CITY OF MUSKEGON

CITY COMMISSION MEETING

JULY 9, 2013

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, July 9, 2013.

Mayor Gawron opened the meeting with a prayer from Rev. Diane Stark from the Unity Church of Muskegon after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

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

2013-57 CONSENT AGENDA:

A. <u>Approval of Minutes.</u> CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the June 25th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. <u>"Development and Reimbursement Agreement" between the City of Muskegon Brownfield Redevelopment Authority (BRA) and Terrace Point Landing, LLC (Jon Rooks).</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The DDA Plan Amendment and Brownfield Redevelopment Plan Amendment and Resolution for Terrace Point Landing, LLC have been approved by the BRA, DDA and City Commission. The last document for approval is the "Development and Reimbursement Agreement" ("Agreement"). The Agreement outlines the tax capture and reimbursement process for the project.

FINANCIAL IMPACT: Future Brownfield Development (BRA) TIF capture will be directed to Mr. Rooks for reimbursement of loans he is securing for redevelopment of the property.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To endorse the approval by the BRA for the “Development and Reimbursement Agreement” between the City of Muskegon BRA and Terrace Point Landing, LLC.

COMMITTEE RECOMMENDATION: The BRA met on June 26, 2013, and approved the “Agreement”.

C. <u>Restrictive Covenant Declaration.</u> PUBLIC WORKS

SUMMARY OF REQUEST: Authorize the Mayor and Clerk to sign the declaration of restrictive covenant at the public service building, 1350 E. Keating and authorize Westshore Engineering to record said restriction.

FINANCIAL IMPACT: The cost of recording which is estimated to be less than $200.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Authorize the Mayor and Clerk to sign off on the declaration as well as authorize Westshore Engineering to record the restriction if approved.

E. <u>Consideration of Bids for Southern Avenue, Fifth to Sanford (H-1688).</u> ENGINEERING

SUMMARY OF REQUEST: Award the reconstruction contract for Southern Avenue from Fifth to Sanford to McCormick Sand out of Twin Lake since they were the lowest responsible bidder with a total bid price of $236,732.

FINANCIAL IMPACT: The construction cost of $236,732 plus engineering.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Award the contract to McCormick Sand.

F. <u>Intergovernmental Agreement for Traffic Signal Maintenance.</u> ENGINEERING

SUMMARY OF REQUEST: Endorse the Muskegon County Road Commission (MCRC) selection of Windemuller Electric for the County-wide traffic signal maintenance thru 2016. Windemuller was selected via public bids received by MCRC.

FINANCIAL IMPACT: Based on the historical data over the last four years, it is estimated that the cost will be about $40,000/year.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Endorse the contract between MCRC and

Windemuller Electric.

G. <u>Community Relations Committee.</u> CITY CLERK

SUMMARY OF REQUEST: To accept the recommendations from the Community Relations Committee made at the meeting held on July 8, 2013, as follows:

1. Remove two Target Area Representative Positions from Community Neighborhood Services Board and re-adjust members where applicable.
2. Accept resignation of Norman Cunningham from Civil Service Board.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To concur with the Community Relations Committee recommendations.

Motion by Vice Mayor Spataro, second by Commissioner Wierengo to adopt the Consent Agenda as read except for item D.

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

Nays: None

MOTION PASSES

2013-58 ITEM REMOVED FROM THE CONSENT AGENDA:

D. <u>West Michigan Fossil Jewelry Business/Concession Contract for City of Muskegon Parks.</u> PUBLIC WORKS

SUMMARY OF REQUEST: Staff is asking permission to enter into a one-year contractual agreement with Kevin VanBrocklin of West Michigan Fossil Jewelry at Pere Marquette Park, located within the City of Muskegon, to sell various jewelry items as outlined in the proposal.

FINANCIAL IMPACT: Contract revenue will be 10% of gross receipts, per the Business/Concession Contract.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Authorize DPW staff to enter into a one-year Business/Concession Contract with Kevin VanBrocklin of West Michigan Fossil Jewelry.

Motion by Commissioner Turnquist, second by Vice Mayor Spataro to approve the concession contract for West Michigan Fossil Jewelry at Pere Marquette Park.

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

Nays: None

MOTION PASSES

2013-59 PUBLIC HEARINGS:

A. <u>Request for an Industrial Facilities Exemption Certificate – Northern Machine Tool.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Northern Machine Tool, 761 Alberta Avenue, has requested the issuance of an Industrial Facilities Exemption Certificate. The total capital investment is $1,150,000, which includes new personal property and real property improvements. This request qualifies the company for a term of six years for personal property and twelve years for real property.

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

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial Facilities Exemption Certificate.

The Public Hearing opened to hear and consider any comments from the public. Stephen Olson, President of Northern Machine Tool gave an overview of future plans. No public comments were made.

Motion by Vice Mayor Spataro, second by Commissioner Markowski to close the Public Hearing and approve the request for an Industrial Facilities Exemption Certificate for $1,150,000 which includes new personal property for six years and real property improvements for twelve years.

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

Nays: None

MOTION PASSES

2013-60 NEW BUSINESS:

A. <u>CATV Franchise Agreement.</u> CITY MANAGER

SUMMARY OF REQUEST: The City's 25-year cable TV franchise agreement with Comcast expires August 2, 2013. Legislation adopted in 2007 generally takes franchise negotiations out of local community's control and, instead, requires the use of a "Uniform Video Local Franchise Agreement". Comcast recently (June 20th) submitted a Uniform Franchise Agreement for the City's consideration. The City has 15 business days to respond as to the completeness of Comcast's Uniform Franchise application and 30 business days in which to approve the application.

The City of Detroit previously challenged the Uniform Franchise in federal court and that court has generally found in favor of Detroit. However, final resolution of the Detroit case is several months away.

Our legal counsel on this matter advises that it is in the City of Muskegon's interest to: 1) deny the Uniform Franchise as initially submitted by Comcast and delegate authority to negotiate with Comcast to the City Manager by adoption of the resolution and, 2) send the reply letter to Comcast.

FINANCIAL IMPACT: There is no immediate budgetary impact. The franchise fee received by the City remains at 5%. Depending on the final outcome of negotiations with Comcast and/or the Detroit litigation, the City may receive additional benefits from the franchise renewal.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Adoption of the delegation resolution.

Motion by Commissioner Hood, second by Vice Mayor Spataro to adopt the delegation resolution.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:00 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk