

Services subject to the requirements andlimitations on compensation as provided by this Section 3.0 and its subsections.Prior to December 01, 2013 effective date, SAFEbuilt agrees to attend transition trainingprovided by the City at no charge to the City. The purpose of this transitionperiod is to allow SAFEbuilt to do what is necessary to become fully functional forthe performance of services under this Agreement by December 01, 2013. During thistransition period, SAFEbuilt may begin moving into the former Civil Service space,begin review of current staff and procedure &policies; confer with the City'sInformation Technology Department regarding the City's BS&Asoftware and other items as needed; and to take other actions that are mutually acceptable to both Parties toassure a smooth transition.

3.2 Compensation. SAFEbuilt shall receive payment as specified in **Exhibit B**.

3.3 Hourly Fees. IfSAFEbuilt is required by the City to perform any service not included as part of itsScope of Services outlined in **Exhibit A**the City shall be responsible for thehourly rate listed in **Exhibit B**.

3.4 Collection of Fees. The Rental and Environmental Code Compliance Department, through SAFEbuilt, shallcollect appropriate related fees on behalf of the City. The fees shall be set by the City Commission, upon recommendation from City staff and SAFEbuilt.

Increases in Compensation or Addition of Reimbursable Expenses. Anyincreases or modification of compensation or the addition of areimbursable expense(s) shall be subject to written amendment of thisAgreement approved by City Commission and executed by both Parties. However, there isa pre-approved three percent (3%) fee increase for the second and third years of service – December 01, 2014 through November 30, 2015 and December 01, 2015 through November 30, 2016.

3.5 Payment Processing. SAFEbuilt shall submit invoices and requests for paymentin a form acceptable to the City. Invoices shall be submitted by the 15thofeach month unless otherwise approved by this Agreement or in writing by theCity. All invoices shall contain sufficient information to account for all SAFEbuilttime (or other appropriate measure(s) of work effort for the Services during thestated period of the invoice. Invoices shall be given to the Director of Community and Economic Developmentwith a computation of the feesreceived. The City shall have thirty (30) days from receipt of the invoice to issuepayment to SAFEbuilt's corporate offices at: SAFEbuilt; 3755 Precision Drive, Suite 140; Loveland, CO 80538 unless there is a dispute as to the amount due and owning. Ifthere is a dispute, the parties shall use the procedures set out in paragraph 3.6.

3.6 City's Dispute of Amount of Payment. The City may request additionalinformation from SAFEbuilt substantiating any and all compensation sought bySAFEbuilt before accepting the invoice. When additional information is requestedby the City, the City shall advise SAFEbuilt in writing, identifying the specificitem(s) that are in dispute and giving specific reasons for any request forinformation. The City shall pay SAFEbuilt within thirty (30) days of the receiptof an invoice for any undisputed charges or, if the City disputes an item or invoiceand additional information is requested, within thirty (30) days of acceptance ofthe item or invoice by the City following receipt of the information requested andresolution of the dispute. To the extent possible, undisputed charges within thesame invoice as disputed charges shall be timely paid in accordance with thisAgreement. Payment by the City shall be deemed made and completed uponhand delivery to SAFEbuilt or designee of SAFEbuilt or upon deposit of suchpayment in the U.S. Mail, postage pre-paid, addressed to SAFEbuilt.

4.0 SAFEBUILT'S GENERAL RESPONSIBILITIES

4.1 Reference to "SAFEbuilt" shall include SAFEbuilt employees,contractors, subcontractors, independent contractors, or anyone performingservices under this Agreement for SAFEbuilt.

4.2 SAFEbuilt shall provide to the City the work telephone numbers of all employees,including any mobile telephones that will be used while performing servicesunder this Agreement. Mobile numbers will be for use by city staff only. SAFEbuilt reserves the right to release mobile numbers to the public as warranted.

4.3 The City shall provide copies and amendments of applicableCity Code of Ordinances,street maps or other relevant materials to SAFEbuilt. These Code of Ordinances, streetmaps and all other materials shall remain the property of the City and shall beturned into the City at the termination of this Agreement. SAFEbuilt shall becomefamiliar with those documents and any unusual applications of those documents to Cityissues. SAFEbuilt is obligated to affirmatively request from the City suchinformation that SAFEbuilt, based on SAFEbuilt's professional experience, shouldreasonably expect is available and which would be relevant to the performanceof the Services.

4.4 SAFEbuilt shall perform the Services in accordance with this Agreementand shall promptly inform the City concerning ambiguities and uncertaintiesrelated to SAFEbuilt's performance that are not addressed by the Agreement.

4.5 SAFEbuilt shall employ a sufficient number of employees sufficiently experiencedand knowledgeable to perform the Services in a timely and prompt manner andsuch employees shall at all times act in a professional, polite, and courteousmanner to all persons regardless of the circumstances.

4.6 SAFEbuilt shall not allow employees, contractors, or subcontractors that areconvicted of specific crimes to do work in the City. Those crimes include,but are not limited to, fraud, theft, criminal sexual conduct, assaultive or violentbehavior, serious moral turpitude, gambling, prostitution, weapons violations, taxevasion, controlled substances, or excessive use of alcohol.

4.7 SAFEbuilt shall promptly comply with any written City request for the City or anyof its duly authorized representatives to reasonably access and review anybooks, documents, and papers, other than SAFEbuilt’s financial records, that are pertinent to SAFEbuilt’s performance under this Agreement for the purpose of the City performingan audit, examination, or other reviewof the Services.

4.8 SAFEbuilt shall comply with all applicable federal, state and local laws,ordinances, regulations, and resolutions.

4.9 SAFEbuilt shall be responsible at SAFEbuilt's expense for obtaining, and maintaining in a valid and effective status, all licenses and permits necessary to perform the Services unless specifically stated otherwise in this Agreement. SAFEbuilt shall supply copies to the City of appropriate licenses, registrations and permits for any individual performing services under this Agreement.

4.10 If requested by the City, SAFEbuilt shall make the appropriate employees,contractors, subcontractors, agents and independent contractors available forcourt proceeding, as witnesses, expert witnesses or otherwise, instituted by orinvolving the City in either criminal or civil matters which involve servicesperformed under this Agreement, including but not limited to, appearances atpre-trials, bench trials, jury trial and at all other times requested by the City.

4.11 SAFEbuilt shall make the appropriate employee, contractor, subcontractor, andindependent contractor available for consultation with the Director of Community and Economic Development and theCity Attorney, or their designees, to discuss issues regarding litigation and/ormatters of interest to City Commission or the public.

5.0 PERFORMANCE STANDARDS

5.1 In performing the Services, SAFEbuilt shall use that degree of care, skill, and professionalism ordinarily exercised under similar circumstances by members of the same profession practicing or performing the substantially same or similar services in the State of Michigan. SAFEbuilt represents to the City that SAFEbuilt is, and its employees performing such Services are, properly licensed and/or registered within the State of Michiganfor the performance of the Services (if licensure and/or registration is required by applicable law) and that SAFEbuilt and employees possess the skills, knowledge, and abilities to competently, timely,and professionally perform the Services in accordance with this Agreement.

5.2 In a timely manner, SAFEbuilt shall inform the Director of Community and Economic Developmentof all oralcomplaints and submit a copy of all written complaints it receives from thirdparties against any employee, contractor, subcontractor or independentcontractor of SAFEbuilt to the Director of Community and Economic Developmentand inform the Director of Community and Economic Developmentof any responses to the complaint or of any actions taken.

5.3 The Parties mutually agree that SAFEbuilt's actions reflect on the reputation ofthe City. It is imperative to the City that SAFEbuilt treats the City and the publicwith the utmost fairness and respect. SAFEbuilt shall strictly comply with all theterms and conditions set out in this Agreement.

6.0 LEASING OF CITY PROPERTY - OFFICE SPACE

6.1 The City of Muskegon and SAFEbuilt shall execute and adhere to the obligations of a rental lease as outlined in **Exhibit C.**

7.0 USE OF CITY SOFTWARE

7.1 The City is licensed to use BS&A software. The City has obtained permission from BS&A to allow SAFEbuilt tohave access to the City's BS&Asoftware as long as that software is only usedby SAFEbuilt to perform the services under this Agreement and the Building Department Services Agreement for the City. SAFEbuilt acknowledges that the license to use the BS&Asoftwareterminates with the termination of these Agreements.

7.1.1 Upon SAFEbuilt service start date all Environmental Code Compliance Case identification numbers; Rental Program identification numbers; identification numbers will incorporate a prefix that signifies case or registration was generated under this agreement.

7.2 SAFEbuilt shall provide an original signed statement from each of its employeesacknowledging that he/she understands that the BS&A software is the soleproperty of BS&A and at no time may he/she download, copy, alter, or takeother prohibited actions regarding that software. SAFEbuilt is permitted to usestandard City software loaded on the City's computers leased under Section 7,for example, Microsoft Office and Outlook email. SAFEbuilt's right to use thesoftware applies only to work performed for the City and any rights to theuse of that software ceased upon their termination by SAFEbuilt and/or thetermination of the Agreement.

7.3 SAFEbuilt agrees to defend, pay on behalf of, indemnify, and hold harmless theCity, its elected and appointed officials, employees, and volunteers against anyclaims, demands, suits or loss, and for any damages which may be asserted,claimed or recovered against or from the City, its elected and appointed officials,employees or volunteers by reason of any allegation of illegal use or misuse ofBS&Asoftware or a violation of the licensing agreement by SAFEbuilt.

8.0 MISCELLANOUS INVENTORY & SUPPLIES

8.1 SAFEbuilt shall supply all of its own office supplies and materials, including, but notlimited to, postage, paper, envelopes, letterhead and business cards. Any inventory orsupplies not specifically set out in this Agreement as included in any lease, rental or useprovisions shall be the responsibility of SAFEbuilt. Any time SAFEbuilt uses the name"City of Muskegon" or the City logo on letterhead, documents, envelopes, businesscards, or other printed materials, it must also include a SAFEbuilt designation approvedby the City.

9.0 TERM AND TERMINATION

9.1 <u>Term</u>. This Agreement shall be effective on the December 01, 2013 or thirty (30) days after SAFEbuilt’s receipt of this fully executed agreement; whichever is later, (the"Effective Date") and shall terminate onNovember 30, 2016. At the end of the three (3) year period, and upon mutual agreement of theparties as approved by City Commission, this Agreement may be renewed for up to atwo (2) year period. This Agreement may also be terminated as provided inparagraph 9.3.

9.2 Continuing Services Required. SAFEbuilt shall perform the Services inaccordance with this Agreement commencing on the Effective Date until suchServices are terminated or suspended in accordance with this Agreement. SAFEbuilt shall not temporarily delay, postpone, or suspend the performance of theServices without the written consent of the City Commission, City Manager, Director of Community Development or aperson expressly authorized in writing to direct SAFEbuilt's services.

9.3 City Unilateral Termination. This Agreement may be terminated by the City forany or no reason upon written notice delivered to SAFEbuilt at least ninety (90)days prior to termination. In the event of the City's exercise of the right ofunilateral termination as provided by this paragraph:

9.3.1 Unless directed to continue performing work during the ninety (90) dayperiod prior to termination or unless otherwise provided in any notice oftermination, SAFEbuilt shall provide no further services and receive no compensation for any unauthorized services rendered in connection withthis Agreement after receipt of a notice of termination; and

9.3.2 All finished or unfinished documents, data, studies and reports preparedby SAFEbuilt pursuant to this Agreement shall be delivered by SAFEbuiltto the City and shall become the property of the City; and

9.3.3 SAFEbuilt shall submit to the City a final accounting and final invoice ofcharges for all outstanding and unpaid Services and reimbursableexpenses performed prior to SAFEbuilt's receipt of notice of terminationand for any services authorized to be performed by the notice oftermination as provided by Section 9.3. Such final accounting and finalinvoice shall be delivered to the City within thirty (30) days of the date oftermination; thereafter, no other invoice, bill, or other form of statement ofcharges owing to SAFEbuilt shall be submitted to or accepted by the City.

9.4 Termination for Non-Performance. Should a Party to this Agreement fail tomaterially perform in accordance with the terms and conditions of thisAgreement, this Agreement may be terminated by the performing Party if theperforming Party first provides written notice to the non-performing Party whichnotice shall specify the non-performance, provide both a demand to cure thenon-performance and reasonable time to cure the non-performance, and state adate upon which the Agreement shall be terminated if there is a failure to timelycure the non-performance. For purpose of this Section 9.4, "reasonable time"shall be not less than five (5) business days. In the event of a failure to timelycure a non-performance and upon the date of the resulting termination for nonperformance,SAFEbuilt prepare a final accounting and final invoice of chargesfor all performed but unpaid Services and authorized reimbursable expenses.Such final accounting and final invoice shall be delivered to the City within fifteen(15) days of the date of termination; thereafter, no other invoice, bill, or otherform of statement of charges owing to SAFEbuilt shall be submitted to oraccepted by the City. Provided that notice of non-performance is provided inaccordance with this Section 9.4, nothing in this Section 9 shall prevent,or limit any claim or action for default or breach of contract resultingfrom non-performance by a Party.

9.5 Unilateral Suspension of Services. The City may suspend SAFEbuilt'sperformance of the Services at the City's discretion and for any reason bydelivery of written notice of suspension to SAFEbuilt which notice shall state aspecific date of suspension. Upon receipt of such notice of suspension, SafeBuilt shall immediately cease performance of the Services on the date ofsuspension except: (1) as may be specifically authorized by the notice ofsuspension (e.g., to secure the work area from damage due to weather or tocomplete a specific report or study); or (2) for the submission of an invoice forServices performed prior to the date of suspension in accordance with thisAgreement.

9.6 Reinstatement of Services Following City's Unilateral Suspension. The City mayat its discretion direct SAFEbuilt to continue performance of the Servicesfollowing suspension. If such direction by the City is made within (30) days of thedate of suspension, SAFEbuilt shall recommence performance of the

Services inaccordance with this Agreement. If such direction to recommence suspendedServices is made more than thirty-one (31) days following the date ofsuspension, SAFEbuilt may elect to: (1) provide written notice to the City thatsuch suspension is considered a unilateral termination of this Agreementpursuant to Section 9.3; or (2) recommence performance in accordance withthis Agreement; or (3) if suspension exceeded sixty (60) consecutive days,request from the City an equitable adjustment in compensation or a reasonablere-start fee and, if such request is rejected by the City, to provide written notice tothe City that such suspension and rejection of additional compensation isconsidered a unilateral termination of this Agreement pursuant to Section 9.3.Nothing in this Agreement shall preclude the Parties from executing a writtenamendment or agreement to suspend the Services upon terms and conditionsmutually acceptable to the Parties for any period of time.

9.7 Delivery of Notice of Termination. Any notice of termination permitted by thisSection 9 and its subsections shall be deemed given as set out in Section 15.13of this Agreement titled "Notices".

10.0 INSURANCE

10.1 Insurance Generally. SAFEbuilt shall obtain and shall continuously maintainduring the term of this Agreement insurance of the kind and in the amountsspecified as follows:

☒The Contactor shall secure and maintain the following ("RequiredInsurance"):

☒Worker's compensation insurance to cover obligations imposed byapplicable law for any employee engaged in the performance ofwork under this Agreement, and Employer's Liability insurancewith minimum limits of one hundred thousand dollars ($100,000)each accident, five hundred thousand dollar ($500,000) disease -policy limit, and one hundred thousand dollars ($100,000) disease- each employee. Evidence of qualified self-insured status maybe substituted for the worker's compensation requirements of thisparagraph.

☒Commercial general liability insurance with minimum combinedsingle limits of one million dollars ($1,000,000) each occurrenceand two million dollars ($2,000,000) general aggregate. Thepolicy shall be applicable to all premises and operations. Thepolicy shall include coverage for bodily injury, broad form propertydamage (including completed operations), personal injury(including coverage for contractual and employee acts), blanketcontractual, independent Corporations, an Annual ContractAggregate Limit endorsement, and products and completedoperations. The policy shall contain a severability of interestprovision, and shall be endorsed to include the Municipalityincluding Architects and Engineers, all elected and appointedofficials, all employees and volunteers, boards, commissionsand/or authorities and their board members, employees, andvolunteers as additional insured. No additional insuredendorsement shall contain any exclusion for bodily injury orproperty damage arising from completed operations.

☒Comprehensive Automobile Liability insurance with minimumcombined single limits for bodily injury and property damage of notless than of One Million Dollars ($1,000,000.00) each occurrencewith respect to each of SAFEbuilt's owned, hired and non-ownedvehicles assigned to or used in performance of the Services. Thepolicy shall contain a severability of interest’s provision. Suchinsurance coverage must extend to all levels of subcontractors.Such coverage must include all automotive equipment used in theperformance of the Agreement, both on the work site and off thework site, and such coverage shall include non-ownership andhired cars coverage. Such insurance shall be endorsed to namethe City as Certificate Holder and name the City, and its electedofficials, officers, employees and agents as additional insuredparties.

☒Professional Liability (errors and omissions) Insurance with aminimum limit of coverage of One Million Dollars ($1,000,000) perclaim and annual aggregate. Such policy of insurance shall beobtained and maintained for one (1) year following completion ofall Services under this Agreement. Such policy of insurance shallbe endorsed to include the City as a Certificate Holder.

The Required Insurance shall be procured and maintained withinsurers licensed and admitted in Michigan with an A- or betterrating as determined by Best's Key Rating Guide. All RequiredInsurance shall be continuously maintained to cover all liability,claims, demands, and other obligations assumed by SAFEbuilt.

10.2 Additional Requirements for All Policies. In addition to specific requirementsimposed on insurance by this Section 10 and its subsections, insurance shallconform to all of the following:

10.2.1 Insurance carried or obtained by the City, its officers, or its employeesshall be in excess of and not contributory insurance to that provided bySAFEbuilt; provided, however, that the City shall not be obligated toobtain or maintain any insurance whatsoever for any claim, damage, orpurpose arising from or related to this Agreement and the Services. SAFEbuilt shall not be an insured party for any City-obtained insurance policyor coverage.

10.2.2 SAFEbuilt shall be solely responsible for any deductible losses forRequired Insurance.

10.2.3 No policy of insurance shall contain any exclusion for bodily injury orproperty damage arising from completed operations.

10.2.4 Every policy of insurance shall provide that the City will receive notice noless than thirty (30) days prior to any cancellation, termination, or amaterial change in such policy.

10.3 Failure to Obtain or Maintain Insurance. SAFEbuilt's failure to obtain andcontinuously maintain policies of insurance in accordance with this Section 10 andits subsections shall not limit, prevent, preclude, excuse, or modify any liability,claims, demands, or other obligations of SAFEbuilt arising from performance ornon-performance of this Agreement. Failure on the part of SAFEbuilt to obtain andto continuously maintain policies providing the required coverage, conditions,restrictions, notices, and minimum limits shall constitute a material breach of thisAgreement upon which the City may immediately terminate this Agreement, or, atits discretion, the City may procure or renew any such policy or any extendedreporting period thereto and may pay any and all premiums in connectiontherewith, and all monies so paid by the City shall be repaid by SAFEbuilt to theCity immediately upon demand by the City, or at the City's sole discretion, the Citymay offset the cost of the premiums against any monies due to SAFEbuilt from theCity pursuant to this Agreement.

10.4 Insurance Certificates. Prior to commencement of the Services, SAFEbuilt shallsubmit to the City certificates of insurance for all Required Insurance. Insurancelimits, term of insurance, insured parties, and other information sufficient todemonstrate conformance with this Section 10 and its subsections shall beindicated on each certificate of insurance. Certificates of insurance shall referenceSAFEbuiltContracted Services. The City may request and SAFEbuiltshall provide within ten (10) business days of such request a current certifiedcopy of any policy of Required Insurance and any endorsement of such policy.The City may, at its election, withhold payment for Services until the requestedinsurance policies are received and found to be in accordance with theAgreement.

11.0 OWNERSHIP OF DOCUMENTS

11.1 Any work product, materials, and documents produced by SAFEbuilt pursuant tothis Agreement shall be and remains property of the City and shall not be madesubject to any copyright unless authorized by the City. SAFEbuilt hereby assignsto the City the copyright to all works prepared, developed, or created pursuant tothe Services outlined in this Agreement, including the rights to: (1) reproduce thework; (2) prepare derivative works; (3) distribute copies to the public by sale,rental, lease, or lending; (4) perform the works publicly; and (5) to display thework publicly. SAFEbuilt waives its rights to claim authorship of the works, toprevent its name from being used in connection with the works, and to preventdistortion of the works.

Other materials, methodology and proprietary work used or provided by SAFEbuilt to the City not specifically created and delivered pursuant to the Servicesoutlined in this Agreementmay be protected by a copyright held by SAFEbuiltand SAFEbuilt reserves all rights granted to it by any copyright. The City shallnot reproduce, sell, or otherwise make copies of any copyrighted material,subject to the following exceptions: (1) for exclusive use internally by City staffand/or employees; or (2) pursuant to a request under the Michigan Freedom ofInformation Act, MCl 15.231 et. seq., or any Federal open records act, to theextent that such statutes apply; or (3) pursuant to law, regulation, or court order.SAFEbuilt waives any right to prevent its name from being used in connectionwith the Services.

11.2 SAFEbuilt will be provided with a copy of the City's Freedom of Information Act("FOIA") policy. The City is responsible for responses to FOIA requests and SAFEbuilt shall not directly respond to any third parties regarding any received FOIArequests. Upon receipt of a FOIA request, SAFEbuilt shall immediately give thatrequest to the CityClerk. SAFEbuilt shall provide specific information requested by the City forresponse to the FOIA request by the date and time requested by the City Clerk orin a specific format is so requested by the City Clerk.

11.3 If SAFEbuilt receives a claim for damages, a Summons or Complaint, asubpoena or other document concerning a request for money damages, a threatof a law suit, or any court action proceeding, SAFEbuilt shall immediately handdeliver these documents to the City Clerk along with copies of all relevant documents.

12.0 INDEPENDENT CONTRACTOR.

12.1 SAFEbuilt shall perform the Services as an independent contractor and shall not bedeemed by virtue of this Agreement to have entered into any partnership, joint venture,employer/employee or other relationship with the City other than as a contracting partyand independent contractor.

13.0 CONFLICT OF INTEREST

13.1 SAFEbuilt shall refrain from providing services to other persons, firms, or entities thatwould create a conflict of interest for SAFEbuilt with regard to providing the Servicespursuant to this Agreement. SAFEbuilt shall not offer or provide anything of benefit toany City official or employee that would place the official or employee in a position ofviolating the public trust as provided under the City Charter, City Code of Ordinance,state or federal statute, case law or ethical principles.

14.0 REMEDIES

14.1 In addition to any other remedies provided for in this Agreement, and withoutlimiting its remedies available at law, the City may exercise the following remedialactions if SAFEbuilt substantially fails to perform the duties and obligations of thisAgreement. Substantial failure to perform the duties and obligations of thisAgreement shall mean a significant, insufficient, incorrect, or improperperformance, activities or inactions by SAFEbuilt. The remedial actions include:

14.1.1 Suspend SAFEbuilt's performance pending necessary corrective action asspecified by the City without SAFEbuilt's entitlement to an adjustment inany charge, fee, rate, price, cost, or schedule; and/or

14.1.2 Withhold payment to SAFEbuilt until the necessary services or correctionsin performance are satisfactorily completed; and/or

14.1.3 Deny payment for those services which have not been satisfactorilyperformed, and which, due to circumstances caused by SAFEbuilt, cannotbe performed, or if performed would be of no value to the City; and/or

14.1.4 Terminate this Agreement in accordance with this Agreement.

The foregoing remedies are cumulative and the City, in its sole discretion, may exerciseany or all of the remedies individually or simultaneously.

15.0 MISCELLANEOUS PROVISIONS

15.1 <u>No Waiver of Rights</u>. A waiver by any Party to this Agreement of the breach ofany term or provision of this Agreement shall not operate or be construed as awaiver of any subsequent breach by either Party. The City's approval oracceptance of, or payment for, services shall not be construed to operate as awaiver of any rights or benefits to be provided under this Agreement. Nocovenant or term of this

Agreement shall be deemed to be waived by the Cityexcept in writing signed by the City Commission or by a person expressly authorizedto sign such waiver by resolution of the City Commission of the City and any writtenwaiver of a right shall not be construed to be a waiver of any other right or to be acontinuing waiver unless specifically stated.

15.2 No Waiver of Governmental Immunity. Nothing in this Agreement shall beconstrued to waive, limit, or otherwise modify any governmental immunity thatmay be available by law to the City, its officials, employees, contractors, oragents, volunteers or any other person acting on behalf of the City and, inparticular, governmental immunity afforded or available pursuant to the MichiganGovernmental Immunity Act, MCL 691.1401, et. seq.

15.3 Affirmative Action.SAFEbuilt will not discriminate against any employee orapplicant for employment because of race, color, religion, sex or national origin.SAFEbuilt will take affirmative action to ensure applicants are employed, andemployees are treated during employment without regard to their race, color,religion, sex or national origin. Such action shall include, but not be limited to thefollowing: employment, upgrading, demotion or transfer; recruitment orrecruitment advertising; layoff or termination; rates of payor other forms ofcompensation; and selection for training, including apprenticeship.

15.4 Binding Effect. The Parties agree that this Agreement, by its terms, shall bebinding upon the successors, heirs, legal representatives, and assigns.

15.5 No Third Party Beneficiaries. Nothing contained in this Agreement is intended toor shall create a contractual relationship with, cause of action in favor of, or claimfor relief for, any third party, including any agent, Sub-consultant or subcontractorof SAFEbuilt. Absolutely no third party beneficiaries are intended bythis Agreement. Any third-party receiving a benefit from this Agreement is anincidental and unintended beneficiary only.

15.6 Governing Law, Venue, and Enforcement. This Agreement shall be governed byand interpreted according to the law of the State of Michigan. Venue for anyaction arising under this Agreement shall be in the County of Muskegon. If there is any conflict between the language of this Agreement andany exhibit or attachment, the language of this Agreement shall govern.

15.7 Survival of Terms and Conditions. The Parties understand and agree that allterms and conditions of the Agreement that require continued performance,compliance, or effect beyond the termination date of the Agreement shall survivesuch termination date and shall be enforceable in the event of a failure to performor comply.

15.8 No Assignment. Neither Party shall assign all or part of the rights, duties,responsibilities, obligations, and/or benefits set forth in this Agreement to anotherparty or entity without prior written approval of the Parties.

15.9 Paragraph Captions. The captions of the paragraphs are set forth only for theconvenience and reference of the Parties and are not intended in any way todefine, limit or describe the scope or intent of this Agreement.

15.10 Integration and Amendment. This Agreement represents the entire andintegrated agreement between the City and SAFEbuilt, limited to the City's Rental Registration Program and Environmental Code Compliance, as defined in the Scope of Services, and supersedes all priornegotiations, representations, or agreements, either written or oral, unlessspecified herein. Any amendments to this must be in writing and be signed byboth the City and SAFEbuilt.

15.11 Severability. Invalidation of any of the provisions of this Agreement or anyparagraph sentence, clause, phrase, or word herein or the application thereof inany given circumstance shall not affect the validity of any other provision of thisAgreement.

15.12 Incorporation of Exhibits. Unless otherwise stated in this Agreement, exhibits,applications, or documents referenced in this Agreement shall be incorporatedinto this Agreement for all purposes. In the event of a conflict between anyincorporated exhibit and this Agreement, the provisions of this Agreement shallgovern and control.

15.13 Notices. Unless otherwise specifically required by a provision of this Agreementany notice required or permitted by this Agreement shall be in writing and shallbe deemed to have been sufficiently given for all purposes if sent by certified mailor registered mail, postage and fees prepaid, addressed to the Party to whomsuch notice is to be given at the address set forth below or at such other addressas has been previously furnished in writing, to the other Party. Such notice shallbe deemed to have been given when deposited in the United States Mailproperly addressed to the intended recipient.

If to the City:	**If to SAFEbuilt:**
Director of Community and Economic Development- City of Muskegon PO Box 536 / 933 Terrance Street Muskegon, MI 49440	Mike McCurdie, President SAFEbuilt Corporate Offices 3755 Precision Drive, Suite 140 Loveland, CO 80538
With Copy to:	**With Copy to:**
John C. Schrier Parmenter O'Toole Attorneys at Law 601 Terrace Street Muskegon, MI 49440	David Thomsen, Vice President SAFEbuilt Corporate Offices 3755 Precision Drive, Suite 140 Loveland, CO 80538

16.0 SPECIAL PROVISIONS

16.1 Indemnification and Hold Harmless. To the fullest extent permitted by law, SAFEbuilt shall be liable for and shall defend, save, indemnify, and hold harmless the City, its elected and appointed officials, employees and volunteers and others working on behalf of the City, from and against any and all claims, demands, suits, costs (including reasonable legal costs), expenses, and liabilities by reason of personal injury, including bodily injury or death and/or property damage to the extent that any such injury, loss or damage is caused by the negligence or breach of duty of SAFEbuilt or any officer, employee, representative, or agent of SAFEbuilt. At no time does the City waive its right to governmental immunity.

16.2 Force Majeure. Neither SAFEbuilt nor the City shall be liable for any delay in, orfailure of performance of, any covenant or promise contained in this Agreement,nor shall any delay or failure constitute default or give rise to any liability fordamages if, and only to extent that, such delay or failure is caused by "forcemajeure." As used in this Agreement, "force majeure" means acts of God, acts ofthe public enemy, unusually severe weather, fires, floods, epidemics,quarantines, strikes, labor disputes and freight embargoes, to the extent suchevents were not the result of, or were not aggravated by, the acts or omissions ofthe non-performing or delayed party.

16.3 Authority. The individuals executing this Agreement represent that they areexpressly authorized to enter into this Agreement on behalf of City andSAFEbuilt and bind their respective entities.

16.4 SB 313. In the event that Senate Bill 313 is passed into law by the legislature of Michigan, the parties both have the option to renegotiate the terms of this contract as it pertains to enforcement of the rental registration provisions of the City Code of Ordinances.

THIS AGREEMENT is executed and made effective as provided above.

City of Muskegon, MI	SAFEbuiltMichigan, Inc.
______________________________	______________________________
Signature	Signature
Name: ____________________________	Name: ____________________________
Title: ____________________________	Title: ____________________________
Date: _________/_________/_________	Date: _________/_________/_________

____
ATTEST Signature

____
Name / Title

Date: _________/_________/_________

EXHIBIT A: Scope of Services

Administrative Services

- ✓ Provide onsite administrative staff
- ✓ Provide front counter services during City Hall business hours
- ✓ Answer questions at the counter or over the phone and provide ongoing communication as needed
- ✓ Review and provide handouts at the counter
- ✓ Provide input, tracking, and reporting using the City's current system (BS&A)
  - ✓ Upon SAFEbuilt service start date all Environmental Code Compliance Case identification numbers; Rental Program identification numbers will incorporate a prefix that signifies case or registration was generated under this agreement.
- ✓ Implement performance measurements to ensure mutually agreed upon service levels
- ✓ Review applicable ordinances and provide verbiage to facilitate improvement of content for City Commission approval
- ✓ Work with the City Clerk to facilitate Freedom of Information Act (FOIA) requests
- ✓ Report directly to the position of Director of Community and Economic Development
- ✓ Attend required meetings including City and Planning Commissions
- ✓ Attend required staff level meeting with City staff, public officials, community leaders, and the public
- ✓ Submit monthly activity and compliance reports to the Director of Community and Economic Development

Rental Program & Environmental Code Compliance Services

- ✓ Monitor and enforce applicable City adopted ordinances
  - ✓ Article VI – Property Maintenance Code will be enforced with the exception of Section 10-303 (not currently enforced) and Section 10-335
- ✓ Environmental code compliance focus will be residential "grasses, trash, and leaves"
- ✓ Act as an educator of ordinances and regulations as adopted or amended, so that citizens and businesses understand requirements and time frames for becoming compliant
- ✓ Document areas of non-compliance using written records, electronic communications, photographs or other appropriate means
- ✓ Prepare and maintain all materials for any court action in a form approved by the court, City ordinance, and State statute
- ✓ Attend court sessions – as required
- ✓ Prepare and maintain all reports, issue citations and other documents for action
- ✓ Prepare and distribute invoicing with regards to rental and environmental code compliance to citizens, tenant and/or owners
- ✓ Go through existing records , provide clean up, and then make sure department is facilitating the proper retention of records in accordance with adopted retention schedules on an ongoing basis
- ✓ Provide training for our inspectors on City of Muskegon ordinances and amendments

Inspection Services

- ✓ Provide rental inspections as mutually scheduled with tenant and/or owner and provide follow-up as required
- ✓ Patrol to identify violations of City Environmental Code Ordinances, especially focused on residential violations such as overgrown vegetation; trash and debris; grass and terrace violations
- ✓ Responds to and investigate environmental code violation complaints within 48 hours and provide follow-up as required
- ✓ Respond to and investigate terrace violations with 24 hours and provide follow-up as required
- ✓ Contact, inform, and warn tenants and/or owners of identified violations and compliance deadlines
- ✓ Issue citations, violation notices, and follow-up letters on violations of applicable City ordinances
- ✓ Observe safety and security procedures and report potentially unsafe conditions
- ✓ Notify appropriate city staff when we observe vacant/dangerous buildings

Administrative Front Counter Services

- ✓ Provide a qualified team member to facilitate front counter administration
- ✓ Determine and collect fees and fines
- ✓ Provide inspection coordination, scheduling and tracking

- ✓ Provide customer service
- ✓ Respond to citizen complaints and communicate effectively with citizens

SAFEbuilt Provides

SAFEbuilt would propose leasing former Civil Service space from the City of Muskegon and will provide:

- ✓ Vehicles, vehicle maintenance, and insurance
- ✓ All hiring expenses
- ✓ Ongoing training and certification of employees
- ✓ Office supplies and business papers
- ✓ All office furniture and equipment –including copier and desk phones.
- ✓ Office computer hardware and software
- ✓ Cell phones and usage

City Provides

City of Muskegon will:

- ✓ Provide the former Civil Service space for lease to SAFEbuilt at the rate of $200.00 per month. This lease rate includes all utilities except for land lines for phone.
- ✓ Allow SAFEbuilt to service other W. Michigan communities from the leased space within City Hall
- ✓ Negotiate in good faith with regard to selling and/or include in the lease for space; existing cubicle dividers, desks, file cabinets, shelves, tables, floor mats and wall document holders that are currently in the Civil Services space
- ✓ Absorb costs associated with the electronic storage of service related records – SAFEbuilt will facilitate the conversion and storage process if so desired by the City
- ✓ Provide SAFEbuilt access to water billing records and assessors data in order to help find unregistered rental properties
- ✓ Issue citations through the city attorneys' office when provided with documentation from SafeBuilt of evidence from an investigation into an ordinance violation.

✓

EXHIBIT B: Fee Schedule

SAFEbuilt's fees are all inclusive with no separate billing for:

- Wages/Benefits
- Mileage/Vehicle Expense
- Materials
- Disbursement (copying, telephone rates, courier services)

Fee Schedule

Year One – December 1st, 2013 through November 30t, 2014 - billed monthly in the amount of $34,170 per month.

Year Two – December 1st, 2014 through November 30th, 2015 – 3% increase over year one amount - billed monthly in the amount of $35,195 per month.

Year Three – December1st, 2015 through November 30th, 2016 – 3% increase over year two amount - billed monthly in the amount of $36,251 per month

Hourly rate - $70.00 per hour – if meets specifications outlined in section 3.3 – hourly rate subject to 3% annual increase.

Responsibilities

The City of Muskegon is responsible for unreimbursed costs associated with these rental program and environmental code compliance services on all cases, registrations and complaints prior to December 01, 2013 or thirty (30) days after SAFEbuilt's receipt of this fully executed agreement; whichever is later(the "Effective Date")

SAFEbuilt is responsible for unreimbursed costs on residential private lots (Non - City, County and Land Bank lots) associated with environmental code compliance services on all cases, registrations and complaints after December 01, 2013or thirty (30) days after SAFEbuilt's receipt of this fully executed agreement; whichever is later(the "Effective Date").

Unreimbursed costs include:

- Residential lot clean-up
- Residential lot mowing
- Yard clean-up/mowing
- Yard clean-up/trash

Net Revenue Volume Discount

The net revenue generated from this agreement will**not** count toward the total for the annual volume discount incentive as called for in the City of Muskegon/SAFEbuilt Professional Services Agreement for building department services that was effective November 01, 2012.

Rental Program Revenue

If revenue during an agreement year from rental properties exceeds $160,000; then the City of Muskegon and SAFEbuilt will split any revenue greater than $160,000 equally. Fees included in this calculation are:

- Housing–Warrant Inspection
- Late Fee on Rental Registration
- Rental Property Non-Compliance
- Rental Property Registration
- Rental Property Inspection No-Show

Commission Meeting Date: November 12, 2013

Date: November 5, 2013

To: Honorable Mayor & City Commission

From: Planning & Economic Development Department

RE: Next Michigan/West Michigan Economic Partnership- Interlocal Agreement for the West Michigan Economic Development Partnership

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SUMMARY OF REQUEST: The West Michigan Economic Partnership (WMEP) Board is prepared to recommend Next Michigan zones for our jurisdictions at their next meeting on November 13, 2013. Once approved by the WMEP, the zones will be forwarded to the Michigan Economic Development Corporation (MEDC) for final approval. Once the zones are approved, the MEDC, as well as local entities, may start marketing them for development. In addition, the WMEP is expected to receive a marketing grant from MEDC to assist with its efforts. The zone recommended for Muskegon starts at the Mart Dock property and proceeds to the Verplank property, along the shoreline. It is anticipated that additional land may be added in the future (i.e., the Consumers Energy parcel/s).

FINANCIAL IMPACT: WMEP has established a budget of $69,314 for a two-year period. Each of the five participating municipalities will be responsible for $9,862.80. In Muskegon's case, we have commitments from Mart Dock, Verplank, Consumers Energy, the County and the City to meet the budget.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To recommend approval to the WMEP for the Next Michigan Zone for Muskegon, as depicted on the attached map. The zone starts at Mart Dock on the West and proceeds along the Muskegon Lake shoreline to the Verplank property on the East.


179.5
52.5
19.9
18
50.5
38.6

DATE: 11/12/2013

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN130114

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 **224 W GRAND AVE** 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: # EN130114 - 224 W GRAND AVE (All Structures)

Location and ownership: This structure is located on W. Grand Ave. between 6th and 7th Streets and is owned by SHIELDS MARGARETTA/CHRISTOPHER.

Staff Correspondence: A dangerous building inspection was conducted on 10/24/12. The Notice and Order to Repair was issued on 8/26/2013. On 10/03/2013 the HBA declared the structure substandard and dangerous.

Owner Contact: The owners were not present for the HBA meeting dated 10/03/2013 but a neighbor came in and spoke in favor of declaring this a dangerous building. All notices sent to the owners as certified mail have returned unclaimed and the notices sent to the County Treasurer were signed with the card returned. No permits have been issued and no inspections scheduled.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $ 42,000

Estimated cost to repair: $ 26,000 (this does not include the interior the cost for interior)

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

CITY OF MUSKEGON
CODE COMPLIANCE DEPARTMENT
933 TERRACE ST STE 202
MUSKEGON, MI 49440
(231) 724-6766 (Office)
(231) 724-6790 (Fax)

DANGEROUS BUILDING REPORT

224 W GRAND AVE
10/24/2012

Inspection noted:

Exterior Inspection:
1) Roof has shingles that are deteriorated and need replacing.
2) All areas of trim have peeling paint that needs to be scraped and needs to be protected from weather by properly applied water-resistant paint or waterproof finish.
3) No electric meter – electricity must be turned on so it can be tested prior to issuance of a certificate of compliance.
4) East side electric box – east side electric box is hanging by the wires.
5) East side basement window is broken
6) Areas of siding has holes, missing or rotted.
7) Rear doorway has been closed off and the material used does not blend with the rest of the siding.
8) Rear window has been closed off and the material used does not blend with the siding.
9) Backyard – there was an above ground pool that is no longer there, with a deck built around it. This is not safe and must be removed or made to be safe.
10) Backyard has furniture in the yard where the pool was.
11) Concrete pad – there is a drop off at the edge of the concrete pad. This is not safe, please make safe by a guardrail or steps with handrails/ This type of repair will need a permit. Please call SAFEBuilt (231) 724-6715 with any questions and to obtain the permit.
12) Sections of fencing – there are sections of fencing that are damaged or missing. Please repair/rebuild/or remove. Repairing or replacing may need a permit. Please call the Zoning Administrator at (231) 724-6702 to see if you need a permit.
13) The interior was locked and the inspector could not inspect the inside for the rental inspection process.

Dan Cannady, Code Compliance Inspector

BASED UPON A RECENT INSPECTION OF THE ABOVE PROPERTY, IT HAS BEEN DETERMINED THAT THE STRUCTURE MEETS THE DEFINITION OF A DANGEROUS AND/OR SUBSTANDARD BUILDING AS SET FORTH IN SECTION 10-61 OF THE MUSKEGON CITY CODE.

224 W Grand photos taken by Code Compliance Inspector

DATE: 11/12/2013

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN130044

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 **850 TURNER AVE** 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: # EN130044 - 850 TURNER AVE (All Structures)

Location and ownership: This structure is located on Apple Ave. between Kenneth and Holt Streets and is owned by PONIROS QUITITES LLC.

Staff Correspondence: A dangerous building inspection was conducted on 5/09/2013. The Notice and Order to Repair was issued on 6/25/2013. On 8/01/2013 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 8/01/2013. All notices sent certified mail have returned unclaimed. No permits have been issued and no inspections scheduled.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $ 12,300

Estimated cost to repair: $ 40,500

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

CITY OF MUSKEGON
CODE COMPLIANCE DEPARTMENT
933 TERRACE ST STE 202
MUSKEGON, MI 49440
(231) 724-6766 (Office)
(231) 724-6790 (Fax)

DANGEROUS BUILDING REPORT

850 TURNER AVE
5/09/2013

Inspection noted:

1. The roof is deteriorated and needs to be completely replaced.
2. Windows are missing/boarded
3. The soffit is damaged/missing
4. The doors are missing or needs replacement
5. The steps are deteriorated and deed replacing.
6. Floor Joists are in need of repair/replacement
7. Foundation has cracks or is missing in places
8. Dry wall is missing thoughout the home
9. Plumbing is missing or needs replacing
10. The entire structure needs to be properly scraped and painted.

John Schultz, Code Compliance Inspector

BASED UPON A RECENT INSPECTION OF THE ABOVE PROPERTY, IT HAS BEEN DETERMINED THAT THE STRUCTURE MEETS THE DEFINITION OF A DANGEROUS AND/OR SUBSTANDARD BUILDING AS SET FORTH IN SECTION 10-61 OF THE MUSKEGON CITY CODE.

Front of home

Rear of home

Side of home – no meter

Front of home (left)

Front of home (right)

DATE: 11/12/2013

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN130022

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 **860 EMERSON AVE (GARAGE ONLY)** 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: # EN130022 - 860 EMERSON AVE (GARAGE ONLY)

Location and ownership: This structure is located on Emerson Ave. between Kinglsey and Madison Streets and is owned by WILLIS ARIEAL.

Staff Correspondence: A dangerous building inspection was conducted on 3/19/2013. The Notice and Order to Repair was issued on 6/25/2013. On 8/01/2013 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 8/01/2013. Three notices were sent certified mail with one having been returned unclaimed and two that were signed. No permits have been issued and the scheduled inspections with SAFEBuilt have been no-shows. There was a note from May 2013 that the owner planned on obtaining a permit, but nothing has been obtained.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $ 7,900 for the garage only

Estimated cost to repair: $ 10,000 - $12,000 for the garage only.

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

CITY OF MUSKEGON
CODE COMPLIANCE DEPARTMENT
933 TERRACE ST STE 202
MUSKEGON, MI 49440
(231) 724-6766 (Office)
(231) 724-6790 (Fax)

DANGEROUS BUILDING REPORT

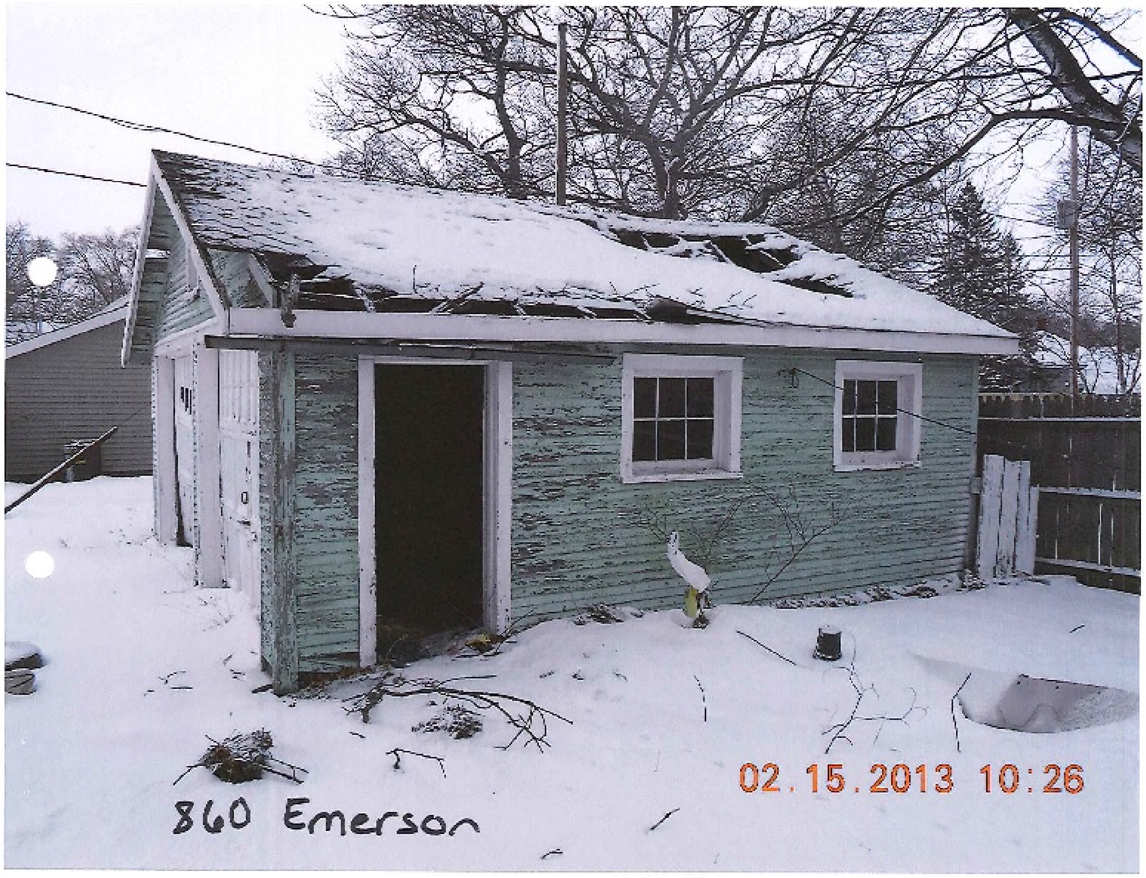
860 EMERSON AVE (GARAGE ONLY)
3/19/2013

Inspection noted:

1. There are a lot of holes in the roof.
2. The roof is totally deteriorated and must be replaced.
3. Entire garage – has peeling paint that needs to be scraped properly and protected from the weather by properly applied water-resistant paint or waterproof finish.
4. Garage overhead, sliding or swing door is broken or missing parts so it may not work properly.
5. Structure is not secured.
6. Side door is broken or missing.
7. The eave boards are rotted or missing
8. Siding has holes in it or is rotted or missing
9. Windows are either broken, rotted, or missing.
10. Trash is being stored inside the garage
11. Garage is not maintained in good repair.

John Schultz, Code Compliance Inspector

BASED UPON A RECENT INSPECTION OF THE ABOVE PROPERTY, IT HAS BEEN DETERMINED THAT THE STRUCTURE MEETS THE DEFINITION OF A DANGEROUS AND/OR SUBSTANDARD BUILDING AS SET FORTH IN SECTION 10-61 OF THE MUSKEGON CITY CODE.



Dangerous building is for the garage only on this property.

DATE: 11/12/2013

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN130079

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 **1324 PINE ST** 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: # EN130079 - 1324 PINE ST (All Structures)

Location and ownership: This structure is located on Pine St. between McLaughlin and Catawba Avenues and is owned by GRIDER TEASHEONA U.

Staff Correspondence: A dangerous building inspection was conducted on 8/13/2013. The Notice and Order to Repair was issued on 8/26, 2013. On 10/03/2013 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 10/03/2013. Certified notices were sent out with one being returned unclaimed, the second was signed and the envelope was returned as “return to sender” and the third notification was signed with only the certified mailing card being returned. No permits have been issued and no inspections scheduled.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $ 23,804

Estimated cost to repair: $ 53,000

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

SAFEbuilt
Building Department Services
933 Terrace St., Ste 204
Muskegon, MI 49443

GRIDER TEASHEONA U
347 SHONAT #38
MUSKEGON, MI 49442

Dangerous Building Inspection Completed 08/15/2013

Please find the following items that need to be addressed in order to obtain a Certificate of Occupancy for 1324 PINE ST and clear the property from the Dangerous Building process.

- **Roof needs replacement**
- **Needs bathroom renovated**
- **Needs kitchen renovated**
- **Needs foundation repaired**
- **Needs new drywall**
- **Has fire damage to floor joists**
- **Rewire house to code**
- **Replace electric service to code**
- **Install smoke alarms to code**
- **Re-plumb whole house**
- **Provide all new mechanical (i.e. furnace, water heater, etc)**

If you have any questions please contact SAFEbuilt at 231-724-6715

Thank you,

Kirk Briggs
Building Official
SAFEbuilt/City of Muskegon

1324 Pine – Pictures provided by Code Compliance Inspector, Board up Contractor &SAFEbuilt


1324 Pine – Pictures provided by Code Compliance Inspector, Board up Contractor &SAFEbuilt







DATE: 11/12/2013

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN130143

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 **1459 TERRACE ST** 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: # EN130143 - 1459 TERRACE ST (All Structures)

Location and ownership: This structure is located on Terrace St. between Irwin and E. Grand Avenues and is owned by CENTER FOR COMMUNITY JUSTICE & ADVO.

Staff Correspondence: A dangerous building inspection was conducted on 11/30/2011. The Notice and Order to Repair was issued on 8/26/2013. On 10/03/2013 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 10/03/2013. One certified mail notice was returned and the other was signed with the certified mailing card be sent back. No permits have been issued and no inspections scheduled.

Financial Impact: CDBG Funds or General Fund (Depending on State Historic Preservation Office Determination)

Budget action required: None/If General Fund (already budgeted)

State Equalized value: $ 37,799

Estimated cost to repair: $ 21,000 - $34,000

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

CITY OF MUSKEGON
CODE COMPLIANCE DEPARTMENT
933 TERRACE ST STE 202
MUSKEGON, MI 49440
(231) 724-6766 (Office)
(231) 724-6790 (Fax)

DANGEROUS BUILDING REPORT

1459 TERRACE ST
11/30/2011

Inspection noted:

Exterior Items Only:
1) Roof is totally deteriorated – Must be replaced
2) Operable Windows do not have screens – must cover the complete bottom sash from April 30th thru September 30th
3) Broken Windows – There are windows that are broken or have cracked glass.
4) Peeling Paint – Exterior has peeling paint that needs to be scraped and needs to be protected from the weather by properly applied water-resistant paint or waterproof finish.
5) Siding is rotted, has holes in it or is missing.
6) Fencing is not in good repair. When repairing use materials that match balance of fence. Permit is required. Contact the Zoning Administrator at (231) 724-6702 for information.
7) The yard is full of trash, debris and clutter – must be cleaned.
8) Interior – No access was given for an interior rental inspection of this duplex.

BASED UPON A RECENT INSPECTION OF THE ABOVE PROPERTY, IT HAS BEEN DETERMINED THAT THE STRUCTURE MEETS THE DEFINITION OF A DANGEROUS AND/OR SUBSTANDARD BUILDING AS SET FORTH IN SECTION 10-61 OF THE MUSKEGON CITY CODE.

1459 Terrace – Pictures provided by the Code Compliance Inspector

DATE: 11/12/2013

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN130184

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 **868 W HACKLEY AVE** 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: # EN130184 - 868 W HACKLEY AVE (All Structures)

Location and ownership: This structure is located on W Hackley Ave. between Kinsey and Crowley Streets and is owned by DEKUIPER DONNA C/BEACH DANIELLE N.

Staff Correspondence: A dangerous building inspection was conducted on 8/19/2013 by the Fire Marshall & Building Official. The Notice and Order to Repair was issued on 8/20/2013. On 10/03/2013 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 10/03/2013. All notices sent certified mail have been signed with the certified mail card being returned. No permits have been issued and no inspections scheduled.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $ 34,259

Estimated cost to repair: $ 24,000

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

SAFEbuilt

Building Department Services

August 19, 2013

Harbor Portfolio VII
4350 St Andrews Road
Columbia, SC 49210

RE: 868 West Hackley

This home was inspected by SAFEbuilt, the Building Department for the City of Muskegon, Michigan, and we find this home to be uninhabitable for the following reasons:

1. There appears to be mice living in the home and under the crawl space.
2. There are insects in the home.
3. The floor is in bad condition and heaving up.
4. There are issues with the wiring.
5. Things are piled around the water heater and the vent.
6. There are no smoke alarms.
7. Windows are broken and boarded up.
8. Needs plumbing work.
9. Has holes in the wall.
10. The house is filthy.
11. The space is open to the attic
12. Has broken doors.
13. The boiler needs some work and must be made accessible.
14. There was work done on the house without permits.
15. This house was posted by the Fire Dept. as "DO NOT OCCUPY".
16. This house has trash in the back yard and accessory building.

For further information please call Kirk Briggs at (231) 724 6715

Sincerely,

Kirk Briggs

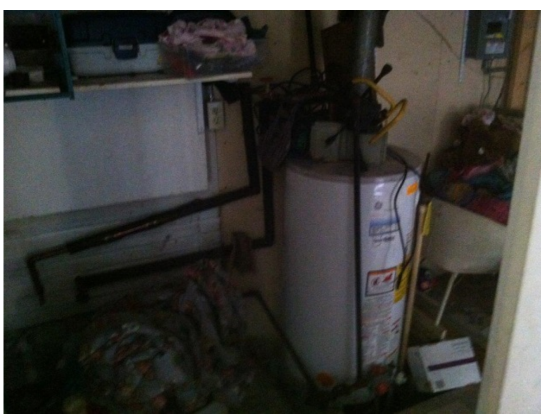
CC. Danielle Beach 868 W Hackley Muskegon Mi. 49440

933 TERRACE ST., STE. 204, MUSKEGON, MI 49443
(231)724-6715 FAX (231) 728-4371

868 W Hackley – Interior pictures were provided by SAFEbuilt 8/19/2013.








868 W Hackley – Interior pictures were provided by SAFEbuilt 8/19/2013.

Staff took pictures of the exterior & to show the Fire Marshall posted the front of the house (large white posting in the front window).

DATE: 11/12//2013

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN110189

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 **345 W GRAND AVE** 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: # EN110189 - 345 W GRAND AVE (all structures

Location and ownership: This structure is located on Apple Ave. between 7th and 6th Streets and is owned by BLUE MOUNTAIN HOMES LLC.

Staff Correspondence: A dangerous building inspection was conducted on 10/24/2011 & interior was done on 10/11/2013. The Notice and Order to Repair was issued on 10/31/2011. On 2/02/2012 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 2/02/2012. All notices sent certified mail and signed for by the owner at the time (Bank of America). A new owner purchased the property 1/02/2013 and made contact with SAFEbuilt as to what to do to proceed. SAFEbuilt did an interior inspection on 10/11/2013 and the owners are looking into demolition for this property as well due to the expense of what needs to be fixed. No permits have been issued.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $ 19,900

Estimated cost to repair: $ 30,000

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

Building Department Services

10/11/2013

BLUE MOUNTAIN HOMES LLC
707 ALDRIDGE RD STE B
VACAVILLE, CA 95688

RE: 345 W GRAND AVE

DANGEROUS BUILDING INTERIOR INSPECTION

The SAFEbuilt Building Dept. conducted an interior inspection at 345 W GRAND AVE to determine what was needed to bring the building up to code and be able to issue a certificate of occupancy.

Below are the inspection results:

- Must fix front steps and porch decking.
- Must fix soffit and fascia around exterior of house.
- Fix back roof and rafters.
- Fix cut joists in the basement.
- Replace the foundation walls.
- Fix the beams in the basement.
- Install hard wired smoke alarms to code.
- Repair and replace the basement steps and handrail to code.
- Fix the stairway head room to code.
- Replace broken windows.
- Install guard rails and hand rail on stairs to 2nd floor to code.
- Electric service to meet code.
- Whole house to be re-wired to code.
- Must pressure test gas line.
- Clean ductwork.
- Inspect and certify chimney.
- Provide furnace and water heater.
- Inspect and certify all house plumbing, water service, building sewer and venting.
- Provide scald free faucet for tub/shower and lavatory.
- Any work done to meet 2012 MMC 09 MPC.

Please contact our office with any questions.

Sincerely,

Kirk Briggs
Building Official
SAFEbuilt/City of Muskegon

CITY OF MUSKEGON

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

DANGEROUS BUILDING INSPECTION REPORT

Monday, October 24, 2011

Enforcement # EN110189 **Property Address** 345 W GRAND AVE
Parcel #24-205-419-0001-10 **Owner** W R ENTERPRISES LLC

Inspector: Henry Faltinowski

Date completed: 10/21/2011

DEFICENCIES:

1. Roof system failed; structural damage. Replace roof covering; provide rafter sheathing inspection.
2. Porch on back of home caving in.

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

Picture of front taken 2/4/2013

Side picture 10/21/2011

Other side 10/21/2011

Rear picture taken 10/21/2011

DATE: 11/12/2013

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN130036

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the demolition of the 2nd garage that was not completed (concrete still there) at **709 E APPLE AVE** is unsafe, substandard, a public nuisance and that it be completed 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: # EN130036 - 709 E APPLE AVE (complete removal of concrete from the 2nd garage's demolition)

Location and ownership: This structure is located on Apple Ave. between Kenneth and Holt Streets and is owned by CHIAVERINI MARK W.

Staff Correspondence: (memo attached) This item went through the process twice due to the time lapse.

Owner Contact: No one was present for the HBA meetings. All notices sent certified mail have been signed by the owner with the mortgage company ones being returned unclaimed. A permit had been obtained during the first round, but not completed.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $ 13,600

Estimated cost to repair: $ 500

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

Memo regarding Staff Correspondence.

1st Round:

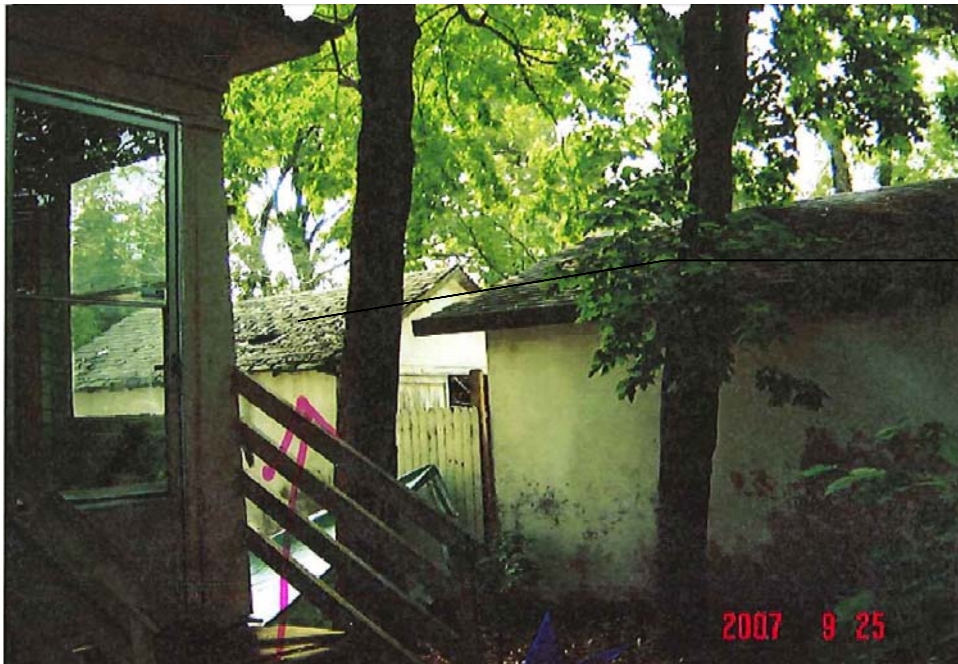
1. Notice & Order sent 10/17/2007
2. HBA Hearing – 12/6/2007
3. Determination mailed 12/7/2007
4. City Commission – 4/22/2008
5. City Commission concurred but gave time for the owner until 8/10/2008
6. Owner (Mark Chiaverini) obtained permit to fix the garage 8/8/2008
    a. Permit extended 6 months on 7/6/2009
    b. Permit expired 7/6/2009 & letter went out 7/21/2009
    c. Somehow owner demoed most of the garage except for the concrete and removal of the misc. items with no notations for this on the permit.
7. Somehow this stopped at this point.
8. 2/4/2013 SAFEbuilt went thru the dangerous building list to confirm where the dangerous building structures were currently at and had taken pictures.
9. City Attorney, John Schrier, recommended that we start the process again due to the time lapse.

2nd Round:

1. Notice & Order sent 4/25/2013
2. HBA Hearing letter sent for meeting on 6/6/2013 – owner came in and that was how we later found out that there had been a 2nd garage. We had thought the dangerous building was the garage that is still located on the property. This item was removed from the agenda.
3. HBA Hearing 8/1/2013 (we knew it was for 2nd garage and SAFEbuilt found that the concrete and misc. items were still there so the demo was not completed by the owner. HBA Concurred at this meeting.
4. Kirk from SAFEbuilt checked on this to find the concrete to still be there and had taken pictures.
5. City Commission meeting 11/12/2013

The owner did not show up for the HBA hearing for this 2nd round & he is aware that the demo is not complete until all the foundation is removed. The owner has been receiving the certified mailings and is aware that we will go for bid to have the demo completed and bill him for it.

The pictures are attached to show the process.



2nd garage that had hole in roof prior to owner's demo.

Picture of the 2nd garage that was located to the rear of the garage that is still located on the property. This picture was taken 9/25/2007.

Pictures after the owner demolished the main portion of the garage. These are pictures of the concrete and other misc. items from the demo.