CITY OF MUSKEGON

CITY COMMISSION MEETING

JUNE 13, 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, June 13, 2006.

Mayor Warmington opened the meeting with a prayer from Pastor Nana Kratochvil from the Harbor Unitarian Universalist Congregation after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Vice Mayor Stephen Gawron, Commissioner Chris Carter, Lawrence Spataro, and Sue Wierengo, City Manager Bryon Mazade, City Attorney John Schrier, and Deputy City Clerk Linda Potter.

Absent: Commissioner Kevin Davis (excused – arrived at 5:51 p.m.), Clara Shepherd (excused – arrived at 5:40 p.m.) and Mayor Stephen Warmington (excused)

2006-49 INTRODUCTIONS: Summer Interns

Assistant City Manager, Lee Slaughter, introduced Stephanie Bacheller and Brittany Tillman.

2006-50 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, May 23, 2006.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Appointments to Various Boards and Committees. CITY CLERK

SUMMARY OF REQUEST: To appoint Robert Lowder, Stephen Parker, and John E. Smith to the Construction Code Board of Appeals; John R. Thompson to the District Library Board; and Glenn Edwards to the Equal Opportunity Committee.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: The Community Relations Committee recommended the appointments at their June 5th meeting.

C. <u>Fireworks Display - Muskegon Country Club.</u> CITY CLERK

SUMMARY OF REQUEST: Melrose Pyrotechnics, Inc., is requesting approval of a fireworks display permit for July 4th at the Muskegon Country Club, 2801 Lakeshore Drive. Fire Marshall Metcalf will inspect the fireworks on the day of the event.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks and approval of the insurance.

D. <u>Fireworks Display - Muskegon Summer Celebration.</u> CITY CLERK

SUMMARY OF REQUEST: Steve Franklin, Summit Pyrotechnics, is requesting approval of a fireworks display permit for the Muskegon Summer Celebration on July 4th and 9th. Fire Marshall Metcalf will inspect the fireworks on the day of the event.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks and approval of the insurance.

E. <u>Sale of Buildable Vacant Lot at 1469 Nolan.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the sale of a vacant buildable lot at 1469 Nolan to Kirk and Sharon Chauvez. The lot is 80 x 140 ft. and is being offered to Kirk and Sharon Chauvez for $7,875. A single family home will be constructed. The proposed home will be approximately 1,500 square feet and consist of a basement, 3 bedrooms, 2 bathrooms, and a two stall garage.

FINANCIAL IMPACT: The sale of this lot for the construction of a single family home will generate additional tax revenue for the City and will place the property 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 Deputy City Clerk to sign said resolution and deed.

F. <u>SECOND READING: Rezoning Request for Properties Located at 1561, 1567, 1575, 1587, 1593 and 1597 Peck St., and 28 W. Forest Ave.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to rezone the properties located at 1561, 1567, 1575, 1587, 1593, and 1597 Peck Street and 28 W. Forest Avenue from RM-1, Low

Density Multiple-Family Residential District to R-1, One Family Residential District.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends approval of the request.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their May 11th meeting. The vote was unanimous, with J. Aslakson absent.

G. **<u>SECOND READING: Zoning Ordinance Amendment – Wireless Communication Service Facilities.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to amend Sections 2321 (Wireless Communication Service Facilities) of Article XXIII (General Provisions) of the Zoning Ordinance to amend the "Overlay District Established for Wireless Communication Support Facilities" and substitute 2301 Harvey Street for 1350 E. Keating Avenue (City DPW) as one of the four overlay districts for location of wireless communication equipment.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends amendment of Section 2321, Article XXIII of the Zoning Ordinance.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the amendment at their May 11th meeting. The vote was unanimous in favor of the amendment, with J. Aslakson absent.

H. **<u>SECOND READING: Vegetation Ordinance Amendment for Raking Leaves.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to amend the Code of Ordinances Chapter 98 VEGETATION for the purpose of requiring leaves to be removed from properties after the conclusion of leaf season. Leaf season is defined as beginning September 1st and ending April 30th of each year.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends amendment of Chapter 98 Vegetation, specifically to amend Section 98-31 Definitions, and Section 98-35 Notice to Destroy and Remove; publication, as proposed to require residents to rake leaves on their property. Actual enforcement will begin in 2007.

I. **<u>Replacement Garbage Carts.</u>** PUBLIC WORKS

SUMMARY OF REQUEST: Because our supply of replacement garbage carts is nearly depleted, we took quotes on a truck-load of 552 carts. The lowest bid is Rehrig Pacific at $47 per cart. The total cost is $26,149, including shipping.

FINANCIAL IMPACT: $23,085 was budgeted for cart purchase in 2006 ($3,064 shortfall). Since January, residents are paying a $50 fee for a replacement cart. So far $2,850 has been collected.

BUDGET ACTION REQUIRED: An adjustment for the actual purchase price will be made to the next quarterly sanitation budget revision.

STAFF RECOMMENDATION: To approve the purchase of 552 garbage carts at $26,149 from Rehrig Pacific Company.

J. **City - MDOT Agreement for Montgomery Street, Laketon to Southern.** ENGINEERING

SUMMARY OF REQUEST: To approve the contract with MDOT for the reconstruction of Montgomery from Laketon to Southern and to approve the resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT: MDOT's participation is capped at $315,777 but not to exceed 81.85% of eligible cost. The estimated total construction cost (without engineering) of the project, including the non-participating items of watermain & sanitary sewer work is $831,000.

BUDGET ACTION REQUIRED: None at this time. The City's share of the cost will come out of the Major Street and water/sewer funds as was budgeted.

STAFF RECOMMENDATION: That the agreement and resolution be approved.

K. **Consideration of Bids: Watermain in Windward Drive, Arlington to Edgewater.** ENGINEERING

SUMMARY OF REQUEST: Award the water main replacement project (W-684) in Windward to Lee's Trenching Services out of Byron Center since they were the lowest responsible bidder with a bid price of $39,990.40.

FINANCIAL IMPACT: The bid price of $39,990.40 plus 15% for engineering.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Award the project to Lee's Trenching Services.

L. **Approval of Conveyance Application to the State of Michigan.** COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve Community and Neighborhood Services to obtain 209 Merrill from the State of Michigan, which are two currently vacant and abandoned homes situated on one parcel. The department's objective is to obtain 209 Merrill for the minimum price of $300, demolish both structures, construct one home, and sell the property to a qualified family during the 2007-2008 fiscal year. The obtaining of this property and constructing a new single-family home is one additional piece to the City's continuous neighborhood revitalization efforts.

FINANCIAL IMPACT: The Community and Neighborhood Services Office will supply $300 from the HOME program income fund.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request and have the Mayor sign the application to the State of Michigan.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the Consent Agenda as read.

ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Wierengo, and Carter

Nays: None

MOTION PASSES

2006-51 PUBLIC HEARINGS:

A. <u>Request for an Industrial Facilities Exemption Certificate – Forming Technologies.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Forming Technologies, 1885 East Laketon Avenue, has requested the issuance of an Industrial Facilities Exemption Certificate for the property located at 1885 East Laketon Avenue, Muskegon. The total capital investment is approximately $875,859 with $164,938 in real property and $710,920 in personal property. This request qualifies Forming Technologies for an abatement term of nine years for personal property and twelve years for real property.

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

BUDGET ACTION REQUIRED: None.

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

The Public Hearing opened at 5:45 p.m. to hear and consider any comments from the public. No comments were heard.

Motion by Commissioner Spataro, second by Commissioner Shepherd to close the Public Hearing at 5:50 p.m. and approve the resolution granting an Industrial Facilities Exemption Certificate for a term of nine years for personal property and twelve years for real property.

ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Wierengo, and Carter

Nays: None

MOTION PASSES

B. <u>Request for an Industrial Facilities Exemption Certificate – Port City Industrial Finishing.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Port City Industrial Finishing, 1867 Huizenga, has requested the issuance of an Industrial Facilities Exemption Certificate for the property located at 1867 Huizenga, Muskegon. The total capital investment is approximately $289,000 in personal property. This request qualifies Port City Industrial Finishing for an abatement term of six years for personal property.

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

BUDGET ACTION REQUIRED: None.

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

The Public Hearing opened at 5:52 p.m. to hear and consider any comments from the public. No comments were heard.

Motion by Commissioner Carter, second by Commissioner Davis to close the Public Hearing at 5:56 p.m. and approve the request for an Industrial Facilities Exemption Certificate for Port City Industrial Finishing for the term of six years for personal property.

