

CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 9, 2003

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ❑ CALL TO ORDER:
- ❑ PRAYER:
- ❑ PLEDGE OF ALLEGIANCE:
- ❑ ROLL CALL:
- ❑ HONORS AND AWARDS:
 - a. Rodney Shunta.
 - b. "One Book".
- ❑ PRESENTATIONS:
- ❑ CONSENT AGENDA:
 - a. Approval of Minutes. CITY CLERK
 - b. Lighthouse Acre Application. LEISURE SERVICES
 - c. Sale of Non-Buildable Lot at 1024 Albert Avenue. PLANNING & ECONOMIC DEVELOPMENT
 - d. Sale of Non-Buildable Lot at 1446 Ducey Avenue. PLANNING & ECONOMIC DEVELOPMENT
 - e. Purchase of 877 Emerald. COMMUNITY & NEIGHBORHOOD SERVICES
 - f. Approval of Collection and Credit Reporting Services Contract/Agreement with Paramount Collection Services, L.L.C. TREASURER
 - g. Approval of Parking Ticket Services Contract/Agreement with MSB Parking Data Ticket. FINANCE and TREASURER
 - h. FIRST READING: Amend the City of Muskegon Code of Ordinances for an Increase in Fines for Illegal Parking. FINANCE and TREASURER
- ❑ PUBLIC HEARINGS:
- ❑ CITY MANAGER'S REPORT:

❑ **UNFINISHED BUSINESS:**

- a. SECOND READING: Rezoning Request for Property Located at 1996 W. Sherman Blvd. PLANNING & ECONOMIC DEVELOPMENT

❑ **NEW BUSINESS:**

- a. Health Care Opt Out. FINANCE
b. Consideration of Bids: Sanitary Sewer Rehab (Lining). ENGINEERING
c. Ballot Wording. CITY CLERK

❑ **ANY OTHER BUSINESS:**

❑ **PUBLIC PARTICIPATION:**

- *Reminder: Individuals who would like to address the City Commission shall do the following:*
➤ Be recognized by the Chair.
➤ Step forward to the microphone.
➤ State name and address.
➤ Limit of 3 minutes to address the Commission.
➤ (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

❑ **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 GAIL A. KUNDINGER, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TDD: (231) 724-4172.

Date: September 9, 2003
To: Honorable Mayor and City Commissioners
From: Gail A. Kunding, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, August 26, 2003.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 9, 2003

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 5:30pm, Tuesday, September 9, 2003.

Mayor Warmington opened the meeting with a prayer from Pastor Gerald Wahr of McGrath Memorial Congregational 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 Warmington; Vice Mayor Robert Schweifler, Commissioners Lawrence Spataro, Stephen Gawron, William Larson, and Clara Shepherd; City Manager Bryon Mazade, City Attorney John Schrier and City Clerk Gail Kunding.

2003-73 HONORS AND AWARDS:

- a. **"One Book"**. Commissioner Spataro presented the proclamation to Marty Feriby.
- b. **Rodney Shunta**. Mayor Warmington presented the resolution to Rodney Shunta.

2003-74 CONSENT AGENDA:

- a. **Approval of Minutes**. CITY CLERK

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, August 26, 2003.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

- b. **Lighthouse Acre Application**. LEISURE SERVICES

SUMMARY OF REQUEST: To adopt the resolution and authorize staff to submit the application for securing the Lighthouse acre property from the Federal Government.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve

- c. **Sale of Non-Buildable Lot at 1024 Albert Avenue**. PLANNING &

ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant non-buildable lot (Parcel #24-612-000-0538-00) at 1024 Albert Ave. to Lois Meisenheimer, 1032 Albert Ave., Muskegon, MI 49442. Since this is a marginal lot in size and not in keeping with most other lots in the neighborhood, the Land Reutilization Committee (LRC) recommends treating it as an unbuildable lot. Approval of this sale will allow the adjacent property owner to expand her current yard. The original recommendation made by LRC was to split the lot between the two adjacent property owners. However, one of the owners withdrew their application due to concerns involving power lines intertwined in a large oak tree located on the property.

FINANCIAL IMPACT: The sale of this lot will allow the property to be placed back on the City's tax rolls thus relieving the City of continued maintenance cost.

BUDGET ACTION REQUIRED: None

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

COMMITTEE RECOMMENDATION: LRC recommended approval of the request at their August 26, 2003 meeting.

d. Sale of Non-Buildable Lot at 1446 Ducey Avenue. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant unbuildable lot (Parcel #24-611-000-0447-00) at 1446 Ducey Avenue to Habitat for Humanity, owners of 1438 Ducey Avenue, Muskegon, MI 49442. Approval of this sale will allow Habitat for Humanity to join this non-buildable lot with their current non-buildable lot and build a 1440 square foot, 3 bedroom home. This project is a partnership between Muskegon County Habitat for Humanity and the Muskegon Area Technical Training Program. This project provides instruction in construction skills for junior and senior students throughout Muskegon County and the end result is a home for a low-income Habitat family. According to their drawings, they plan to include a variable front roof line, shutters, a basement, and it will also be 'stick built'.

FINANCIAL IMPACT: The sale of this lot will allow the property to be placed back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED: None

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

COMMITTEE RECOMMENDATION: The Land Reutilization Committee recommended approval of this request based on the fact that the adjoining property already has a large lot at their August 26, 2003 meeting.

e. Purchase of 877 Emerald. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the purchase of the property located at 877 Emerald (City of Muskegon revised Plat of 1903 Blk 204 N 40 feet lot 15) for its appraised value of 3,000 from the estate of Mr. And Mrs. James Jones. If the purchase is approved by the Commission, the CNS department will demolish the

existing structure combine the lot with an adjacent parcel and build a new constructed home under the City's Infill program in the next year.

FINANCIAL IMPACT: Funding for purchase and demolition will come from the City's 2003 HOME funding.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request.

f. Approval of Collection and Credit Reporting Services Contract/Agreement with Paramount Collection Services, L.L.C.
TREASURER

SUMMARY OF REQUEST: It has been practice to monitor the City of Muskegon outside collection and credit reporting services, however a full review had not been done in approximately five years. Upon reviewing several proposals submitted for review, it is the staff's recommendation to award the contract for collections and credit reporting services to Paramount Collection Service, L.L.C. (PCS). PCS was selected based on the complaint's ability to perform the services required and their level of professional standards. Also, PCS is owned and operated disadvantaged sub-group and is located in North Muskegon, Michigan. Because PCS is a local area business, it is anticipated the City of Muskegon will receive better customer service, enable the public to visit and make payments directly to the agency, which will have a greater insight into the local economic situations.

FINANCIAL IMPACT: Staff expects the cost of the contract will be more than offset by:

- 1) Reduction in administrative time spent personally attending to collection matters (research, correspondence, and litigation).
- 2) Reduction in bad debts that are written off and improved collections due to the knowledge of debtors ("slow pays") that the City will be using a local professional third party collection/credit reporting agency.
- 3) Enhanced cash flow from accounts receivable.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the collection and credit reporting service agreement with Paramount Collection Services, L.L.C.

g. Approval of Parking Ticket Services Contract/Agreement with MSB Parking Data Ticket. FINANCE and TREASURER

SUMMARY OF REQUEST: In an effort to reduce costs, the City staff has explored outsourcing the administrative functions of the parking ticket system. The staff has reviewed other proposals and had determined that the best and most economical proposal was submitted by Municipal Business Services Data Ticket (MSB).

FINANCIAL IMPACT: Staff expects the cost of the contract will be more than offset by:

- 1) Reduction in administrative staff time and costs associated with procession parking tickets, notices, and etceteras.
- 2) Increase in collected revenue due to the knowledge and experience of company in dealing with parking ticket debts as well as continual updates of debtor information for enhanced payment enforcement.

3) Proposed increase in fines.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the parking ticket services agreement with MSB Parking Data Ticket.

h. FIRST READING: Amend the City of Muskegon Code of Ordinances for an Increase in Fines for Illegal Parking. FINANCE and TREASURER

SUMMARY OF REQUEST: The City's parking fines were last adjusted in 2000. Recently, City staff reviewed the fine structure in light of the City's budget situation and in order to cover the cost of purchasing the new parking ticket equipment as previously presented, an increase of \$2.50 per violation will be necessary to cover this investment. Also, this increase will affect the current penalty fine structure. However, this increase in the penalty fee structure is needed to reach the minimum threshold needed to place an outstanding receivable item on individuals credit report.

FINANCIAL IMPACT: Once the new parking ticket equipment investment is recouped, the City will see a slight increase in parking ticket revenue. Also, an increase in the penalty structure will assist in offsetting the collection costs involved.

BUDGET ACTION REQUIRED: None at this time. The 2004 budget will incorporate the projected revenues from the fine increases.

STAFF RECOMMENDATION: Approval of the ordinance raising the fines for illegal parking.

i. Appointment to Downtown Development Authority Board CITY CLERK

SUMMARY OF REQUEST: To appoint Michael Kleaveland to the Downtown Development Authority Board.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To make the appointment.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended the appointment.

Motion by Commissioner Spataro, second by Commissioner Gawron to approve the consent agenda.

ROLL VOTE: Ayes: Warmington, Gawron, Larson, Schweifler, Shepherd, Spataro

Nays: None

MOTION PASSES

2003-75 UNFINISHED BUSINESS:

a. SECOND READING: Rezoning Request for Property Located at 1996 W. Sherman Blvd. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to rezone property owned by Shermac, Inc., located at 1996 W. Sherman Blvd., from B-1, Limited Business to B-2, Convenience &

Comparison.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommended denial of the request due to lack of compliance with the Master land Use Plan.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their 8/14 meeting. The vote was unanimous with T. Harryman and B. Smith absent.

Motion by Commissioner Larson, second by Commissioner Shepherd to approve the request to rezone the property at 1996 W. Sherman from B-1, Limited Business to B-2, Convenience & Comparison Business.

ROLL VOTE: Ayes: Larson, Schweifler, Shepherd, Warmington

Nays: Gawron, Spataro

MOTION PASSES

2003-76 NEW BUSINESS:

a. Health Care Opt Out. FINANCE

SUMMARY OF REQUEST: In response to employee suggestions, we are exploring the possibility of generating additional savings through the healthcare opt out program. Under this program employees who do not need City health coverage receive a cash payment. The City in turn saves by not having to pay premiums for the employee. This proposal is to increase the opt out payment amount from \$1,300 per year to \$3,000 per year provided that enough new participants enroll to make it at least a break-even proposition for the City.

FINANCIAL IMPACT: Healthcare savings will depend on the number of new program participants. Eight new participants are required for the City to "break even".

BUDGET ACTION REQUIRED: If enough new participants enroll in the program, budget adjustments may be needed in the departmental budgets where program participants are located.

STAFF RECOMMENDATION: Authorize an increase in the annual opt out payment from the current \$1,300 to \$3,000 effective with the first pay period after eight new opt participants have signed up for the program. If there are not enough new participants signed up by November 1, the matter will be brought back for further consideration.

Motion by Commissioner Larson, second by Commissioner Gawron to approve the health care opt out option.

ROLL VOTE: Ayes: Gawron, Larson, Schweifler, Shepherd, Spataro, Warmington

Nays: None

MOTION PASSED

**b. Consideration of Bids: Sanitary Sewer Rehab (Lining).
ENGINEERING**

SUMMARY OF REQUEST: Award the sewer lining contract, using the alternate bid of project completion by the end of November, to Insituform Technologies out of the Detroit Area. Insituform was the lowest responsible bidder for both, the base bid (completion by the end of September) and the alternate bid (completion by the end of November). Their bid, using the alternate, is \$123, 438.

FINANCIAL IMPACT: The construction cost of \$123,438 plus related engineering expenses.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Award the contract to Insituform Technologies, Inc.

Motion by Commissioner Larson, second by Commissioner Spataro to award the contract to Insituform Technologies, Inc.

ROLL VOTE: Ayes: Larson, Schweifler, Shepherd, Spataro, Warmington, Gawron

Nays: None

MOTION PASSES

c. Ballot Wording. CITY CLERK

SUMMARY OF REQUEST: To approve the ballot language for the November 4, 2003, City General Election and designation position on the ballot.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval.

Motion by Vice Mayor Schweifler, second by Commissioner Spataro to approve the ballot language for the November 4, 2003, election and designate Archimedes Group I petition first on Ward I and Ward III and Charity petition first on Ward II and Ward IV.

ROLL VOTE: Ayes: Schweifler, Shepherd, Spataro, Warmington, Gawron, Larson

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Mayor Warmington presented Karen Buie with a Certificate of Public Recognition for her service as a City Commissioner.

PUBLIC PARTICIPATION: Comments were heard from the public.

The Regular Commission Meeting for the City of Muskegon was adjourned at 8:07PM.

Respectfully submitted,



Gail A. Kunding, MMC
City Clerk

2003-73(a)

***CITY OF MUSKEGON
STATE OF MICHIGAN***

PROCLAMATION

WHEREAS, the City of Muskegon pauses to honor and recognize Rodney Shunta for selflessly risking his life to rescue Jennifer Campbell from Lake Michigan on Sunday evening, the 24th day of September, 2003; and

WHEREAS, a catastrophe was avoided because of the skillful and quick response to danger and knowledge of life saving demonstrated by Rodney Shunta; and

WHEREAS, this courageous action in averting what could have been a tragic loss to family, friends, and community was an act of heroism which deserves special recognition by the governing body of this city; and

NOW, THEREFORE, BE IT RESOLVED, that I, Steve Warmington, Mayor of the City of Muskegon, and speaking on behalf of the City Commission and citizens of Muskegon, do hereby set aside September 9, 2003, to honor Rodney Shunta for his heroism.

IN WITNESS WHEREOF, I hereunto set my hand and cause the seal of the City to be affixed this 9th day of September, 2003.

Stephen J. Warmington, Mayor

Stephen Gawron, Commissioner

Robert Schweifler, Vice Mayor

William Larson, Commissioner

Clara Shepherd, Commissioner

Lawrence Spataro, Commissioner

**CITY OF MUSKEGON
STATE OF MICHIGAN**

PROCLAMATION

WHEREAS, the purpose of One Book, One County is to build community in this diverse County by encouraging individuals to share an experience, namely reading and discussing a good book; and

WHEREAS, to truly celebrate diversity, we need to talk to each other and one way to do that is by reading and talking about a book; and

WHEREAS, beginning October, 2003, the goal is to have people across Muskegon County reading and discussing "The Watsons Go to Birmingham – 1963"; and

WHEREAS, the project activities will include:

1. Book discussion sessions will be held at all eleven public libraries, as well as within organizations and schools.
2. "Read It and Lead It" training sessions, sponsored by the Friends of Libraries organizations, will be held in three locations across the county.
3. A discussion guide prepared by library staff will be widely available.
4. A breakfast will be held on September 15, anniversary of the Birmingham bombing, to remember that event and to mark the start of the project.
5. Author Christopher Paul Curtis will make a public appearance at the Waters Center for the Performing Arts, Muskegon Heights High School, in the evening of October 14. Mr. Curtis will appear to school audiences twice on the following day.

NOW, THEREFORE, BE IT RESOLVED, that I, Steve Warmington, Mayor of the City of Muskegon, and speaking on behalf of the City Commission proclaim October, 2003, as the beginning of "One Book, One County" and urge all citizens to support this effort by reading the book.

IN WITNESS WHEREOF, I hereunto set my hand and cause the seal of the City to be affixed this 9th day of September, 2003.

Stephen J. Warmington, Mayor

Stephen Gawron, Commissioner

Robert Schweifler, Vice Mayor

William Larson, Commissioner

Clara Shepherd, Commissioner

Lawrence Spataro, Commissioner

One Book, One County

Purpose:

To build community in this diverse county by encouraging individuals to share an experience, namely reading and discussing a good book.

We celebrate our diversity here in Muskegon county, but do we really cross the barriers of age, sex, class, race and income to truly engage the people we share physical space with? In order to truly celebrate diversity, we need to talk to each other. One way to do that is by reading and talking about a book.

This project is a part of the Muskegon Arts and Humanities Festival.

Project Overview:

Our goal is to have people across Muskegon county reading and discussing "The Watsons Go to Birmingham - 1963" by Flint author Christopher Paul Curtis* in October 2003.

Project Activities:

1. Book discussions sessions will be held at all eleven public libraries, as well as within organizations and schools.
2. "Read It and Lead It" training sessions, sponsored by the Friends of Libraries organizations, will be held in three locations across the county.
3. A discussion guide prepared by library staff will be widely available.
4. A breakfast will be held on September 15, anniversary of the Birmingham bombing, to remember that event and to mark the start of the project.
5. Author Christopher Paul Curtis will make a public appearance at the Waters Center for the Performing Arts, Muskegon Heights High School, in the eveing October 14. Curtis will appear to school audiences twice on the following day.

Project Steering Committee:

Martha Ferriby -Chair, Susan Kroes, Mary Southwick - Hackley Public Library
 Elizabeth Winsche, Michele Whittkopp - Muskegon County Library
 Bette Carlson - White Lake Community Library Merle Scolnik - A.A.U.W.
 Frances Fisher - Friends of the Library Angelyn Leaver - M.A.I.S.D
 Phyllis Wahlberg - Muskegon Public Schools Marty Mattson - Muskegon Chronicle

Supporting Organizations:

County of Muskegon	Muskegon Community College
N.A.A.C.P.	Friends of Hackley Public Library
American Association of University Women	Friends of White Lake Community Library
Muskegon Children's Museum	Friends of Norton Shores Branch Library
Muskegon Arts and Humanities Festival	M.A.I.S.D.
Muskegon Public Schools	Hackley Public Library
Muskegon County Library	White Lake Community Library
Institute for Healing Racism	Muskegon Heights Public Schools
Reeths -Puffer Schools	Urban League

***One Book, One County*, continued**

The Book and the Author:*

"*The Watsons Go to Birmingham - 1963*" is about a Flint, Michigan African-American family that makes a trip down to the racially divided South during the civil rights era. Christopher Paul Curtis's tale of a close-knit auto worker's family has won Coretta Scott King Award honors and is a Newberry Medal honor book, and has also been honored by the *New York Times*, *Publishers Weekly*, and the American Library Association.

This book was selected because it is a story that speaks to experiences and ideas that touch and are important to Muskegon County people. Additional criteria for selecting this book included accessibility (length, reading level, style), low purchase price, wide availability in libraries and schools, availability in alternative formats such as large print and audio, and a connection to the Muskegon Arts and Humanities Festival theme of "Work and Play". This is a sad book, a funny book, and a moving book with much to discuss. "*The Watsons Go to Birmingham - 1963*" has wide appeal and is enjoyed from fifth graders through adults.

Contribution and Support:

Support is being sought from individuals, book clubs, organizations and businesses. Contributions will be acknowledged. Checks may be made payable to "Muskegon County Library - One Book, One County Project".

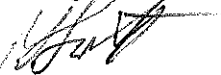
Book Buddy	\$ 25 and up
Reading Advocate	\$ 100 and up
Power Reader	\$ 250 and up
Literary Lion	\$ 500 and up
Book Benefactor	\$1,000 and up

Underwriters:

Underwriters provide major financial and in-kind support to the project. As of August 4, the list of underwriters includes:

M.A.I.S.D.
Hackley Public Library
Muskegon Chronicle
Muskegon Community College
N.A.A.C.P.

Muskegon Public Schools
Muskegon County Library
Fisher Family Fund - CFMC
Kroes Corporation
Muskegon County

Date: August 29, 2003
To: Honorable Mayor and City Commissioners
From: Ric Scott 
RE: Lighthouse Acre Application

SUMMARY OF REQUEST:

To adopt the attached resolution and authorize staff to submit the application for securing the Lighthouse acre property from the Federal Government

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approve

COMMITTEE RECOMMENDATION:

Affirmative Action
(231)724-6703
FAX: (231)722-1214

Assessor/Equalization
(231)724-6708
FAX: (231)726-5181

Cemetery Department
(231)724-6783
FAX: (231)726-5617

City Manager
(231)724-6724
FAX: (231)722-1214

Civil Service
(231)724-6716
FAX: (231)724-4405

Clerk
(231)724-6705
FAX: (231)724-4178

Community and
Neigh. Services
(231)724-6717
FAX: (231)726-2501

Computer Info.
Systems
(231)724-6744
FAX: (231)722-4301

Engineering Dept.
(231)724-6707
FAX: (231)727-6904

Finance Dept.
(231)724-6713
FAX: (231)724-6768

Fire Dept.
(231)724-6792
FAX: (231)724-6985

Income Tax
(231)724-6770
FAX: (231)724-6768

Inspection Services
(231)724-6715
FAX: (231)728-4371

Leisure Services
(231)724-6704
FAX: (231)724-1196

Mayor's Office
(231)724-6701
FAX: (231)722-1214

Planning/Zoning
(231)724-6702
FAX: (231)724-6790

Police Department
(231)724-6750
FAX: (231)722-5140

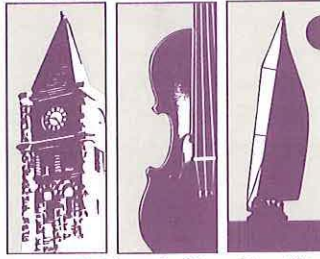
Public Works Dept.
(231)724-4100
FAX: (231)722-4188

Treasurer's Office
(231)724-6720
FAX: (231)724-6768

Water Billing Dept.
(231)724-6718
FAX: (231)724-6768

Water Filtration
(231)724-4106
FAX: (231)755-5290

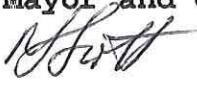
MUSKEGON



West Michigan's Shoreline City

Date: August 29, 2003

To: Honorable Mayor and City Commissioners

From: Ric Scott 

Re: Lighthouse Acre Application

The city is in the process of trying to get the Lighthouse Acre property deeded over to the City of Muskegon. The use for the property would be for the sanitary lift-station that currently exists there and for park purposes.

Staff is requesting that you adopt the attached resolution authorizing me to proceed with the process and to authorize me to submit the attached application to proceed with the procurement process.

Staff is requesting that the Federal Government give the property to the City, so there will be no financial costs to obtain the property. There will be minimal maintenance costs after the property is secured, but the neighbors are currently doing most of the maintenance of the property and future costs would be minimal.

Thank you for your consideration.

RESOLUTION NO. 2003-74(b)
MUSKEGON CITY COMMISSION

RESOLUTION APPROVING SUBMISSION OF APPLICATION TO THE
DEPARTMENT OF HEALTH 7 HUMAN SERVICES FOR FEDERAL SURPLUS
PROPERTIES (LIGHTHOUSE ACRE)

WHEREAS, certain real property owned by the United States, located in the County of Muskegon, State of Michigan, has been declared surplus property and is subject to assignment for disposal for homeless or public health purposes by the Secretary of Health and Human Services under the provisions of Section 203(k)(1) of the Federal Property and Administration Services Act of 1949, as amended, and rules and regulations promulgated pursuant thereto, more particularly described as follows,

Muskegon Land
GSA no.: 1-U-MI-0610:

WHEREAS, The City of Muskegon needs and can utilize said property for public health purposes in accordance with the requirements of said Act and the rules and regulations promulgated thereunder of which this Board is fully informed, including commitments regarding use and time such use shall commence.

NOW, THEREFORE, BE IT RESOLVED, that the City Commission of the City of Muskegon has legal authority, is willing, and is in a position financially and otherwise to assume immediate care and maintenance of the property, and that Ric Scott, the Director of Leisure Services is hereby authorized, and for and on behalf of the City of Muskegon, to do, and perform any and all acts and things which may be necessary to carry out the foregoing resolution, including the preparing, making, and filing of plans, applications, reports, and other documents: the execution, acceptance, delivery, and recordation of agreements, deeds and other instruments pertaining to the transfer of said property; and the payment of any and all sums necessary on account of the purchase price thereof, including fees or costs incurred in connection with the transfer of said pr9operty for surveys, title searches, appraisals, recordation of instruments, or escrow costs, together with any payments by virtue of nonuse of deferral of use of the property.

If the applicant is unable to place the property into use within the time limitation indicated below (or determines that a deferral of use

should occur), it is understood that the City of Muskegon will pay to the Department the sum of 1/360 of the fair market value for each month of nonuse, beginning 12 months after the date of the deed, or 36 months where construction or major renovation is contemplated.

If the application is approved, a copy of the application and standard deed will be filed with the permanent minutes of the Board.

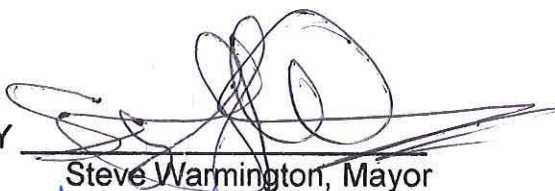
City Commission of the City of Muskegon
933 Terrace St.
Muskegon, Michigan 49443

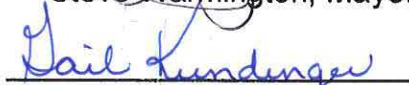
Adopted this 9th day of September, 2003

AYES: Warmington, Gawron, Larson, Schweifler, Shepherd, Spataro

NAYS: None

ABSENT: None

BY 
Steve Warmington, Mayor

ATTEST 
Gail Kunderinger, City Clerk

I, Gail Kunderinger, hereby certify that I am the City Clerk of the City of Muskegon and that the foregoing resolution is a true and correct copy of the resolution adopted by the vote of a majority of members of said City Commission present at a meeting of said Board on September 9th, 2003 at which a quorum was present.


Gail A. Kunderinger, MMC
City Clerk

DEPARTMENT OF HEALTH & HUMAN SERVICES
FEDERAL SURPLUS
REAL PROPERTY PROGRAM

APPLICATION

1. Federal Installation

- (A) Muskegon Land
1380 Beach St.
Muskegon, Michigan
- (B) GSA No.: 1-U-MI-0610

2. Identification of Applicant

- (A) City of Muskegon
The city is a political subdivision of the State of Michigan
- (B) The city is a Home Rule City under the State of Michigan. The Home Rule documents and the City Charter section are attached that allow for the city to own land.
- (C) Ric Scott
Director of Leisure Services
933 Terrace St.
Muskegon, MI 49443
- (D) City of Muskegon
933 Terrace St.
Muskegon, MI 49443
231-724-6774
- (E) The Beachwood/Bluffton Neighborhood Association will continue to help maintain the property.
- (F) N/A

3. Description of Real Property Requested

- (A) The property is located in the Bluffton neighborhood of Muskegon and is approximately 1 acre in size. A sanitary lift station is located on the property, but the remainder of the property is vegetated with no structures on it.
- (B)
 - (1) The property is zoned Open Space Recreation and the intended use of the property will have no zoning restrictions. The intended use of the property will conform to the Open Space recreation zoning designation.
 - (2) There will be no construction of buildings on the property.
 - (3) There will be no utilities required for the property. The water lines for irrigation are already in place.
 - (4) There are no easements required for the property.

- (C) There is no real personal property associated with this property. It is a vacant piece of land except for the lift station

4. Proposed Program Brief for Property Requested

- (A) The City of Muskegon would continue to maintain a sanitary lift station that serves the Bluffton neighborhood, the Harbour Town Development and the Muskegon Channel area. This is the only sanitary line servicing these areas. Approximately 140 homes are serviced by this line. The city will also maintain the remainder of the property as a park for neighborhood use and beautification.
- (B) The use is simply for a sanitary lift station that already exists and is servicing the northwest end of the city. The cost to remove and replace this line to another location would be approximately \$200,000, assuming another location could be found. This cost does not include real estate costs. This would be cost prohibitive.
- (C) The City of Muskegon has a sewer department that manages the sanitary system throughout the city and has for decades. The City Engineer oversees the design and construction of the sewer systems including the lift stations throughout the city. The city has over 170 miles of sewers and 23 lift stations throughout the community. The engineering department has 8 full-time employees and the sewer department has 14 full-time employees. The existing lift station has been on this property since 1946 and was reconstructed in 1985.
- (D) The need is that the city only recently discovered that the property was not owned by the city.
- (E) N/A
- (F) The City of Muskegon owns a lot of real estate throughout the City. There is a park across the street from this property. The city made the determination over 50 years ago that the location for the lift station was best suited for this property. The City Assessor's records showed that this property was owned by the city. No Federal agency has ever claimed ownership of the property until city staff did a title search on the property and discovered the Federal ownership.

5. Physical Layout, Plans, and Cost Estimates

- (A) The property is suitable for this use, as it has been used for this purpose for many years.
- (B) A project map is attached. There will be no additional improvements other than some underground irrigation systems.
- (C) The use of the property will be for the sanitary sewer lift station and associated piping. The remainder of the property will be utilized for park purposes. There is no cost to prepare the property for full utilization. It is currently being fully utilized for these purposes.

- 1). There are no buildings on the property. There is only a sanitary lift station.
- 2). There will be no new facilities built
- 3). The one-acre site will be used as a park except the area immediately adjacent to the lift station. Further, it is the city's intent to make this a charter park once the property is deeded to the city. A charter park is park property that can't be sold or used for other than park purposes without a vote of the residents of Muskegon.

6. Ability to Finance and Operate

- (A) The City of Muskegon is currently funding the lift station through the Sewer Fund of the City of Muskegon. The annual budget for sewers is \$3.5 million, which comes from revenues. The maintenance of the park area will be done within the existing Parks budget of the City of Muskegon. The Parks budget is over \$1.2 million and over 700 acres of land is currently being maintained through the Parks Budget. No additional monies are needed to maintain and operate this property.
- (B) No major renovations or construction is planned for this property.

7. Local Government Notification

We are the local government who manages the water, sewer, police, and fire protection.

8. Applicant Certification

Signed Certification attached.

9. Governing Board Resolution

Governing Board resolution attached

10. Environmental Compliance

Environmental Questionnaire attached

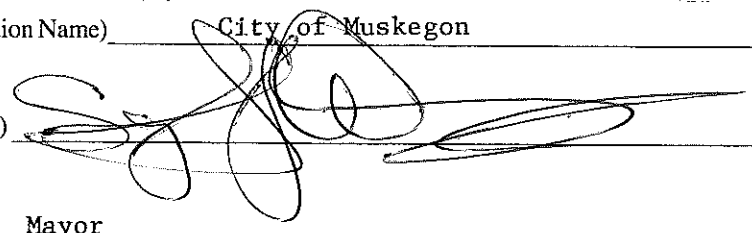
Attachment A - Applicant Certification

- (A) The applicant certifies that it will comply with section 606 of the Federal Property and Administrative Services Act of 1949; the Fair Housing Act (42 U.S.C. § 3601-19) and implementing regulations; and as applicable, Executive Order 11063 (Equal Opportunity in Housing) and implementing regulations; Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d to d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations; Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681) and implementing regulations; the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. § 6101-07) and implementing regulations; and the prohibitions against otherwise qualified individuals with handicaps under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and implementing regulations and the Uniform Federal Accessibility Standards (UFAS), 41 CFR Subpart 101-19.6, Appendix A.

The applicant will not discriminate on the basis of race, color, national origin, religion, sex, age, familial status, disability or handicap in the use of the property, and will maintain the records required to demonstrate compliance with Federal laws.

