

CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 25, 2012

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, September 25, 2012.

Mayor Gawron opened the meeting with a prayer from Mr. George Monroe from Evanston Avenue Baptist Church after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Gawron, Vice Mayor Lawrence Spataro, Commissioners Byron Turnquist, Lea Markowski, Eric Hood, Willie German, and Sue Wierengo, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Cummings.

2012-71 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

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

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

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

SUMMARY OF REQUEST: The City of Muskegon has contracted with the Muskegon Public Schools for the management of the Youth Basketball League and Open Gym since 2010. The program has been successful and the Schools would like to manage the program for the 2012-2013 school year. The Commission is requested to approve the proposal and authorize staff to enter into an agreement with the Schools for oversight of the basketball program and the Open Gym program.

FINANCIAL IMPACT: The cost for the program is \$18,500 (which has not changed since 2010).

BUDGET ACTION REQUIRED: Funds are available through the Leisure Services budget.

STAFF RECOMMENDATION: To approve the "Youth Basketball League and Open Gym Proposal" and authorize staff to enter into a formal agreement with the Schools.

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

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

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

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

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

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

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

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

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

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request.

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

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

Nays: None

MOTION PASSES

2012-72 PUBLIC HEARINGS:

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

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

Alloy Resources Corp., 2281 Port City Blvd., has requested an exemption of new personal property. The company plans on investing \$3,100,000 in machinery and equipment and is seeking a 12-year exemption on personal property. The exemption would include all new personal property investments during the duration of the exemption.

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

BUDGET ACTION REQUIRED: None.

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

The Public Hearing opened to hear and consider any comments from the public. Mr. Bruce John Essex, Jr., 1985 E. Laketon, President, explained the request.

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

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

Nays: None

MOTION PASSES

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

SUMMARY OF REQUEST: Pursuant to Public Act 328 of 1998, as amended, Engineered Aluminum Castings, Inc., 2121 Latimer Dr., has requested an exemption of new personal property. The company plans on investing \$7,000,000 in machinery and equipment and is seeking a 12-year exemption on personal property. The exemption would include all new personal property investments during the duration of the exemption.

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

BUDGET ACTION REQUIRED: None.

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

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

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

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

Nays: None

MOTION PASSES

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

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

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

BUDGET ACTION REQUIRED: None.

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

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

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

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

Nays: None

MOTION PASSES

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

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

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

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial

Facilities Exemption Certificate for a term of 12 years for real property.

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

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

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

Nays: None

MOTION PASSES

2012-73 NEW BUSINESS:

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

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

FINANCIAL IMPACT: \$3,258.

BUDGET ACTION REQUIRED: This has not been budgeted for.

STAFF RECOMMENDATION: None.

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

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments were received.

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

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk