CITY OF MUSKEGON

CITY COMMISSION MEETING

JULY 11, 2006

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, July 11, 2006.

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

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioner Kevin Davis, Clara Shepherd, Lawrence Spataro, and Chris Carter, City Manager Bryon Mazade, City Attorney John Schrier, and Deputy City Clerk Linda Potter.

Absent: Commissioner Sue Wierengo (excused)

2006-60 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, June 27, 2006.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Coagulant Model. WATER FILTRATION

SUMMARY OF REQUEST: To purchase a coagulant model to assist the Water Filtration Plant operators in chemical coagulant dosage for proper water treatment.

FINANCIAL IMPACT: Coagulant model cost is $9,000.

BUDGET ACTION REQUIRED: None. The coagulant model is budgeted at $10,000.

STAFF RECOMMENDATION: Staff recommends purchasing the coagulant model from AY Consulting at a cost of $9,000.

C. Defined Contribution Retirement Plan for New Hires (DPW 517M). FINANCE

SUMMARY OF REQUEST: The City Commission has previously approved a contract with the 517M union that includes provision for new hires to be members of a defined contribution retirement program in lieu of membership in the defined benefit General Employees' retirement system. The new DC plan calls for a City contribution of 3%/6% and an employee contribution of 0%/3% of wages. Present employees may also join the DC plan on an elective basis during a window period.

Documents for this plan are the same as for the previous plan set-ups for Clerical, Fire and non-union employees and are currently under review by the attorney's office. Because we are in the process of hiring several positions that will be covered under the new plan, staff at this time is requesting authorization to have the Mayor, Clerk and other required city officials sign the necessary documents for implementation.

FINANCIAL IMPACT: Moving to a defined contribution plan will help stabilize and better define the City's annual pension costs. We are negotiating similar arrangements for other employee groups. At this time, new employees in the Fire, Non-Union, Clerical and 517M groups are covered by a defined contribution arrangement. The status of this issue with the other employee groups is as follows: Police Patrol (in arbitration); Police Command (to be negotiated).

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval

(ORDINANCE REQUIRES SECOND READING)

D. <u>Signing of 2006-2007 Subrecipient and Community Housing Development Organization Agreements.</u> COMMUNITY & NEIGHBORHOOD SERVICE

SUMMARY OF REQUEST: To direct staff to have the Subrecipient Agreements for the following agencies signed by the Mayor and Clerk. The funding allocations were approved by the Commission in April of this year.

1. American Red Cross $2,500
2. HealthCARE $2,500
3. Legal Aid of West Michigan $2,500
4. Love INC $2,500
5. Sacred Suds $2,500
6. West Michigan Veterans $2,500

Also to have the Community Housing Development Organization Agreements signed for the following agencies:

1. Neighborhood Investment Corp. $70,000

2. Habitat for Humanity $35,000

FINANCIAL IMPACT: Funding will be allocated from the 2006-2007 Community Development Block Grant/HOME Funds as directed by the City Commission.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To direct staff to have documents signed by the Mayor and the Clerk.

Motion by Vice Mayor Gawron, second by Commissioner Carter to approve the Consent Agenda as presented.

ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Warmington, Carter, and Davis

Nays: None

MOTION PASSES

2006-61 NEW BUSINESS:

A. <u>Finance Division Reorganization.</u> FINANCE

SUMMARY OF REQUEST: Staff is recommending the reorganization of the Finance Division. The main elements of this reorganization are: 1) elimination of the Revenue Collections Administrator position, 2) upgrade of the Income Tax Administrator position and, 3) physical swap of the locations of the Income Tax and Finance Departments.

FINANCIAL IMPACT: The proposed reorganization will save between $41,000 and $55,000 annually (depending on whether a part-time position is filled). There will be some one-time moving costs estimated to be no more than $5,000.

BUDGET ACTION REQUIRED: We anticipate this reorganization to be incorporated into the 2007 budget preparation process.

STAFF RECOMMENDATION: Staff recommends approval of the proposed reorganization as described, including salary schedule adjustments.

Motion by Vice Mayor Gawron, second by Commissioner Spataro to approve the Finance Division reorganization including salary schedule adjustments.

ROLL VOTE: Ayes: Shepherd, Spataro, Warmington, Carter, Davis, and Gawron

Nays: None

MOTION PASSES

B. <u>Liquor License Request – CSTS, Inc., 2185 Henry (Pop-a-Top).</u> CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from CSTS, Inc., (Pop-A-Top) for a new Outdoor Service (1 Area) to be held in conjunction with their 2006 Class C-SDM licensed business with Entertainment Permit.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval subject to final inspection.

Motion by Commissioner Spataro, second by Commissioner Carter to approve the liquor licenser request from CSTS, Inc., 2185 Henry.

ROLL VOTE: Ayes: Spataro, Warmington, Carter, Davis, Gawron, and Shepherd

Nays: None

MOTION PASSES

C. <u>Sale of Clay Avenue Parking Ramp.</u> CITY MANAGER

SUMMARY OF REQUEST: To approve the sale of the City's Clay Avenue parking ramp to Press's Development, LLC.

FINANCIAL IMPACT: $100,000 to the City, plus the property will be placed on the tax rolls.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the purchase agreement between the City and Press's Development, LLC, and authorize the Mayor and Clerk to sign it.

Motion by Vice Mayor Gawron, second by Commissioner Shepherd to approve the purchase agreement between the City and Press's Development, LLC.

ROLL VOTE: Ayes: Warmington, Carter, Davis, Gawron, Shepherd, and Spataro

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: A Petition was given to Commission, and various comments were heard from the public.

ADJOURNMENT: The City Commission Meeting adjourned at 6:08 p.m.

Respectfully submitted,

Linda Potter, CMC
Deputy City Clerk