- (B) The applicant agrees for itself, its successors and assigns, that it shall cause any conveyed improvements to be insured against loss, damage, or destruction. If any such loss, damage, or destruction shall occur during the period grantee holds title to said property subject to said conditions 1 through 5, said insurance and all monies shall be held in trust by the grantee, its successors or assigns, and shall be promptly used by the grantee for the purpose of repairing such improvements and restoring the same to their former condition and use or for the purpose of replacing said improvements with equivalent or more suitable improvements or, if not so used, the grantee shall cause to be paid over to the Treasurer of the United States that part of the insurance proceeds that is attributable to the Government's residual interest in the property lost, damaged, or destroyed, determined on the basis of the fair market value of the facilities at the time of the loss, damage, or destruction.
- (C) The applicant covenants and agrees for itself, and its successors and assigns that in the event the grantor exercises its option to revert all right, title, and interest in the property, to the grantor, or the grantee voluntarily returns title to the property in lieu of a reverter, then the grantee shall provide protection to and maintenance of the property at all times until such time as the title reverts to and is accepted by the grantor. Such protection and maintenance shall, at a minimum, conform to the standards prescribed by the General Services Administration in its regulations FPMR 101-47.4913 (41 CFR 101) in effect as of the date of the deed, a copy of which is attached (**Attachment D**) to the application.

(Organization Name) City of Muskegon

(Signature) 

(Title) Mayor

(Date) 8-22-03

CHANNEL

CHANNEL DRIVE

GOVERNMENT

Light House
Acad

MAR

742

743

745

746

747

748

749

750

751

752

753

754

742

750

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757

HILL

RODGERS

BEACH

ST

ST

ST

ST

Commission Meeting Date: September 9, 2003

Date: September 2, 2003
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Sale of Non-Buildable Lot at 1024 Albert Avenue

SUMMARY OF REQUEST:

To approve the sale of a vacant non-buildable lot (Parcel #24-612-000-0538-00) at 1024 Albert Avenue to Lois Meisenheimer, 1032 Albert Avenue, Muskegon, MI 49442. Since this is a marginal lot in size and not in keeping with most other lots in the neighborhood, the Land Reutilization Committee (LRC) recommends treating it as an unbuildable lot. Approval of this sale will allow the adjacent property owner to expand her current yard (see attached map). The original recommendation made by LRC was to split the lot between the two adjacent property owners. However, one of the owners withdrew their application due to concerns involving power lines intertwined in a large oak tree located on the property.

FINANCIAL IMPACT:

The sale of this lot will allow the property to be placed back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

To approve the attached resolution and to authorize both the Mayor and the Clerk to sign the resolution.

COMMITTEE RECOMMENDATION:

LRC recommended approval of the request at their August 26, 2003 meeting.

CERTIFICATION

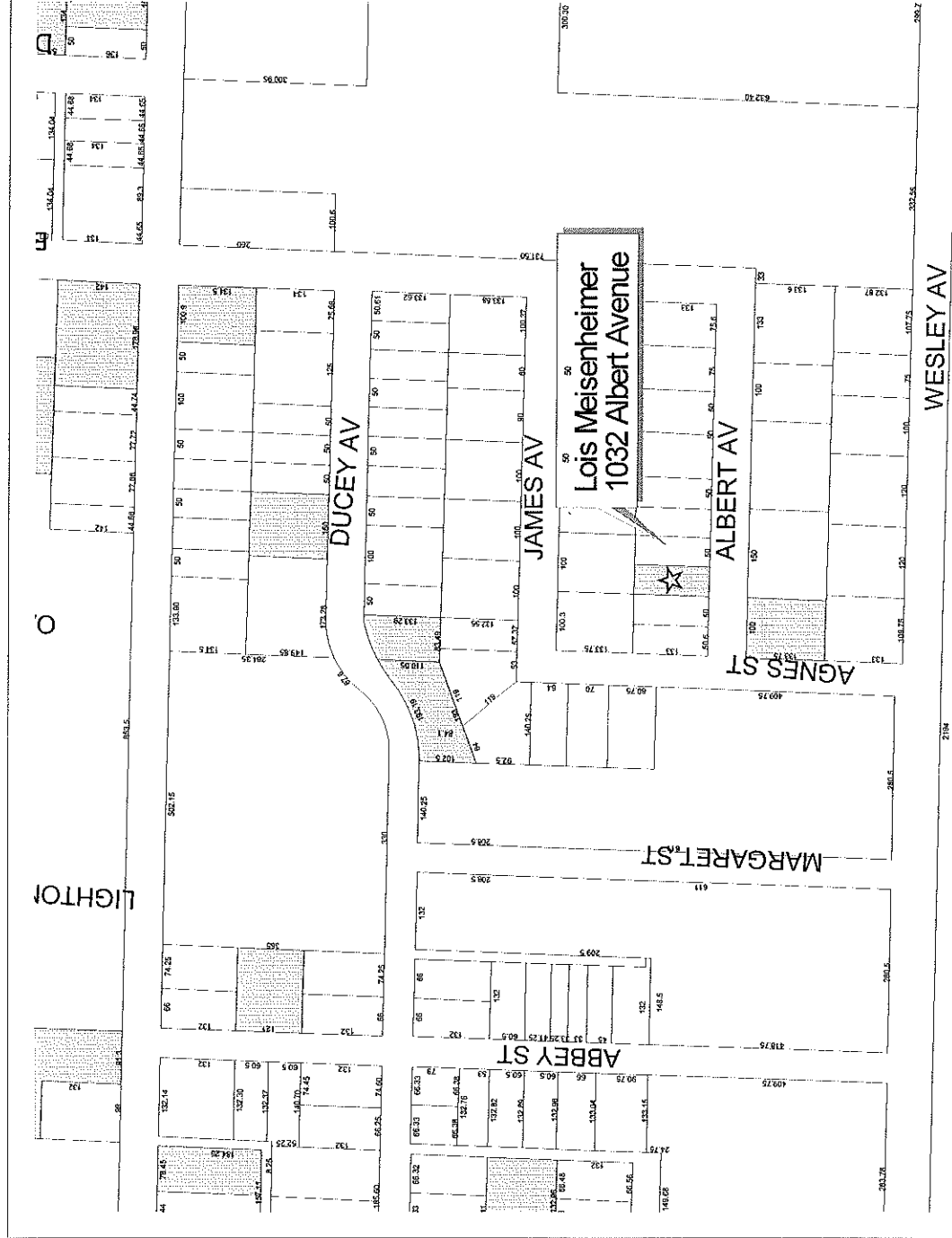
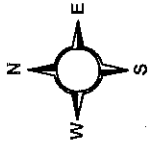
This resolution was adopted at a regular meeting of the City Commission, held on September 9, 2003. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

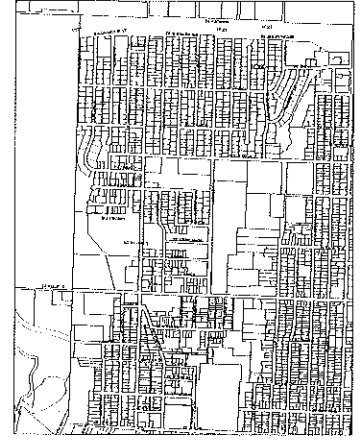
By


Gail A. Kunding, MMC
Clerk

Vacant Non-buildable City-Owned Lot
1014 Albert Avenue



☆ = Subject Property(ies)
to be sold



QUIT-CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS: That the **CITY OF MUSKEGON**, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440,

QUIT CLAIMS to **LOIS MEISENHEIMER**, of 1032 Albert Avenue, Muskegon, Michigan 49442,

the following described premises situated in the City of Muskegon, County of Muskegon, State of Michigan, to wit:

CITY OF MUSKEGON URBAN RENEWAL PLAT NO. 3, Lot 538

for the sum of: One Hundred (\$100) Dollars

PROVIDED, HOWEVER, If the Grantee or adjoining property owner loses the adjoining property due to foreclosure or non-payment of taxes, the non-buildable lot shall revert to the Grantor. At that point in time when any lien covers both parcels or there are not liens on either parcel, the property owner may request and the Grantor shall agree to waive and terminate the reverter clause.

This deed is exempt from real estate transfer tax pursuant to the provisions of MCLA 207.505(h)(i) and MCLA 207.526 Sec. 6(h)(i).

Dated this 24th day of September, 2003.

Signed in the presence of:

Linda Potter
Linda Potter

Margaret M. Platt
Margaret M. Platt

CITY OF MUSKEGON

By [Signature]
Stephen J. Warmington, Its Mayor

and Gail A. Kunderinger
Gail A. Kunderinger, MMC, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

The foregoing instrument was acknowledged before me this 24th day of September, 2003, by STEPHEN J. WARMINGTON and GAIL A. KUNDINGER, MMC, the Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

PREPARED BY: John C. Schrier
Parmenter O'Toole
175 W. Apple Avenue/P.O. Box 786
Muskegon, MI 49443-0786
Telephone: 231/722-1621

WHEN RECORDED RETURN TO: Grantee

Linda S. Potter
Linda S. Potter, Notary Public
Muskegon County, Michigan
My Comm. Expires: 9-25-06

SEND SUBSEQUENT TAX BILLS TO: Grantee

Commission Meeting Date: September 9, 2003

Date: September 2, 2003
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development *Ubl*
RE: Sale of Unbuildable Lot at 1446 Ducey Avenue

SUMMARY OF REQUEST:

To approve the sale of a vacant unbuildable lot (Parcel #24-611-000-0447-00) at 1446 Ducey Avenue to Habitat for Humanity, owners of 1438 Ducey Avenue, Muskegon, MI 49442. Approval of this sale will allow Habitat for Humanity to join this non-buildable lot with their current non-buildable lot and build a 1440 square foot, 3 bedroom home (see attached map). This project is a partnership between Muskegon County Habitat for Humanity and the Muskegon Area Technical Training Program. This project provides instruction in construction skills for junior and senior students throughout Muskegon County and the end result is a home for a low-income Habitat family. According to their drawings, they plan to include a variable front roof line, shutters, a basement, and it will also be 'stick built'.

FINANCIAL IMPACT:

The sale of this lot will allow the property to be placed back on the City's tax rolls thus relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

To approve the attached resolution and to authorize both the Mayor and the Clerk to sign the resolution.

COMMITTEE RECOMMENDATION:

The Land Reutilization Committee (LRC) recommended approval of this request based on the fact that the adjoining property already has a large lot at their August 26, 2003 meeting.

CITY OF MUSKEGON

RESOLUTION #2003- 74(d)

RESOLUTION APPROVING THE SALE OF A CITY-OWNED NON-BUILDABLE LOT

WHEREAS, the City of Muskegon has received \$100 from Habitat for Humanity, owner of 1438 Ducey, Muskegon, MI 49442 for the purchase of a vacant, City-owned lot located adjacent to their property at 1446 Ducey (parcel #24-611-000-0447-00);

WHEREAS, this lot is considered non-buildable under the City's Zoning Ordinance;

WHEREAS, the sale would enable the City to place this property back on the tax rolls; and would relieve the City of further maintenance;

WHEREAS, the sale of this property would be in accordance with property disposition goals and special recommendation of the Land Reutilization Committee (LRC);

NOW, THEREFORE BE IT RESOLVED, CITY OF MUSKEGON URBAN RENEWAL PLAT NO 2 LOT 447 be sold to Habitat for Humanity for \$100.

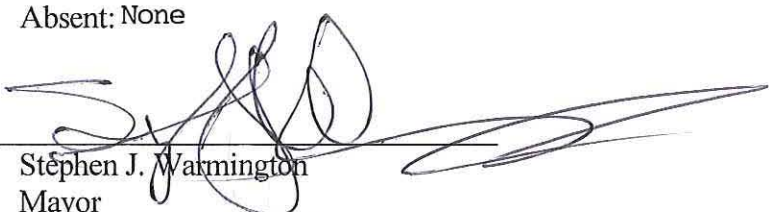
Resolution adopted this 9th day of September, 2003.

Ayes: Warmington, Gawron, Larson, Schweifler, Shepherd, Spataro

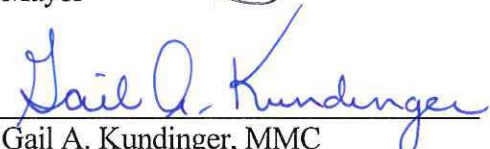
Nays: None

Absent: None

By:


Stephen J. Warmington
Mayor

Attest:


Gail A. Kunderinger, MMC
City Clerk

CERTIFICATION

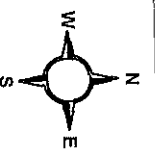
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CITY OF MUSKEGON

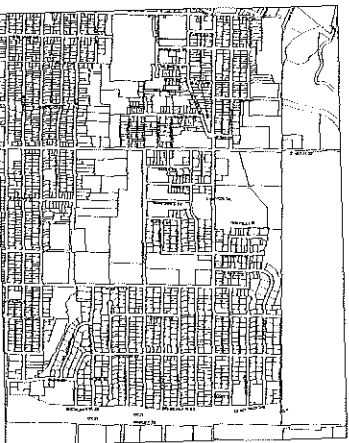
By


Gail A. Kunding, MMC
City Clerk

Vacant Non-buildable City-Owned Lot 1446 Ducey Avenue



☆ = Subject Property(ies)
to be sold



QUIT-CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS: That the **CITY OF MUSKEGON**, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440,

QUIT CLAIMS to **MUSKEGON COUNTY HABITAT FOR HUMANITY**, a Michigan Non-Profit Corporation, of 1330 Fifth Street, Muskegon, Michigan 49441,

the following described premises situated in the City of Muskegon, County of Muskegon, State of Michigan, to wit:

CITY OF MUSKEGON URBAN RENEWAL PLAT NO. 2, Lot 447

for the sum of: One Hundred (\$100) Dollars

PROVIDED, HOWEVER, If the Grantee or adjoining property owner loses the adjoining property due to foreclosure or non-payment of taxes, the non-buildable lot shall revert to the Grantor. At that point in time when any lien covers both parcels or there are not liens on either parcel, the property owner may request and the Grantor shall agree to waive and terminate the reverter clause.

This deed is exempt from real estate transfer tax pursuant to the provisions of MCLA 207.505(h)(i) and MCLA 207.526 Sec. 6(h)(i).

Dated this 24th day of September, 2003.

Signed in the presence of:

Linda Potter
Linda Potter

Margaret M. Platt
Margaret M. Platt

CITY OF MUSKEGON

By: [Signature]
Stephen J. Warmington, Its Mayor

and Gail A. Kunding
Gail A. Kunding, MMC, Its Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

The foregoing instrument was acknowledged before me this 24th day of September, 2003, by STEPHEN J. WARMINGTON and GAIL A. KUNDINGER, MMC, the Mayor and Clerk, respectively, of the CITY OF MUSKEGON, a municipal corporation, on behalf of the City.

PREPARED BY: John C. Schrier
Parmenter O'Toole
175 W. Apple Avenue/P.O. Box 786
Muskegon, MI 49443-0786
Telephone: 231/722-1621

WHEN RECORDED RETURN TO: Grantee

Linda S. Potter
Linda S. Potter, Notary Public
Muskegon County, Michigan
My Comm. Expires: 9-25-06

SEND SUBSEQUENT TAX BILLS TO: Grantee

Commission Meeting Date: September 9, 2003

Date: September 2, 2003
To: Honorable Mayor & City Commission
From: Community and Neighborhood Services
Department
RE: Purchase of 877 Emerald

SUMMARY OF REQUEST: To approve the purchase of the property located at 877 Emerald (City of Muskegon revised Plat of 1903 Blk 204 N 40 feet lot 15) for its appraised value of \$3,000 from the estate of Mr. And Mrs. James Jones

If the purchase is approved by the Commission the CNS department will demolition the existing structure combine the lot with an adjacent parcel and build a new constructed home under the City's Infill program in the next year.

FINANCIAL IMPACT: Funding for purchase and demolition will come from the City's 2003 HOME funding.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: None



Date: August 29, 2003

To: Honorable Mayor and City Commissioners

From: City Treasurer

RE: Approval of Collection and Credit Reporting Services
Contract/Agreement with Paramount Collection Services,
L.L.C., Muskegon, Michigan

SUMMARY OF REQUEST:

It has been practice to monitor the City of Muskegon outside collection and credit reporting services, however a full review had not been done in approximately five years. Upon reviewing several proposals submitted for review, it is the staff's recommendation to award the contract for collections and credit reporting services to Paramount Collection Service, L.L.C. (PCS).

PCS was selected based on the company's ability to perform the services required and their level of professional standards. Also, PCS is owned and operated by a disadvantaged sub-group and is located in North Muskegon, Michigan.

Because PCS is a local area business, it is anticipated the City of Muskegon will receive better customer service, enable the public to visit and make payments directly to the agency, which will have a greater insight into the local economic situations.

FINANCIAL IMPACT: Staff expects that the cost of the contract will be more than offset by:

- 1) Reduction in administrative time spent personally attending to collection matters (research, correspondence, and litigation).
- 2) Reduction in bad debts that are written off and improved collections due to the knowledge of debtors ("slow-pays") that the City will be using a local professional third party collection/credit reporting agency.
- 3) Enhanced cash flow from accounts receivable.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the collection and credit reporting service agreement with Paramount Collection Services, L.L.C.

COMMITTEE RECOMMENDATION: The Committee of the Whole will meet on Monday, September 8th to further discuss this item.

COLLECTION SERVICE AGREEMENT

THIS AGREEMENT, entered into as of 9th of Sept 2003, between **PARAMOUNT COLLECTION SERVICE LLC**, 307 Center, North Muskegon, Michigan, ("Agency"), and **CITY OF MUSKEGON**, 933 Terrace Street, Muskegon, Michigan, ("Client").

WITNESSETH:

WHEREAS, Agency is a fully licensed and bonded collection agency; and,

WHEREAS, Client has certain accounts receivable that it desires to place with Agency for collection; and,

WHEREAS, Client and Agency have agreed upon the terms and conditions of the placement of said accounts receivable and the collection process to be executed by Agency;

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. Client will forward to Agency for collection those accounts receivable that, in Client's sole discretion, Client desires to place with Agency. Agency shall process said accounts through a full phase collection process.
2. Agency agrees to indemnify, defend and hold Client harmless from and against any and all claims, demands, debts, actions, or causes of actions of whatever type or nature arising in any way from or connected with any activity of Agency, its agents, attorneys, or employees, in the collection or the attempt to collect any account or accounts referred to it by Client under this Agreement, except any claim arising from the mistaken or wrongful assignment of an account for collection by Client.
3. Pre-collection service will be provided at Client's written or verbal request. Pre-collection efforts shall include written correspondence with the debtor in strict accordance to state and federal laws and regulations at one dollar (\$1.00) per letter with a minimum of two (2) letters in a thirty (30) day period.
 - 3A. Agency shall submit an invoice to Client for actual services requested and rendered.
 - 3B. Accounts in a pre-collection status will not be automatically transferred to full collection at the end of the thirty (30) day period. These accounts will be returned to the Client for review prior to referring account(s) for full collection services.
 - 3C. Client may request additional pre-collection services either verbally or in writing, Agency shall charge Client its normal base fee for these additional services.
4. Following placement of Client accounts with Agency for full collection services, Agency's commission shall be thirty percent (30%) of the net amount collected after collection expenses following placement. The commission on accounts referred to an attorney for legal action shall be thirty-five percent (35%), including attorney fees to be paid by Agency from the commission.
 - 4A. This commission is due and payable to Agency whether payment from the debtor is received by Agency or by Client on said full collection accounts.
 - 4B. Agency agrees to remit to Client the amount of all monies collected during the preceding thirty day period, less applicable collection fees, unless these accounts are identified by Client as described in section 7, together with an itemized list of such remittances, showing amount, name and account number.
5. Agency agrees that it will file no legal action in any case without first requesting and receiving the express written authority of Client to file such action.

5A. Agency agrees that any attorney hired to conduct legal action shall be mutually acceptable to Agency and Client.

5B. Agency agrees that any attorney hired shall provide a written disclosure of the dual representation and waiver of any conflicts, in accordance with the Michigan Rules of Professional Conduct. Agency agrees that no garnishment or attachment proceeding will be undertaken in connection with any account in litigation without Client's written consent.

5C. Agency will advance court costs, filing fees, attorneys, and all other fees involved with legal action.

- 6.** Agency shall maintain separate master accounts for each type of receivable referred by Client. For example, master accounts shall be maintained for final and/or closed water/sewer accounts, miscellaneous invoices, parking tickets, income and personal property taxes.
- 7.** With respect to income taxes, any commercial and residential loan(s), and personal property taxes, Agency shall remit the full amount collected of the referred account receivable(s) and invoice to Client its commission(s) based on the amount collected on certain accounts identified by Client in accordance with local, state, or federal laws pertaining to the referred account(s).
- 8.** Upon discovery of a bankrupt status, the Agency shall immediately notify Client and remand the account(s) with all documentation and without charge(s) to Client unless otherwise directed by Client.

8A. If Client notifies the Agency either verbally or in writing to file a proof of claim with the bankruptcy court, the Agency's commission shall be thirty-five percent (35%) of the net amount received by Client. Client appoints Agency as its authorized representative for the purpose of filing a proof of claim on Client's behalf.

- 9.** If payment is made directly to Client on account(s) referred to Agency for full collection services, Client agrees to send notification to Agency of the payment either by facsimile, verbally, written correspondence, or electronic mail of the payment within three (3) business days. Information to Agency shall include date payment was made, name, Client's account number, and amount of payment.
- 10.** If placed account(s) is collected by other means by Client, for example, through a payment at closing from a title insurance company in order to obtain clear title free of liens on a property located in the City of Muskegon, or the seizure and sale of personal property to satisfy a personal property tax debt, the Agency's commission on the account(s) will be fifteen percent (15%).

10A. With respect to personal property tax seizures, upon Agency's recommendation for tax seizure after all collection efforts and means have been exhausted, Agency shall return to Client personal property account(s) with all information and documentation relating to the account(s). Agency's commission shall be fifteen percent (15%) of any net proceeds from sale of seized property.

10B. Notification of a payment received from a title company to Client will be sent to the Agency either by facsimile, verbally, written correspondence, or electronic mail within three (3) business days. The City Treasurer's Office shall maintain records for verification purposes regarding these payments and will make same available to the Agency upon request. Agency shall invoice the Client its adjusted commission(s) in the event this occurs.

10C. The parties agree that any income tax refund, water/sewer refund, overpayment on an account, which is seized by Client's Income Tax Department, Treasurer's Office, and/or Finance Department to apply to a previous year's tax obligation or other outstanding accounts shall not be subject to a commission payable to Agency. This occurrence shall be considered an internal fund transfer administered by Client.

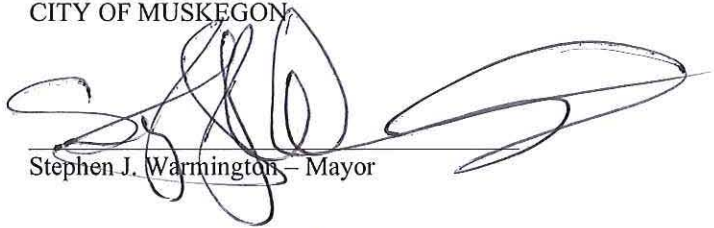
10D. Internal transfer of funds in which Agency would receive commission would only apply to accounts placed at Agency. Agency understands that internal transfer of funds to accounts in debtor's name that are not placed with agency would not be subject to commission.

10E. The exception to the aforementioned subsections would be any account(s) currently placed with Agency and has been referred to an attorney for legal action at the time of the internal transfer, Agency's commission shall be fifteen percent (15%) of collected or transferred funds to recover Agency's legal process expenditures.

- 11.** Any account(s) without payment or progress shall remain with Agency for further collection efforts until account(s) are requested either verbally or in writing to be returned to Client without charge to Client.
- 12.** Agency shall not compromise an account of a consumer without verbal or written authorization from Client.
- 13.** Agency agrees that information provided to Agency by Client shall be considered confidential and will not be released to any unauthorized party. Agency also agrees that client information will not be released for any marketing purposes.
- 14.** Agency has maintained a secure database with restricted access and will continue to maintain this environment to ensure the protection of Client's confidentiality.
- 15.** Agency will report credit information between thirty (30) and sixty (60) days after receipt of accounts from Client.
- 16.** Agency shall provide written status reports to Client upon its request as to the activity of accounts placed in collection.
- 17.** This agreement shall be effective on the 9th day of Sept. 2003, and shall continue until either party terminates this Agreement by giving the other party ninety (90) days prior written notice of intention to terminate.
 - 17A.** If terminated, Agency shall wind down its collection efforts during the ninety days, and at the conclusion of the ninety days return to Client all accounts and information regarding collection activity, expenses, and receipts related only to the accounts referred to Agency by Client.
 - 17B.** If a payment arrangement is made with a customer, legal proceeding has begun or is in progress, and/or a payment is received on a account(s) by Agency within the ninety (90) day period, the account(s) shall remain with agency until either account is paid in full, legal proceeding has concluded, and/or all collection efforts have been exhausted.

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

CITY OF MUSKEGON



Stephen J. Warmington – Mayor

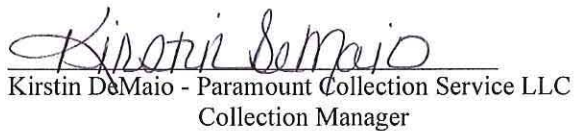
8-22-03
Effective Date



Gail A. Kunderger – City Clerk

8-22-03
Effective Date

PARAMOUNT COLLECTION SERVICES



Kirstin DeMaio - Paramount Collection Service LLC
Collection Manager

8-22-03
Effective Date

**COLLECTIONS SERVICES
BID TABULATION
May 1, 2003**

[illegible]

Date: August 29, 2003
To: Honorable Mayor and City Commissioners
From: Finance Director and/or City Treasurer
RE: Approval of Parking Ticket Services Contract/Agreement with MSB
Parking Data Ticket, Newport Beach, California

SUMMARY OF REQUEST:

In an effort to reduce costs, the city staff has explored outsourcing the administrative functions of the parking ticket system. The staff has reviewed other proposals and had determined that the best and most economical proposal was submitted by Municipal Business Services Data Ticket (MSB).

FINANCIAL IMPACT:

Staff expects that the cost of the contract will be more than offset by:

- 1) Reduction in administrative staff time and costs associated with processing parking tickets, notices, and etceteras.
- 2) Increase in collected revenue due to the knowledge and experience of company in dealing with parking ticket debts as well as continual updates of debtor information for enhanced payment enforcement.
- 3) Proposed increase in fines.

BUDGET ACTION REQUIRED: Not at this time.

STAFF RECOMMENDATION:

Approval of the parking ticket services agreement with MSB Parking Data Ticket.

COMMITTEE RECOMMENDATION:

The Committee of the Whole will meet on Monday, September 8th to further discuss this item.

Date: August 29, 2003

To: Honorable Mayor and City Commissioners

From: Revenue Collections Administrator

RE: Background information on the parking ticket proposal submitted by MSB
Parking Data Ticket

Reason for Search

The current parking ticket system has been in place since the 1980's. The system is DOS based and is not compatible with current technologies. Also of great concern, there is no longer software support for the current system. The handheld unit is also of the same era, while it is still functional, the maintenance agreement on the current handheld is costly and will no longer be supported by the manufacturer.

Search and Criteria

City staff began research to replace the current hardware and software as well as reduce operating costs involved with the processing and various other functions of the current parking ticket system. City staff researched companies that were able to provide the following:

- 1) Handheld ticket writing system with wireless capabilities
- 2) Provide parking ticket management software system at a minimal cost.
- 3) Provide software that is compatible with the City's current computer technology.
- 4) Ability to process payments by mail, Internet, or payments made at our location.
- 5) Ability to obtain license registration information
- 6) Provide collection services specializing in parking ticket debts
- 7) Provide superior customer service to the City staff and our citizens.
- 8) Provide these and other services/products at or under \$2.00 per ticket.

Results

Only two companies within the United States provided these particular and unique services within the guidelines the staff has set. It was unfortunate that there were no companies within Michigan that provided these particular and unique services. Upon reviewing the only two companies that had presented a proposal, the city staff has made the decision to recommend MSB Parking Data Ticket located in Newport Beach, California (MSB).

Costs of the Proposed Ticket System

MSB has proposed to provide a handheld ticket-writing device, thermo-imaging printer, carrying case, and the ticket writing and management software for a cost of \$3,373.00. The cost of the custom designed, water-resistant ticket paper and envelopes is \$3,273.00 for the first 18,000 tickets. This supply is expected to last for three years and six months at a rate of 5,000 tickets written annually.

The City also saves money with this system, as the company will provide all software support, maintenance, software updates, and provide the server which will house the City's data at their location. City Information Services staff will not have to expend any time or resources to maintain the proposed system, nor will the City have to expend any funds to purchase any additional hardware. There is a monthly fee of \$50 for maintenance and user ID's and passwords to the system. Also, there is a cost of \$1,199.00 for on-site training and system transition support.

MBS will also provide payment processing, public inquires, updating license/registration information, noticing, and collection services. MSB will provide these services at the cost of \$1.23 per ticket, 62 cents per additional notice following the first notice, and 32% of collected revenue on delinquent accounts (collections).

Total first year cost is \$10,245.00. As a comparison, it has been estimated that it would cost \$67,755 for the hardware and software to perform an in-house operation. This estimate *does not* include personnel time needed to maintain the system or the additional personnel needed to perform the administrative functions. By outsourcing to MSB, the City will save well over \$57,000 than providing for this service in-house.

Conclusion

The services and the cost of the proposed parking ticket system presented by MSB Parking Data Ticket is best choice economically and administratively to continue the parking enforcement system.

2003-74(g)

**AGREEMENT FOR PROCESSING PARKING CITATIONS
AND REVENUE COLLECTION**

This Agreement is made and entered into, in duplicate originals, between

**Data Ticket, Inc. dba
Municipal Services Bureau, Parking
4600 Campus Drive, Suite 200
Newport Beach, California 92660
(hereinafter sometimes referred to as "COMPANY")**

AND

**THE CITY OF MUSKEGON, MICHIGAN
933 Terrace Street
Muskegon, Michigan 49440**

(hereinafter sometimes referred to as "PUBLIC ENTITY"),
is made and entered into as of this 9 day of Sept., 2003.

The parties intend by this Agreement to provide for the processing of fines, bail and forfeiture thereof, in connection with the issuance of citations for illegal parking pursuant to the laws of the State of Michigan.

ARTICLE I - CITATION PROCESSING

1.1 Referral and Reconciliation: COMPANY shall receive and process parking citations, which COMPANY shall receive from PUBLIC ENTITY. COMPANY will provide a reconciliation of the number of citations received from PUBLIC ENTITY.

1.2 Determination of Processable Citations: COMPANY shall screen the parking citations referred to it by PUBLIC ENTITY to determine if the citation is processable. If the citation is determined by COMPANY to be unprocessable (e.g., essential processing information is missing), COMPANY shall return the citation to PUBLIC ENTITY within seven (7) days of receipt, by COMPANY'S office, for clarification. COMPANY will be paid the contractual rate hereinafter provided, for citations properly returned to the PUBLIC ENTITY as unprocessable.

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1.3 Collection and Deposit of Funds: A "direct deposit" system shall be employed for all funds received in payment of citations. The PUBLIC ENTITY and the COMPANY shall jointly own the account and deposits shall be made directly into the account by the COMPANY for the collecting PUBLIC ENTITY. The COMPANY will provide all bank reconciliation, cut checks and provide monthly management reports for the PUBLIC ENTITY for services rendered.

1.4 Identification of Registered Vehicle Owners: COMPANY shall exert best efforts and attempt to obtain the name and address of the registered vehicle owner from the Secretary of State ("SOS") for each vehicle for which a parking citation has been issued but payment for which has not been received within the required time period. COMPANY shall follow all procedures specified by the SOS, and be consistent with the Motor Vehicle Code when identifying registered vehicle owners.

1.5 Verification of Ownership: COMPANY will take reasonable measures to identify and verify registered vehicle owners. Such measures will take into consideration factors such as issuance of new license plates; address changes; license plate transfers to other vehicles; name changes; and the validity of plates and registration during specific time periods applicable to individual cases.

1.6 Delinquency Notices: In accordance with State law, COMPANY will generate and mail (presorted, first-class postage), a delinquency notice to all identified registered owners of vehicles who fail to pay their parking citation fines or to post bail in the required manner. The mailed notice will include all information required by State Law, including, but not limited to, the following:

- a) The parking citation issuance date and number;
- b) The consequences of nonpayment (i.e., a hold on the vehicle registration and the imposition of penalties, towing; and
- c) The amount of fines and fees due and payable.
- d) Affidavit of Non-Ownership

1.7 SOS Holds: If requested and available pursuant to laws of the State of Michigan, the COMPANY will provide the system and procedures and will interface with the SOS

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to place a hold for unpaid parking fines and fees due against those vehicles in accordance with the Motor Vehicle Code and any other applicable State and local laws. The notification will be given within a reasonable period of time after issuance of all delinquency notices. The period of time will not exceed the time limits provided by state law.

1.8 Removal of Registration Holds: If applicable, COMPANY will provide the system and procedures and will interface with the State Department of Motor Vehicles to remove registration holds when a registered vehicle owner satisfies the entire amount of parking citation fines, penalties, and fees due against the vehicle and establishes such payment to the satisfaction of the PUBLIC ENTITY and the COMPANY.

1.9 Contested Citations: In the event a registered vehicle owner disputes the liability for the outstanding parking citation, COMPANY will advise the registered vehicle owner of his/her right to request an administrative review/hearing/court appearance. All contested citations will be forwarded to the PUBLIC ENTITY for appropriate adjudication within the prescribed time period so that the matter can be adjudicated pursuant to Michigan law.

1.10 Citations Disposed of by Hearing/Court: The COMPANY may be required, as a result of court action, to reduce or cancel, on an individual basis, parking citations which have been referred to it. COMPANY shall be paid the contractual rate hereinafter provided for processing the citation regardless of the outcome of court action. COMPANY will maintain records indicating any reduction or cancellations of parking citations as a result of hearing/court action. Parking citations which are dismissed as a result of hearing/court action, will have the dismissal processed by the COMPANY promptly after receipt from the Hearing/Court.

1.11 Suspension of Processing: COMPANY will suspend processing on any citation referred to it for processing upon written notice to do so by an authorized officer(s) of the PUBLIC ENTITY. COMPANY will promptly return any citation or facsimile properly requested by the PUBLIC ENTITY. COMPANY will maintain records indicating any suspension of citation as a result of PUBLIC ENTITY'S request. COMPANY shall be paid the contractual rate hereinafter provided for processing the citations suspended by the PUBLIC ENTITY.

1.12 Payments by U.S. Mail: The postmark date will be the criteria to establish any delinquent fees due.

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1.13 Parking Citation System Master File Update: COMPANY will regularly update the parking citation master file for new citations, payments, reductions, cancellations, dismissals and any other pertinent data.

ARTICLE II - PAYMENT PROCESSING

2.1 Disposition Processing: COMPANY will maintain all citation dispositions for a minimum of one (1) year. Closed citations will remain on-line for at least one (1) year, for research and statistical purposes.

2.2 Payments Processing: COMPANY shall process citation payments on a regular basis. Payments shall be immediately posted in one (1) of three (3) following categories:

- a) "Regular Payments" are citations with the correct fine and/or penalty, paid on or before the due date. (This includes payments properly complying with prior Notices-of-Intent).
- b) "Partial Payments" are citations paid after the due date or if the defendant has paid less than the amount of the fine and/or penalty due. A Notice-of-Intent or a printed form will advise defendant of incorrect late charges and/or fines.
- c) "Court/Hearing Requests" are all requests for administrative/court hearings by defendants. These requests are sorted so that fines submitted are immediately posted, and if needed the original citations are retrieved.

2.3 Miscellaneous Letters Processing: COMPANY will receive and review all miscellaneous correspondence. These are generally letters requesting refunds, voids, or otherwise setting forth complaints. These letters will be researched by COMPANY for proper follow-up either by PUBLIC ENTITY or by COMPANY.

2.4 Batching Procedures: COMPANY shall maintain an effective method of internal control procedures. Such procedures shall involve reconciliation of all payments received using generally accepted accounting principles. After proper reconciliation, deposit slips shall be prepared for and deposits made at the appropriate bank, including an itemized listing of all batch numbers included in the deposit. The batch of citations payment documentation shall then be stored in a file room, for a period of one

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(1) year.

2.5 Cash Payments: COMPANY shall maintain an effective method of handling cash payments. All cash received through the mail, shall be logged in a cash journal. Thereafter, effective internal control procedures shall be implemented to reconcile such payments, using generally accepted accounting principles.

2.6 Deposits: All deposits shall be made daily, subject to regular banking hours. Deposits shall be itemized and detailed information will be captured regarding submitted funds. Deposit slips shall be prepared in triplicate, allowing one (1) copy for the PUBLIC ENTITY and one (1) copy for the COMPANY. All deposits shall be directly deposited into a joint account held in the name of the PUBLIC ENTITY and the COMPANY. Funds will be transferred via ACH on a monthly basis to PUBLIC ENTITY'S bank account in Michigan. All bank charges will be paid by the PUBLIC ENTITY.

2.7 Revenue Report: A monthly revenue report will list all revenues received during the preceding month.

ARTICLE III - GENERAL

3.1 Public Inquiries: The COMPANY will respond to reasonable inquiry by telephone or letter of a nonjudicial nature. Inquiries of a judicial nature will be referred to the PUBLIC ENTITY for determination.

3.2 COMPANY Limitations: COMPANY will not take legal action or threaten legal action in any specific case without PUBLIC ENTITY'S prior approval.

3.3 Use of Approved Forms: PUBLIC ENTITY shall have the right to reasonable approval of all forms, delinquency notices, and correspondence sent by the COMPANY. These must conform to State and local law.

3.4 Books and Records: COMPANY will maintain adequate books or records for parking citations issued within the PUBLIC ENTITY'S jurisdiction and referred to COMPANY for processing. Such books or records, and related computer processing data, shall be available for reasonable inspection and audit by PUBLIC ENTITY at the COMPANY'S location at reasonable times upon forty-eight hours' prior notice to COMPANY.

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3.5 Ownership: COMPANY and PUBLIC ENTITY shall maintain co-ownership of the raw data. Raw Data is the data provided by PUBLIC ENTITY to COMPANY to engage in the agreed upon contractual service(s). The raw data will only be used for the completion of the agreed upon services. Company is not allowed to sell, use or distribute the raw data to a third party without prior consent from the PUBLIC ENTITY.

3.6 PUBLIC ENTITY will have right to use, copy, duplicate, retain, store, and publish for public information, including but not limited to, all reports, report information, statistical data, financial data, citation data, and all other tangible end product data; which shall be know collectively as the "Materials".

a) All documents, records and tapes supplied by PUBLIC ENTITY to COMPANY in performance of this contract are agreed to be and shall remain the sole property of PUBLIC ENTITY. COMPANY agrees to return same promptly to PUBLIC ENTITY no later than forty-five (45) days following notice to the COMPANY. The PUBLIC ENTITY shall make arrangements with COMPANY for the transmission of such data to the PUBLIC ENTITY upon payment to COMPANY of the cost of copy and delivery of such tape from COMPANY'S computer facilities to PUBLIC ENTITY'S designated point of delivery, plus any open invoices.

3.7 COMPANY will retain full ownership rights to source codes, software, computer programs, including but not limited to computer tapes, discs or files furnished or prepared by the COMPANY or its subcontractor the sole property of COMPANY, all computer software and systems, related automated and manual procedures, instructions, computer programs, and data storage media containing same, and written procedures performed hereunder (collectively known as the "System") are and shall remain exclusively the sole property of COMPANY, and the PUBLIC ENTITY shall acquire no right or title to said Systems.

3.8 Confidentiality: In order to enable COMPANY to carry out its work hereunder, to some extent it will have to impart to the PUBLIC ENTITY'S employees information contained in the Materials and Systems (collectively the "CONFIDENTIAL DATA"). The PUBLIC ENTITY agrees that information contained in the data that was marked in writing as "CONFIDENTIAL", "PROPRIETARY" or similarly, so as to give notice of its confidential nature, when submitted to the PUBLIC ENTITY by COMPANY shall be retained by PUBLIC ENTITY in the strictest confidence and shall not be used or disclosed in any form except in accordance with paragraph 3.9 hereinbelow. The

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PUBLIC AGENCY recognizes that irreparable harm could be occasioned to COMPANY by disclosure of CONFIDENTIAL DATA, which is related to its business, and that COMPANY may accordingly seek to protect such CONFIDENTIAL DATA by enjoining disclosure.

3.9 Consent For Disclosure: No report, information, data, files, or tapes furnished or prepared by COMPANY or its subcontractors, successors, officers, employees, servants, or agents shall be made available to any individual or organization without the prior written approval of PUBLIC ENTITY other than individuals or organization who are deemed reasonable and necessary to properly effectuate the terms and conditions of this agreement, except that such information may be disclosed by PUBLIC ENTITY without prior written consent in response to valid court order or Freedom of Information Act request. This Non-Disclosure obligation shall survive the Termination of this Agreement.

3.10 COMPANY Files: COMPANY shall maintain master files on parking citations referred to it for processing under this Agreement. Such files will contain records of payments, dispositions, and any other pertinent information required to provide a reasonable audit trail.

3.11 Storage for PUBLIC ENTITY: COMPANY agrees to store original citations for three (3) years, at which time they will be returned to PUBLIC ENTITY.

- a) COMPANY will have such information available on system or magnetic tape or disk for PUBLIC ENTITY'S parking citations for a reasonable time period to permit PUBLIC ENTITY retrieval of such information.
- b) PUBLIC ENTITY relieves COMPANY of all liability costs associated with data released by PUBLIC ENTITY to any other person or entity using such data.
- c) Subsequent to the termination of the contract, COMPANY will return hard copy to the PUBLIC ENTITY. If requested, a diskette or CD of its processed data will be provided to PUBLIC ENTITY for a fee of actual costs of personnel time, materials, and shipping. A magnetic tape can also be provided for a fee of seventy-five Dollars (\$75.00) per magnetic tape and includes personnel time.

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ARTICLE IV - CONTRACT PRICE

4.1 Basis for Fee Structure: The fee structure hereinafter provided shall be based on the combined parking citation volume.

4.2 Basis of Fee Computation: The fee due and payable to COMPANY will be computed on a per parking citation basis and will be based on the issuance date of the citation. Each parking citation assigned to COMPANY for processing shall be utilized in computing the base for the total fee.

FOR ALL FEES, PLEASE REFER TO ATTACHMENT "A" - FEE SCHEDULE.

4.3 Postal Rate Increase: The COMPANY will maintain auditable records to document the COMPANY'S actual postage costs associated with the mailing of delinquency notices for unpaid citations and for other mailings related to the processing of correspondence. If there is a postal increase, that increase will be invoiced effective on the date that the postal rate increase takes place.

ARTICLE V - REPORTS

5.1 Daily Reports: COMPANY shall make available to PUBLIC ENTITY via Internet access daily reports for statistical data, payment(s), citation activity, and all other tangible daily activity reports deemed necessary by PUBLIC ENTITY on each business day.

5.2 Periodic Reports: COMPANY will submit reports to PUBLIC ENTITY no later than the 25th of each month following the activity. The reports will document activities relating to performance under this Agreement. Among the reports which COMPANY may/will generate are the following:

- a) Report of Revenue Collected for Period
- b) Report for Parking Citations Issued for Period
- c) A balanced summary report for issuing PUBLIC ENTITY, providing the status of all parking citations at the beginning of the period, current period activity, and at the end of the period.
- d) A report for issuing Agency identifying registered vehicle owners with multiple outstanding parking citations.
- e) A report for issuing Agency identifying the parking citations issued, location,

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violation by each officer.

5.3 Annual Reports: Annually, COMPANY shall comply with existing laws of the State of Michigan.

ARTICLE VI - TERM OF CONTRACT AND ADDITIONAL SERVICES

6.1 Term and Renewals: This Agreement shall be for an initial period of three (3) years commencing as of the last date of signature.

Annual reviews will occur during the months of January through March of each year after the initial three (3) year period has been completed.

Unless either party makes notice of termination in writing to the other, no less than ninety (90) days prior to the end of the scheduled term, this Agreement shall automatically renew for subsequent one (1) year periods from the date of execution of said agreement.

In conjunction with this automatic extension of the terms of this Agreement, COMPANY may give notice of reasonable price adjustments for its processing services. The PUBLIC ENTITY has ninety days to respond in writing to the purposed increase. Unless PUBLIC ENTITY gives notice in writing of its rejection of these price adjustments, the term shall be extended with these price adjustments as stated.

If the PUBLIC ENTITY gives notice of its rejection of these price adjustments, unless there is a further written Agreement between the parties, the term of the Agreement shall not be extended and the Agreement shall terminate.

6.2 Cancellation: Upon a material breach and written notice thereof, or upon ninety (90) days written notice to COMPANY for any reason in PUBLIC ENTITY's sole discretion, the PUBLIC ENTITY may cancel or terminate this Agreement. The COMPANY shall have thirty (30) days to cure any material breach or defect set forth in the written termination notice provided by PUBLIC ENTITY.

6.3 Exclusivity: PUBLIC ENTITY agrees to utilize only the services of COMPANY during the term of this Agreement for the processing of the citations referred to above. PUBLIC ENTITY agrees during the term of the Agreement to not directly or indirectly

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assist a competitor of COMPANY in the performance of the services provided by COMPANY under this Agreement.

ARTICLE VII - CLAIMS AND ACTIONS

7.1 PUBLIC ENTITY Cooperation: In the event any claim or action is brought against COMPANY relating to COMPANY'S performance or services rendered under this Agreement, COMPANY shall notify the PUBLIC ENTITY, in writing, within ten (10) days, of said claim or action.

7.2 Hold Harmless: COMPANY AND PUBLIC ENTITY agree to the following hold harmless clause.

- a) COMPANY agrees to indemnify, defend, and hold harmless the PUBLIC ENTITY and its officers and employees against all claims, demands, damages, costs, and liabilities arising out of, or in connection with, the performance by COMPANY or PUBLIC ENTITY or any of their officers, employees, or agents under this AGREEMENT, excepting only loss, injury, or damage caused solely by the negligent acts or omissions of PUBLIC ENTITY or any of its officers or employees.

ARTICLE VIII - SUBCONTRACTORS AND ASSIGNMENTS

8.1 Subcontracting: COMPANY is authorized to engage subcontractor(s), as permitted by law at COMPANY'S own expense, subcontracts shall be deemed agents of COMPANY.

8.2 Assignments: This contract may not be assigned without the prior written consent of the PUBLIC ENTITY. It is understood and acknowledged by the parties that the COMPANY is uniquely qualified to perform the services in this agreement.

ARTICLE IX - INDEPENDENT COMPANY

9.1 COMPANY'S Relationship: COMPANY'S relationship to PUBLIC ENTITY in the performance of this Agreement is that of an independent COMPANY. Personnel performing services under this Agreement shall at all times be under COMPANY'S exclusive direction and control and shall be employees of COMPANY and not employees of the PUBLIC ENTITY. COMPANY shall pay all wages and salaries and

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shall be responsible for all reports and obligations respecting them relating to social security, income tax withholding, unemployment compensation, worker's compensation, and similar matters. Neither COMPANY nor any officer, agent, or employee of COMPANY shall obtain any right to retirement benefits or other benefits which accrue to employees of PUBLIC ENTITY, and COMPANY hereby expressly waives any claim it might have to such rights.

ARTICLE X - INSURANCE

10.1 Insurance Provisions: COMPANY shall provide and maintain at its own expense during the term of this Agreement, the following policy or policies of insurance covering its operations hereunder. Such insurance shall be provided by insurer(s) satisfactory to the PUBLIC ENTITY and certificates of such insurance shall be delivered to the PUBLIC ENTITY on or before the effective date of this Agreement. Such certificates shall specifically identify this Agreement and shall not be canceled, reduced in coverage or limits or non-renewed except after thirty (30) days written notice has been given to the PUBLIC ENTITY.

- a) Comprehensive general liability insurance covering bodily and personal injury and property damage. Limits shall be in an amount of not less than \$1,000,000 per occurrence. Such insurance policies shall name the PUBLIC ENTITY, its officers, agents and employees, individually and collectively, as additionally insured.
- b) Such coverage for additional insured shall apply as primary insurance and any other insurance or self-insured retention maintained by the PUBLIC ENTITY its officers, agents and employees shall be excess only and not contributing with insurance provided under said policy.
- c) Comprehensive automobile liability owned, non-owned and hired vehicles with not less than \$1,000,000 combined single limit, per occurrence for property damage and for bodily injury or death of persons.
- d) Such insurance shall include the same additional-insured and cancellation notice provisions as specified above and may be combined with the comprehensive general liability coverage required above.
- e) Throughout the period of agreement, the COMPANY, at its sole cost, shall

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maintain in full force and effect a policy of workers' compensation insurance covering all of its employees as required by the labor code.

ARTICLE XI - ENTIRE AGREEMENT

11.1 Integrated Agreement: This contract is intended by the parties as a final expression of their Agreement and also as a complete and exclusive statement of the terms thereof, any prior oral or written Agreement regarding the same subject matter notwithstanding. This Agreement may not be modified or terminated orally, and no modification or any claim of waiver of any of the provision shall be effective unless in writing and signed by both parties.

11.2 Applicable Law: This Agreement shall be construed in accordance with the Laws of the State of Michigan.

11.3 Notices to Parties: Any notice required under this Agreement to be given to either party may be given by depositing in the United States mail, postage prepaid, first-class, addressed to the following:

AS TO PUBLIC ENTITY:

CITY OF MUSKEGON
ATTN: TREASURER'S OFFICE
933 TERRACE STREET
MUSKEGON, MICHIGAN 49440

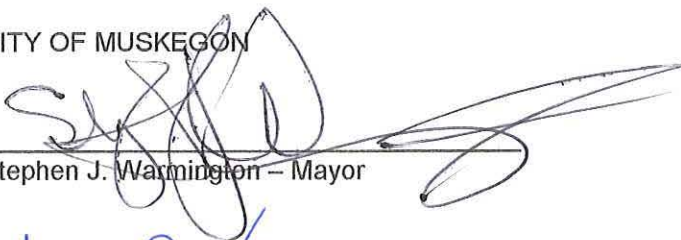
AS TO COMPANY:

MUNICIPAL SERVICES BUREAU, PARKING
ATTN: MARJORIE A. FLEMING
4600 CAMPUS DRIVE, SUITE 200
NEWPORT BEACH, CALIFORNIA 92660

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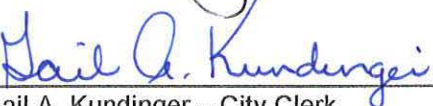
IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date and year first above written.

CITY OF MUSKEGON



Stephen J. Warrington – Mayor

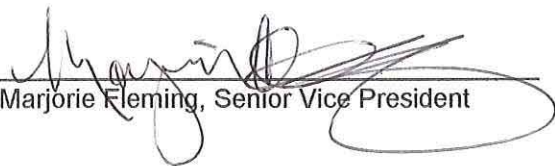
8-22-03
Effective Date



Gail A. Kunderger – City Clerk

8-22-03
Effective Date

MUNICIPAL SERVICES BUREAU, PARKING.



Marjorie Fleming, Senior Vice President

8/22/03
Effective Date

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ATTACHMENT "A"

MUSKEGON, MICHIGAN FEE SCHEDULE

<u>Description</u>	<u>Proposed Fee</u>
Fee for processing and collecting each citation	\$1.23 per cite
Fee for noticing	0.62 per notice
(\$150.00 Monthly Minimum applies if basic charges are less than that amount).	
Specified services and material covered by the Fee for both in-state and out-of-state citations shall include:	
• Data entry of handwritten citations and entry of electronically transferred citations • Processing and collection of payments • All status changes during the "life" of the citation • On-Line connection to Ohio, Florida and California DMVs • Interface with DMV's nationwide for registered owner information • All forms and tracking • Correspondence tracking and response • First Notice • DMV Holds and Releases Processed • 800 line voice mail information 24 hours per day, 7 days per week • 800 line customer service answered by customer service representative • Deposits • Bank reconciliation • Monthly management reports on issuance and revenue	
Additional Correspondence	\$ 1.00 per letter
Real Time Viewing & Reporting on Client Database (includes 6 user password log-ons)	\$ 50.00 per mo.
Fee to Violator for Company Credit Card Usage for Web Site payments, phone & paper credit card payments	\$ 3.00 per use

Confidential Information

Optional Services:

Conversion Cost – This cost is dependent upon volume and type of data to be converted and will be discussed and agreed to prior data conversion.

Scheduling: Review, Hearing and Court Appearances \$ 1.00 per cite

Fee for Delinquent Collection Notices – (Old Citations, 32% of collected
those which have gone through the normal collection revenue
cycle and are 60 days or older and remain uncollected)

Cost to Purchase Hand Held Ticket Writers:

**Please see Cost Sheets for Ticket Writers, upon selection of preferred unit,
a total cost proposal will be generated for City including exact costs for all
hardware, software, ticket stock, envelopes and additional items.**

Confidential Information

**ATTACHMENT "A" - HANDHELD TICKET WRITERS
WIZARD WRITE 5000
BASE PRICING FOR SYMBOL SPT 1800 TICKET WRITER
AND MONARCH HANDIPRINT 6017 PRINTER**

Price Per Handheld

ITEM	COST
Symbol SPT 1800, serial cable, Monarch Handiprint 6017 Printer, Wizard Write Software Total cost per unit	\$3,207

Price Per Install

ITEM	COST
Installation and Training – Includes 2 days of on-site training & support. (Travel & Expenses to be invoiced at actual cost)	\$1,199
Ticket Stock, 18,000 tkts, 43 tkts per roll, Hi-Temp stock Thermal stock (water resistant)	\$2,463
OR	
Poly-Thermal stock (waterproof)	\$2,678
Envelopes, 18,000 #7, printed (Shipping to be invoiced at actual cost)	\$810
Total cost	Based on Options

Recurring Costs

ITEM	COST
Support Contract: Replace HH unit in 24 hours, 8-5 phone support M-F; per unit, per month	\$50
Online Inquiry: Up to six employee log-ons per month	\$50

Accessories

ITEM	COST
Symbol Single Slot Cradle	\$160
Symbol Hand-strap	\$6
Symbol Serial Cable (Additional)	\$39
Symbol Holster	\$58
Monarch Handiprint Belt Clip	\$17
Monarch Handiprint Mounting Bracket	\$167
Symbol 4-Slot Cradle	\$655
Monarch Magnetic Card Reader (plus applicable tax)	\$128

CONFIDENTIAL

Date: September 4, 2003
To: Honorable Mayor and City Commissioners
From: Finance Director and City Treasurer
RE: Amend the City of Muskegon Code of Ordinances for an Increase in Fines for Illegal Parking.

SUMMARY OF REQUEST:

The City's parking fines were last adjusted in 2000. Recently, city staff reviewed the fine structure in light of the city's budget situation and in order to cover the cost of purchasing the new parking ticket equipment as previously presented, an increase of \$2.50 per violation will be necessary to cover this investment.

Also, this increase will affect the current penalty fine structure. However, this increase in the penalty fee structure is needed to reach the minimum threshold needed to place an outstanding receivable item on individuals credit report.

FINANCIAL IMPACT:

Once the new parking ticket equipment investment is recouped, the City will see a slight increase in parking ticket revenue. Also, an increase in the penalty structure will assist in offsetting the collection costs involved.

BUDGET ACTION REQUIRED:

None at this time. The 2004 budget will incorporate the projected revenues from the fine increases.

STAFF RECOMMENDATION:

Approval of the attached ordinance raising the fines for illegal parking.

COMMITTEE RECOMMENDATION:

The committee of the whole will meet on Monday, September 8th to further discuss this item.

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO. 2113

An ordinance amending the City of Muskegon Code of Ordinances regarding fines for illegal parking.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

Subsection 8.29 of Section 92-33 of the Code of Ordinances of the City of Muskegon is amended to state in its entirety as follows:

Sub-Section 8.29 Parking Violations Bureau; Minimum Parking Fines.

- (1) Pursuant to the provisions of state law, MCL 600.8395, there is hereby established within the City a Parking Violations Bureau to accept pleas of responsible in motor vehicle parking violation cases and to collect and retain fines and costs as prescribed by ordinance.
- (2) Upon pleading responsible or being found responsible by a court, the fines for parking violations shall be as follows:

(2.1) Level 1 Parking Violations, under the following sections of the Uniform Traffic Code:

<u>Code Section</u>	<u>Offense</u>
8.1	Failing to park at the curb in proper direction (facing traffic)
8.2	Parking in one way streets where prohibited
8.3	Violation of angle parking signs or backed into space
8.4	Violation of loading permit
8.5	Obstruction of traffic by parking
8.18	Loading zone
8.18	Passenger zone
8.21	Parking Overtime

The Penalties for Level 1 Parking Violations are as follows:

If paid <u>within 7 days</u>	If paid after 7 days <u>but before 14 days</u>	If paid after 14 days <u>but before 30 days</u>	If paid <u>after 30 days</u>
\$7.50	\$15.00	\$22.50	\$50.00

(2.2) Level 2 Parking Violations, under the following sections of the uniform Traffic Code:

<u>Code Section</u>	<u>Offense</u>
8.5	Parking so as to obstruct traffic
8.10(a)	Parking on sidewalk
8.10(b)	Blocking driveways
8.10(c)	Within an intersection
8.10(e)	In a crosswalk
8.10(f)	Within 20 feet of a crosswalk or within 15 feet of property lines at intersection
8.10(g)	Too close to flashing beacon, stop sign, yield sign, traffic control signal, or other traffic sign
8.10(h)	In a Safety zone
8.10(i)	Too close to railroad
8.10(j)	Too close to fire station entrance
8.10(k)	Parking along side or opposite of street excavation
8.10(m)	Parking on a bridge or in a tunnel
8.10(n)	Parking within 200 feet of an accident
8.10(o)	Parking in front of a theater
8.10(p)	Blocking emergency exits
8.10(q)	Blocking fire escape
8.10(r)	Posted prohibited parking; parking violation of any posted signs
8.10(t)	Within 500 feet of a fire or fire apparatus (except volunteers and vehicles legally parked before the fire)
8.10(u)	parking on terrace or parkway
8.13	Alley parking
8.31	2:00 a.m.-6:00 a.m. parking

The penalties for Level 2 Parking Violations are as follows:

<u>If paid within 7 days</u>	<u>If paid after 7 days but before 14 days</u>	<u>If paid after 14 days but before 30 days</u>	<u>If paid after 30 days</u>
\$12.50	\$25.00	\$37.00	\$60.00

(2.3) Level 3 Parking Violations, under the following sections of the Uniform Traffic Code:

<u>Code Section</u>	<u>Offense</u>
8.10(d)	Too close to a fire hydrant
8.10(1)	Double parking

8.10(v) Parking in a public park after 11:00 p.m. and before
7:00 a.m.

The penalties for Level 3 Parking Violations are as follows:

If paid <u>within 7 days</u>	If paid after 7 days <u>but before 14 days</u>	If paid after 14 days <u>but before 30 days</u>	If paid <u>after 30 days</u>
\$17.50	\$35.00	\$45.00	\$60.00

Any other violation of the parking provisions which are not listed in the above schedules shall be considered Level 2 Parking Violations and shall carry the penalties set forth above for said Level 2 violations, except that unlawful parking in a space reserved for persons with disabilities as defined in applicable State Law, (section 8.10(s)), shall carry a minimum fine of \$52.50, which shall increase to \$105.00 after the first seven days after the violation, \$157.50 from fourteen to thirty days, and \$210.00 after thirty days.

This ordinance adopted:

Ayes Warmington, Gawron, Larson, Schweifler, Shepherd, Spataro

Nays None

Adoption Date: 9-9-03

Effective Date: 11-1-03

First Reading: 9-9-03

Second Reading: N/A

CITY OF MUSKEGON

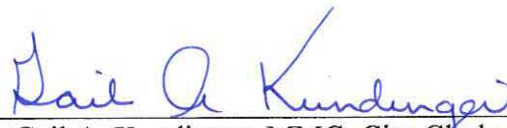
By Gail A. Kunderger
Gail A. Kunderger, Clerk

CERTIFICATION
2003-74(h)

This ordinance was adopted at a regular meeting of the City Commission, held on Tuesday, the 9th of September, 2003. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By


Gail A. Kunderger, MMC, City Clerk

CITY OF MUSKEGON
NOTICE OF ADOPTION
TO: ALL INTERESTED PARTIES

Please take notice that the City of Muskegon, on September 9, 2003, adopted an ordinance amending the provisions for parking fines in the city. The parking fines changed and in outline form are as follows:

Level 1 parking violations include overtime parking, facing traffic, parking in passenger and bus zones, alleys and loading zones, blocking driveways and terrace parking. The Level 1 fines are as follows:

If paid <u>within 7 days</u>	If paid after 7 days <u>but before 14 days</u>	If paid after 14 days <u>but before 30 days</u>	If paid <u>after 30 days</u>
\$7.50	\$15.00	\$22.50	\$50.00

Level 2 Parking fines are for violations involving posted parking regulations, parking in safety zones, too close to fires, in front of theaters, double parking, parking too close to fire hydrants and crosswalks and similar violations. The fines are:

If paid <u>within 7 days</u>	If paid after 7 days <u>but before 14 days</u>	If paid after 14 days <u>but before 30 days</u>	If paid <u>after 30 days</u>
\$12.50	\$25.00	\$37.00	\$60.00

Level 3 parking violations include parking after hours in any city park, double parking and other enumerated parking violations. The fines are:

If paid <u>within 7 days</u>	If paid after 7 days <u>but before 14 days</u>	If paid after 14 days <u>but before 30 days</u>	If paid <u>after 30 days</u>
\$17.50	\$35.00	\$45.00	\$60.00

After parking violations not specifically listed in this ordinance amendment are treated as Level 2 violations. Parking in a handicap zone carries a minimum fine of \$52.50.

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

This ordinance amendment is effective on November 1, 2003.

PUBLISH: OCT 15 | 2003

CITY OF MUSKEGON
GAIL A. KUNDINGER, Clerk

Commission Meeting Date: August 26, 2003

*2nd
Reading*

Date: August 15, 2003
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development *(initials)*
RE: Rezoning request for property located at 1996 W. Sherman Blvd.

SUMMARY OF REQUEST:

Request to rezone property owned by Shermac, Inc., located at 1996 W. Sherman Blvd., from B-1, Limited Business to B-2, Convenience & Comparison Business.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

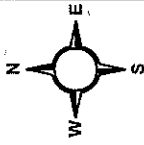
STAFF RECOMMENDATION:

Staff recommended denial of the request due to lack of compliance with the Master Land Use Plan.

COMMITTEE RECOMMENDATION:

The Planning Commission recommended approval of the request at their 8/14 meeting. The vote was unanimous with T. Harryman and B. Smith absent.

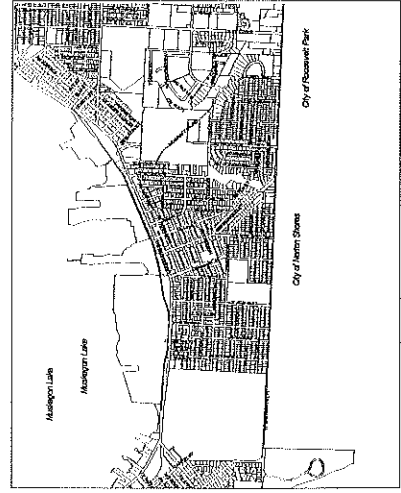
City of Muskegon Zoning Board of Appeals Case # 2003-19



 = Subject Property(ies)
 = Notice Area



City of Norton Shores



Staff Report [EXCERPT]
CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING
August 14, 2003

Hearing; Case 2003-31: Request to rezone the property located at 1996 W. Sherman Blvd. from B-1, Limited Business to B-2, Convenience and Comparison Business, by Shermac, Inc.

BACKGROUND

Applicant: Shermac, Inc. (Stephen Holdeman)

Address/Location of Subject Property: 1996 W. Sherman Blvd.

Current Zoning: B-1, Limited Business

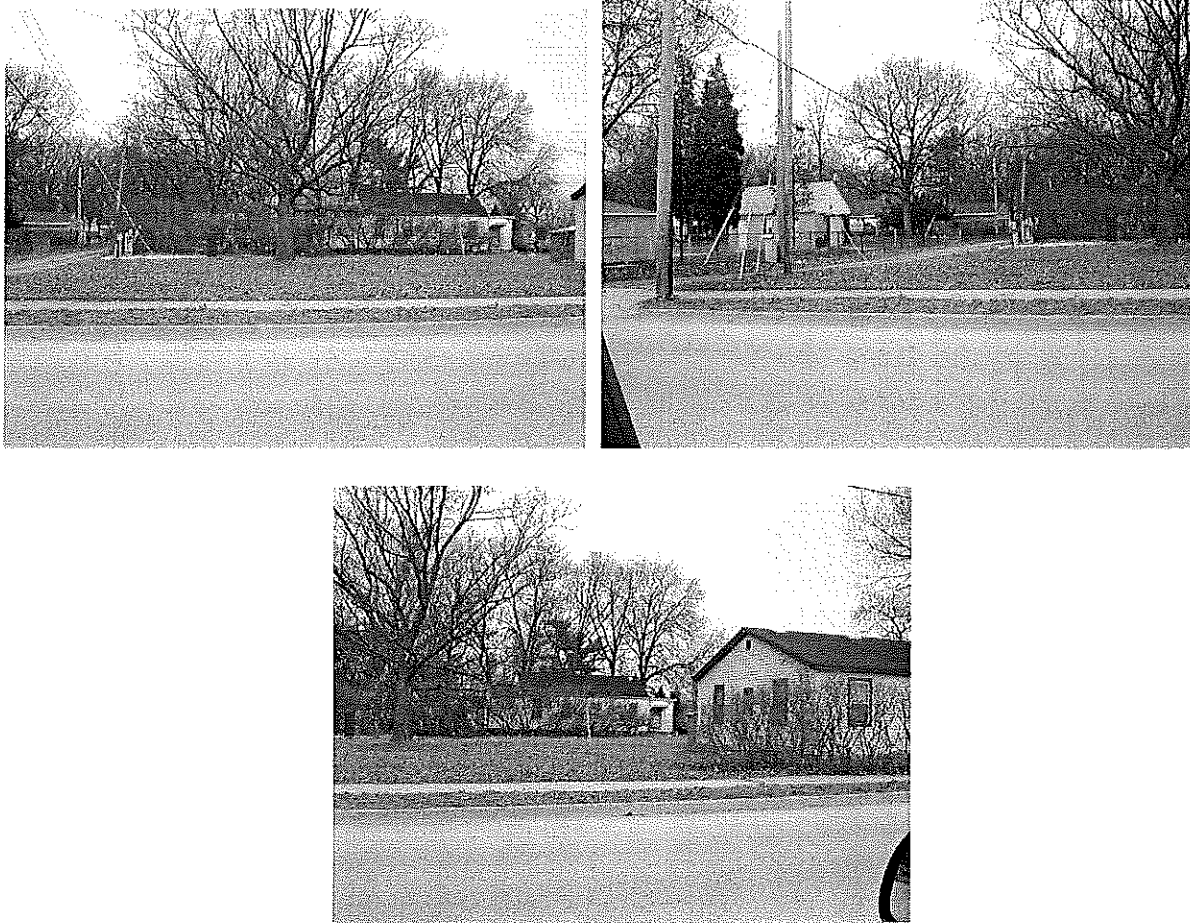
Proposed Zoning: B-2, Convenience & Comparison Business

STAFF OBSERVATIONS

1. The subject property is located at the NE corner of Sherman Blvd. and McCracken St. and contains a commercial building.
2. The property directly to the north of the subject property is also zoned B-1 and contains a dentist off ice. The property to the east, across the alley, is zoned R-1. To the west, across McCracken St. is Lakeshore Carpet One, which was rezoned from B-1 to B-2 in 1992. To the south, across Sherman Blvd, is the City of Norton Shores.
3. The applicant has leased space in the building to the Eastside Pawn Shop II. Pawn shops are classified as secondhand stores and therefore are not permitted in the B-1 zoning district. Secondhand stores are permitted in the B-2 zoning district under special use permit, and therefore the applicant is applying for this property to be rezoned to B-2. The applicant has also applied for a use variance to allow the pawn shop to remain in a B-1 district. The ZBA will hear that case on 8/12.
4. The Future Land Use Map shows the subject property to be "Commercial".
5. The Master Land Use Plan states:
 - ◆ ...it is acknowledged that a limited range of commercial and office activities are appropriate to select segments of Lakeshore Drive and Sherman Boulevard. Typically, non-residential uses should be oriented to the needs of the local populace. Such development should be highly controlled pursuant to type, location, and design in order to prevent negative impacts on the sub-area's residential focus.
 - ◆ Commercial development is sporadically located along Sherman Boulevard. Typically, commercial uses are found as small nodes near intersections or as small strip segments within various blocks.
6. Sub-Area Stability:

- ◆ Some of the commercial uses along Sherman have not provided or maintained sufficient buffer protection to fully mitigate unwanted compatibility impacts (e.g., noise, lights, aesthetics, etc.) between said uses and nearby homes. This is not conducive to residential stability.
7. Sub-Area Issues:
 - ◆ The presence of commercial development and commercial zoning along Sherman Boulevard (both sides), combined with high rates of traffic (local and transient) will result in additional requests for strip commercial rezonings.
 - ◆ Commercial signage along Lakeshore Drive and Sherman Boulevard is not consistent pursuant to size, type, and design.
 - ◆ Many of the commercial establishments along Lakeshore Drive and Sherman Boulevard lack streetscapes consistent with the residential character of the subarea.
 8. The Master Plan recommends for this sub-area:
 - ◆ Sherman Boulevard, work with adjoining Norton Shores to coordinate the preparation and implementation of consistent (compatible) sign, access, and related streetscape standards. Such standards should recognize the subarea's residential character.
 - ◆ Implement zoning (site plan) standards requiring adequate buffer protection between the commercial uses along Lakeshore Drive and Sherman Boulevard and adjacent residential development.
 - ◆ Limit expansion of commercial development (rezonings) along Sherman Boulevard.
 - ◆ Existing commercial districts along Sherman Boulevard, west of Pine Grove Street, should be restricted to the B-1 Zone District Classification. B-1 uses are designed primarily to serve persons residing in adjacent residential areas or neighborhoods.
 9. Although the property west of McCracken St. was rezoned to B-2, this was done before the current Master Plan was adopted. Staff feels that the Master Plan is very clear in its recommendation to limit any commercial zoning west of Pine Grove St. to B-1 and therefore is recommending denial of this request.
 10. Staff has received a phone call from Sally Pleimling, 2080 Cutler. She is concerned about the cheapening of the property, thinks the sign is illegal, and would rather see a business such as a doctor/lawyer. Staff has received a letter from the Lakeside Neighborhood Association (attached), and an e-mail from Mike and Ellen Pallasch, 1919 LeTart, both objecting to the request.

PHOTOS



ORDINANCE EXCERPTS

ARTICLE X - B-1 LIMITED BUSINESS DISTRICTS

PREAMBLE

The B-1 Limited Business Districts are designed primarily for the convenience of persons residing in adjacent residential areas or neighborhoods, and to permit only such uses as are necessary to satisfy those limited basic, daily shopping and/or service needs, which by their very nature are not similar to the shopping patterns of the B-2 convenience and Comparison, B-3 Central Business District, and B-4 General Business Districts. B-1 Districts are also intended to be utilized at planned locations in the City as zones of transition between major thoroughfares and residential areas, and between intensive nonresidential areas and residential areas. In the B-1 District all business establishments shall be retail and/or service establishments dealing directly with consumers. All goods produced on the premises shall be sold at retail on the premises where produced. All business, servicing or processing, except off-street parking or loading, shall be conducted within a completely enclosed building, or in an area specifically approved by the City.

SECTION 1000: PRINCIPAL USES PERMITTED

In a B-1 Limited Business District no building or land shall be used and no building shall be erected, structurally altered, or occupied except for one (1) or more of the following specified uses, unless otherwise provided for in this Ordinance:

1. Any generally recognized retail business which supplies new commodities on the premises for persons residing in adjacent residential areas such as: groceries, meats, dairy products, baked goods or other foods, drugs, drygoods, and notions or hardware. No individual uses, either freestanding or in a group of uses, shall exceed two thousand five hundred (2,500) square feet in area.
2. Any personal service establishment which performs services on the premises for persons residing in adjacent residential areas, such as: Shoe repair, dry cleaning shops, tailor shops, beauty parlors, barber shops, dressmaker, tailor, pharmacist, or an establishment doing radio, television, or home appliance repair, and similar establishments that require a retail character no more objectionable than the aforementioned, subject to the provision that no more than five (5) persons shall be employed at any time in the sale, repair, or other processing of goods.
3. Professional offices of doctors, lawyers, dentists, chiropractors, osteopaths, architects, engineers, accountants, and similar or allied professions. No individual use shall exceed two thousand five hundred (2,500) square feet in area.
4. Office buildings for any of the following types of occupations: executive, administrative and professional. No individual use shall exceed two thousand five hundred (2,500) square feet in area.
5. Residential uses as part of a building in this zone shall be allowed upon issuance of a Certificate of Occupancy from the Department of Inspections, provided that the minimum lot area requirements of the RM-1 District are met.
6. Accessory buildings and accessory uses customarily incidental to any of the above Principal Uses Permitted.
7. Uses similar to the above Principal Uses Permitted.

SECTION 1001: SPECIAL LAND USES PERMITTED

The following area, and their accessory buildings and accessory uses, shall be permitted under the purview of Section 2332 after review and approval of the use (and a site plan, if required) by the Planning Commission, after Public Hearing, subject to the applicable conditions and any other reasonable conditions imposed by the Planning Commission. A site plan shall not be required when there are no external changes made to the buildings or properties.

1. Restaurants, or other places serving food, except drive-in or drive-through restaurants.
2. Churches and other facilities normally incidental thereto subject to the following conditions:
...
3. Accessory buildings and accessory uses customarily incidental to the above Special Land Uses Permitted.
4. Uses similar to the above Special Land Uses Permitted.

SECTION 1002: PLANNED UNIT DEVELOPMENTS

...

SECTION 1003: AREA AND BULK REQUIREMENTS [amended 4/00]

...

ARTICLE XI - B-2 CONVENIENCE AND COMPARISON BUSINESS DISTRICTS

PREAMBLE

The B-2 Convenience and Comparison Business Districts are designed for the convenience and community shopping needs of residents in the Muskegon Area, and they are intended to be located in planned groups near the intersection of major thoroughfares. All business establishments shall be retail or service establishments dealing directly with consumers, and all goods produced on the premises shall be sold at retail on the premises where produced. All business, servicing or processing, except off-street parking or loading, shall be conducted within a completely enclosed building, unless otherwise provided by this Ordinance and specifically approved by the City.

SECTION 1100: PRINCIPAL USES PERMITTED

In a B-2 Convenience and Comparison Business District no building or land shall be used and no building shall be erected, structurally altered, or occupied except for one (1) or more of the following specified uses, unless otherwise provided for in this Ordinance:

1. Any generally recognized retail business which supplies commodities such as: groceries, meats, dairy products, baked goods or other foods, drugs, drygoods, and notions or hardware.
2. Personal service establishments such as: shoe repair, dry cleaning shops, tailor shops, beauty parlors, barber shops, banks and savings and loan offices, pharmacist and laboratories, or any service establishment of an office-showroom or workshop nature of an electrician, decorator, dressmaker, tailor, shoemaker, baker, printer, upholsterer, appliance repair, photographic reproduction, and similar establishments that require a retail character no more objectionable than the aforementioned.
3. Restaurants, or other places serving food.
4. Professional offices of doctors, lawyers, dentists, chiropractors, architects, engineers, accountants, and similar or allied professions. Offices may be permitted for similar or allied professions. Offices may be permitted for applied technology, light technological research, research and development facilities with laboratories, but no industrially oriented production facilities shall be permitted.
5. Office buildings for any of the following types of occupations: executive, administrative and professional.
6. Post offices and other governmental office buildings.
7. Newspaper offices and printing offices.
8. Private clubs, lodge halls, social, and similar organizations, including assembly or rental halls.
9. Contractor's offices, with associated indoor storage. [amended 6/02]
- ...
10. Recording studios. [amended 8/02]
11. Residential uses as part of a building in this business zone shall be allowed upon issuance of a Certificate of Occupancy from the Department of Inspections, but provided that the minimum lot area requirements of the RM-2 District are met.
12. Accessory buildings and accessory uses customarily incidental to the above Principal Uses Permitted.
13. Uses similar to the above Principal Uses Permitted.

SECTION 1101: SPECIAL LAND USES PERMITTED

The following uses, and their accessory buildings and accessory uses, shall be permitted under the purview of Section 2332 after review and approval of the use (and a site plan, if required) by the Planning Commission, after Public Hearing, subject to the applicable conditions, and any other reasonable conditions imposed by the Planning Commission. A site plan shall not be required when no external changes are made to the buildings or properties.

1. Automobile service stations for the sale of gasoline, oil, tires, muffler tune up, not including major repair such as engine rebuilding, undercoating, and similar industrially oriented activities, and subject further to the following:
...
2. Banks with drive-in facilities, when said drive-in facilities are incidental to the principal function.
3. Business in the character of a drive-in restaurant, or open front store, subject to the following:
...
4. Churches and other facilities normally incidental thereto subject to the following conditions:
 - a. ...
5. Hotels, motels, sleeping inns and other facilities normally incidental thereto subject to the following conditions:
...
6. Stores selling second hand merchandise, subject to the following: [amended 12/01]
...
7. Business schools, or private schools operated for profit. Examples of private schools permitted herein include, but are not limited to, the following: dance schools, music and voice schools, and art studios: [amended 5/02]
...
8. Contractor's offices, with associated indoor storage of over five thousand (5,000) square feet in size. [amended 6/02]
...
8. Live music concert halls, under the following conditions: [amended 8/02]
...
9. Self-serve, coin operated, automobile car wash, enclosed in a building.
10. Accessory buildings and accessory uses customarily incidental to any of the above Special Land Uses Permitted.
11. Uses similar to the above Special Land Uses Permitted.

SECTION 1102: PLANNED UNIT DEVELOPMENTS

...

SECTION 1103: AREA AND BULK REQUIREMENTS [amended 4/00]

...

DELIBERATION

Criteria-based questions typically asked during a rezoning include:

1. **What**, if any, identifiable **conditions** related to the petition **have changed which justify the petitioned change in zoning**.
2. **What** are the **precedents and the possible effects** of precedent which **might result from the approval or denial** of the petition.
3. What is the **impact** of the amendment on the ability of the city to provide **adequate public services and facilities and/or programs** that might reasonably be required in the future if the petition is approved.
4. Does the petitioned zoning change adversely affect the environmental conditions or value of the surrounding property.
5. Does the petitioned zoning change generally **comply with the adopted Future Land Use Plan of the City**.
6. Are there any **significant negative environmental impacts** which would reasonably occur if the petitioned zoning change and resulting allowed structures were built such as:
 - a. **Surface water** drainage problems
 - b. **Waste water** disposal problems
 - c. Adverse effect on surface or subsurface **water quality**
 - d. **The loss of valuable natural resources** such as **forest, wetland, historic sites, or wildlife areas**.
7. Is the proposed zoning change a **“Spot Zone”**?
 - a. Is the parcel **small in size relative to its surroundings**?
 - b. Would the zoning change allow uses that are **inconsistent with those allowed in the vicinity**?
 - c. Would the zoning change confer a **benefit to the property owner** that is **not generally available to other properties** in the area?
 - d. A spot zone is **appropriate if it complies with the Master Plan**.

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO. 2114

An ordinance to amend the zoning map of the City to provide for a zone change for certain property from B-1 "Limited Business" to B-2 "Convenience and Comparison Business"

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

The zoning map of the City of Muskegon is hereby amended to change the zoning of the following described property from B-1 "Limited Business" to B-2 "Convenience and Comparison Business":

CITY OF MUSKEGON NEUMANS SUBDIVISION OF BLK 616 LOT 5

This ordinance adopted:

Ayes: Larson, Schweifler, Shepherd, Warmington

Nayes: Gawron, Spataro

Adoption Date: September 9, 2003

Effective Date: September 25, 2003

First Reading: August 26, 2003

Second Reading: September 9, 2003

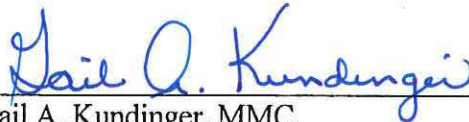
CITY OF MUSKEGON

By: Gail A. Kunderger
Gail A. Kunderger, MMC, City Clerk

CERTIFICATE (Rezoning of 1996 W. Sherman Blvd. from B-1 to B-2)

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 9th day of September, 2003, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

DATED: September 9, 2003.



Gail A. Kunderinger, MMC
Clerk, City of Muskegon

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

CITY OF MUSKEGON

NOTICE OF ADOPTION

Please take notice that on Sept. 9, 2003, the City Commission of the City of Muskegon adopted an ordinance amending the zoning map to provide for the change of zoning of the following property from B-1 "Limited Business" to B-2 "Convenience and Comparison Business":

CITY OF MUSKEGON NEUMANS SUBDIVISION OF BLK 616 LOT 5

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

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

Published September 15, 2003

CITY OF MUSKEGON

By _____
Gail A. Kunding, MMC
City Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

Account No. 101-80400-5354

Date: September 9, 2003

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Health Care Opt Out

SUMMARY OF REQUEST: In response to employee suggestions, we are exploring the possibility of generating additional savings through the healthcare opt out program. Under this program employees who do not need city health coverage receive a cash payment. The city, in turn, saves by not having to pay premiums for the employee. This proposal is to increase the opt out payment amount from \$1,300 per year to \$3,000 per year provided that enough new participants enroll to make it at least a break-even proposition for the city.

FINANCIAL IMPACT: Healthcare savings will depend on the number of new program participants. Eight new participants are required for the City to "break-even".

BUDGET ACTION REQUIRED: If enough new participants enroll in the program, budget adjustments may be needed in the departmental budgets where program participants are located.

STAFF RECOMMENDATION: Authorize an increase in the annual opt out payment from the current \$1,300 to \$3,000 effective with the first pay period after eight new opt participants have signed up for the program. If there are not enough new participants signed up by November 1, the matter will be brought back for further consideration.

COMMITTEE RECOMMENDATION: There is no committee recommendation at this time.

Memo

To: City Commission City Manager
From: Finance Director 
Date: August 21, 2003
Re: Healthcare Opt Out Program

For several years the City has offered its full-time employees who have health insurance coverage through a spouse or other means the ability to "opt-out" of the City's healthcare program. The City, in exchange, provides cash payment (currently \$50.00/pay period; \$1,300.00/year) to the employee. The City benefits from this program by not having to pay health insurance premiums on the employee while the employee benefits by 1) receiving cash payment in lieu of a duplicate benefit that has no value and, 2) by not having the regular healthcare premium deducted from his or her paycheck (an additional \$240 -\$260 per year savings depending on employee group). Currently, 19 employees participate in this program. In recent budget discussions with employee groups, it was suggested that more employees are eligible and might participate if the opt out payment amount were raised.

We have surveyed employees on this matter and found that there is a great deal of interest and that increasing the payment amount could result in further savings to the City. There is, however, risk in simply raising the payment in that enough new opt out employees need to be recruited to offset the additional payments to the nineteen existing participants. For example, if the payment amount were increased to \$3,000 per year, at least eight new opt outs would be needed to generate savings to offset the additional payments ($19 \times \$1,700 = \$32,300$) to existing participants.

Accordingly, staff is proposing that the City Commission authorize an increase in the annual opt out payment from the current \$1,300 to \$3,000 effective with the first pay

period after eight new opt participants have signed up for the program. If there are not enough new participants signed up by November 1, the matter will be brought back for further consideration.

Please let me know if you have any questions. Thank you.

Date: September 9, 2003
To: Honorable Mayor and City Commissioners
From: Engineering
RE: Consideration of Bids
Sanitary Sewer Rehab. (Lining)

SUMMARY OF REQUEST:

Award the sewer lining contract, using the alternate bid of project completion by the end of November, to Insituform Technologies out of the Detroit Area. Insituform was the lowest responsible bidder for both, the base bid (completion by the end of September) and the alternate bid (completion by the end of November). Their bid, using the alternate, is \$123,438.

FINANCIAL IMPACT:

The construction cost of \$123,438 plus related engineering expenses.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Award the contract to Insituform Technologies, Inc.

COMMITTEE RECOMMENDATION:

S-587 SEWER REHABILITATION CIPP PROJECTS

BID PROPOSAL

8/26/03

**CONTRACTOR
ADDRESS
CITY/ST/ZIP**

**INSITUFORM TECHNOLOGIES
13930 STANSBURY ST
DETROIT, MI 48227**

**LIQUIFORCE SEWER SERVICES
PO BOX 32608
DETROIT, MI 48232-0608**

				September 30, 2003		ALTERNATE November 30, 2003		September 30, 2003		ALTERNATE November 30, 2003	
	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
A	BLUFFTON ST., BETWEEN DUNE ST. AND BOYLE ST.										
1	C.I.P.P. LINING 10"	480	LIN FT	\$ 39.00	\$18,720.00	\$ 30.00	\$ 14,400.00	\$ 49.35	\$ 23,688.00	\$ 47.00	\$ 22,560.00
2	CUT PROTRUDING TAP	5	EACH	\$ 300.00	\$1,500.00	\$ 300.00	\$ 1,500.00	\$ 52.50	\$ 262.50	\$ 50.00	\$ 250.00
3	PRE-CLEANING & T.V. INSP FOR C.I.P.P.	480	LIN FT	\$ 5.00	\$2,400.00	\$ 5.00	\$ 2,400.00	\$ 5.78	\$ 2,774.40	\$ 5.50	\$ 2,640.00
4	REINSTATEMENT OV BRANCH CONNECTIONS	11	EACH	\$ 300.00	\$3,300.00	\$ 280.00	\$ 3,080.00	\$ 210.00	\$ 2,310.00	\$ 200.00	\$ 2,200.00
5	TRAFFIC CONTROL	1	LUMP	\$ 360.00	\$360.00	\$ 300.00	\$ 300.00	\$ 1,050.00	\$ 1,050.00	\$ 1,000.00	\$ 1,000.00
SUB TOTAL					\$26,280.00		\$21,680.00		\$30,084.90		\$28,650.00
B	ALLEN ST., BETWEEN SCOTT ST. AND GETTY ST.										
1	C.I.P.P. LINING 8"	1334	LIN FT	\$ 37.00	\$49,358.00	\$ 29.00	\$ 38,686.00	\$ 33.60	\$ 44,822.40	\$ 32.00	\$ 42,688.00
2	CUT PROTRUDING TAP	5	EACH	\$ 300.00	\$1,500.00	\$ 300.00	\$ 1,500.00	\$ 52.50	\$ 262.50	\$ 50.00	\$ 250.00
3	PRE-CLEANING & T.V. INSP FOR C.I.P.P.	1334	LIN FT	\$ 5.00	\$6,670.00	\$ 5.00	\$ 6,670.00	\$ 5.78	\$ 7,710.52	\$ 5.50	\$ 7,337.00
4	REINSTATEMENT OV BRANCH CONNECTIONS	56	EACH	\$ 300.00	\$16,800.00	\$ 280.00	\$ 15,680.00	\$ 210.00	\$ 11,760.00	\$ 200.00	\$ 11,200.00
5	TRAFFIC CONTROL	1	LUMP	\$ 850.00	\$850.00	\$ 700.00	\$ 700.00	\$ 1,050.00	\$ 1,050.00	\$ 1,000.00	\$ 1,000.00
SUB TOTAL					\$75,178.00		\$63,236.00		\$65,605.42		\$62,475.00
C	ALLEY, BETWEEN MERRILL ST. AND MONROE ST. AND FOURTH ST. AND FIFTH ST.										
1	C.I.P.P. LINING 8"	463	LIN FT	\$ 37.00	\$17,131.00	\$ 29.00	\$ 13,427.00	\$ 45.15	\$ 20,904.45	\$ 43.00	\$ 19,909.00
2	CUT PROTRUDING TAP	5	EACH	\$ 300.00	\$1,500.00	\$ 300.00	\$ 1,500.00	\$ 52.50	\$ 262.50	\$ 50.00	\$ 250.00
3	PRE-CLEANING & T.V. INSP FOR C.I.P.P.	463	LIN FT	\$ 5.00	\$2,315.00	\$ 5.00	\$ 2,315.00	\$ 5.78	\$ 2,676.14	\$ 5.50	\$ 2,546.50
4	REINSTATEMENT OV BRANCH CONNECTIONS	15	EACH	\$ 300.00	\$4,500.00	\$ 280.00	\$ 4,200.00	\$ 210.00	\$ 3,150.00	\$ 200.00	\$ 3,000.00
5	TRAFFIC CONTROL	1	LUMP	\$ 360.00	\$360.00	\$ 300.00	\$ 300.00	\$ 1,050.00	\$ 1,050.00	\$ 1,000.00	\$ 1,000.00
SUB TOTAL					\$25,806.00		\$21,742.00		\$28,043.09		\$26,705.50
D	ALLEY, BETWEEN FOREST AVE. AND DALE AVE. AND KINGSLEY ST. AND MADISON ST.										
1	C.I.P.P. LINING 10"	300	LIN FT	\$ 39.00	\$11,700.00	\$ 30.00	\$ 9,000.00	\$ 65.10	\$ 19,530.00	\$ 62.00	\$ 18,600.00
2	CUT PROTRUDING TAP	5	EACH	\$ 300.00	\$1,500.00	\$ 300.00	\$ 1,500.00	\$ 52.50	\$ 262.50	\$ 50.00	\$ 250.00
3	PRE-CLEANING & T.V. INSP FOR C.I.P.P.	300	LIN FT	\$ 5.00	\$1,500.00	\$ 5.00	\$ 1,500.00	\$ 5.78	\$ 1,734.00	\$ 5.50	\$ 1,650.00
4	REINSTATEMENT OV BRANCH CONNECTIONS	16	EACH	\$ 300.00	\$4,800.00	\$ 280.00	\$ 4,480.00	\$ 210.00	\$ 3,360.00	\$ 200.00	\$ 3,200.00
5	TRAFFIC CONTROL	1	LUMP	\$ 360.00	\$360.00	\$ 300.00	\$ 300.00	\$ 1,050.00	\$ 1,050.00	\$ 1,000.00	\$ 1,000.00
SUB TOTAL					\$19,860.00		\$16,780.00		\$25,936.50		\$24,700.00
GRAND TOTAL					\$147,124.00		\$123,438.00		\$149,669.91		\$142,530.50

The City of Muskegon reserves the right to reject any or all bids, to waive any informalities or irregularities in the bidding, and to perform any or all sections of the Project.

Date: September 9, 2003
To: Honorable Mayor and City Commissioners
From: City Clerk, Gail Kunding
RE: Ballot Language

SUMMARY OF REQUEST: To approve the ballot language for the November 4, 2003, City General Election and designate position on the ballot.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval

COMMITTEE RECOMMENDATION: Election Commission approved the wording.

Proposed Ballot Language:

Proposal _____

Selection Process for a Casino Developer

Whether an initiative ordinance in the City of Muskegon should be adopted to:

1. Authorize a request for proposals for a casino and casino Complex ("casino") to be located in the City of Muskegon; and
2. Establish the eligibility and the criteria for the selection of a developer of a casino; and
3. Establish a process for the selection of a developer of a casino, including a preference for proponents of gaming proposals; and
4. Provide for negotiations, content, and approval process of a development agreement for a casino in the City of Muskegon?

Should this ordinance be adopted?

1. Yes
2. No

Proposed Ballot Language:

Proposal _____

Charity Casino

Whether an initiative ordinance in the City of Muskegon should be adopted to:

1. Authorize one casino and casino complex owned by a nonprofit corporation, which would be required to distribute the net profits from the casino enterprise to charitable and social welfare organizations; and
2. Establish a timely and comprehensive competitive selection process to determine the developer/manager the City will select to construct and operate the casino enterprise; and
3. Require a casino developer/manager to meet certain minimum requirements, to demonstrate a commitment to hiring Muskegon residents and contractors and to enter into a development agreement with the City; and
4. Require the casino to be located in the City of Muskegon on a parcel of at least a 20 acre size zoned B-3 Central Business District or WM Waterfront Marine District as of July 1, 2002?

Should this ordinance be adopted?

1. Yes
2. No

September 9, 2003

To: Muskegon City Commission
Cc: Mr. John Schrier, City Attorney
From: David Willerup
1282 Palmer
Chair, Positively Muskegon
Re: November Ballot Language

On March 11th of 2003, the Archimedes Group supplied an initiative ordinance which was ruled illegal by the city attorney on March 20th as being administrative and not legislative in nature. A similar ruling was imposed on the initiative ordinance submitted by the Citizens for a Charity Casino. Each organization then chose their own course of action, with the Citizens for a Charity Casino pushing their ordinance through a trial, and the Archimedes Group choosing to pay for a non-binding referendum election on this day, as we speak.

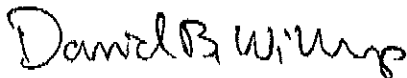
Judge Hicks ruled to the ultimate detriment of this city. We all know that the "Charity Casino" is outside the bounds of the state constitution and invites a lawsuit should it be placed on the ballot. His judgment, however, should not be read for both ordinances. His ruling compels the city to act on that ordinance alone. Any further move would simply be the city's decision, and one that the city does not have to make.

Why not? Count the days. Signatures on a petition are valid for 180 days (c.f. MCL 168.472a). It has been 181 days since the Archimedes Group's ordinance was received by the commission. Their ordinance is no longer supported by the signatures submitted.

Beyond this are the political ramifications of taking action before today's polls even close. Regardless of the outcome, it places the city in the uncomfortable position of, on the one hand, supporting this election to show the will of the people and, on the other hand, undermining it with an action that allows Archimedes to proceed no matter what. The democratic process being played out today, where thousands believe their votes are making a difference, should be supported both by this commission and the Archimedes Group which paid for the city to have this opportunity.

At the very least, allow the people to have their say today before taking action on the ballot language. Don't send the message that their votes never really mattered. Table this piece of business, weigh tonight's results in the balance, and then make your decision.

Sincerely,



David B. Willerup
1282 Palmer
Chair, Positively Muskegon