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

Nays: None

MOTION PASSES

C. Request to Establish an Obsolete Property District - 2238 Henry Street.
PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 146 of the Michigan Public Acts of 2000, 2238 Henry Street LLC, 2238 Henry Street, Muskegon, MI 49441, has requested the establishment of an Obsolete Property District. The district would be located at 2238 Henry Street, Muskegon, MI. This project will consist of rehabbing this building to a hair salon. Total capital investment for this project is $55,000.

FINANCIAL IMPACT: If an Obsolete Property Certificate is issued, the property taxes would be frozen for the duration of the certificate.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval.

The Public Hearing opened at 5:57 p.m. to hear and consider any comments from the public. No comments were heard.

Motion by Commissioner Carter, second by Commissioner Shepherd to close the Public Hearing at 6:02 p.m. and establish an Obsolete Property District at 2238 Henry Street.

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

Nays: None

MOTION PASSES

D. Request to Issue an Obsolete Property Certificate - 2238 Henry Street.
PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 146 of the Michigan Public Acts of 2000, 2238 Henry Street LLC, 2238 Henry Street, Muskegon, MI 49441, has requested the issuance of an Obsolete Property Certificate for the property located at 2238 Henry Street, Muskegon, MI. Total capital investment for this project is $55,000. The project consists of converting the building into a hair salon. Because of the amount of investment, the applicant is eligible for an eight year certificate.

FINANCIAL IMPACT: If an Obsolete Property Certificate is issued, the property taxes would be frozen for the duration of the certificate.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval.

The Public Hearing opened at 6:03 p.m. to hear and consider any comments from the public. No comments were heard.

Motion by Commissioner Spataro, second by Commissioner Carter to close the Public Hearing at 6:04 p.m. and approve the request to issue an Obsolete Property Certificate for 2238 Henry Street.

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

Nays: None

MOTION PASSES

2006-52 NEW BUSINESS:

A. <u>Community Development Block Grant (CDBG) Agreement – City of Norton Shores.</u> CITY MANAGER

SUMMARY OF REQUEST: To approve an agreement with the City of Norton Shores to administer their CDBG program.

FINANCIAL IMPACT: $23,500 will be paid to the City of Muskegon.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreement and authorize the Mayor and Clerk to sign it.

Motion by Commissioner Spataro, second by Commissioner Wierengo to approve the agreement and authorize the Mayor and Clerk to sign the Community Development Block Grant Agreement with the City of Norton Shores.

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

Nays: None

MOTION PASSES

B. <u>Salary Range Change – Community & Neighborhood Services Director.</u> CITY MANAGER

SUMMARY OF REQUEST: To change the salary range for the Community & Neighborhood Services Director from Range V ($45,651 - $60,871) to Range IV ($47,696 - $63,593). This change is proposed to place the position in the appropriate salary range based on the duties of the position.

FINANCIAL IMPACT: Approximately $2,000 initially.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the salary range change.

Motion by Commissioner Spataro, second by Commissioner Carter to approve

the salary range change from level V to IV for the Community & Neighborhood Services Director.

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

Nays: None

MOTION PASSES

C. <u>City Charter Amendment – Elimination of Civil Service.</u> CITY MANAGER

SUMMARY OF REQUEST: To approve a resolution to propose for adoption by the voters of the City of Muskegon a charter amendment to eliminate the City's Civil Service system.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the Charter Amendment resolution for the elimination of Civil Service.

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

Nays: None

MOTION PASSES

D. <u>Consideration of Bids: Alley between Calvin, Francis, Creston, and Roberts - Sanitary Sewer Rehabilitation (Lining).</u> ENGINEERING

SUMMARY OF REQUEST: Award the sewer lining contract (S-618) to Insituform Technologies out of the Detroit Area. Insituform was the lowest responsible bidder for the lining alternate with a bid price of $36,911.

FINANCIAL IMPACT: The construction cost of $36,911 plus related engineering expenses.

BUDGET ACTION REQUIRED: None.

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

Motion by Commissioner Spataro, second by Commissioner Carter to award the contract to Insituform for the alley between Calvin, Francis, Creston, and Roberts for the sanitary sewer rehabilitation.

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

Nays: None

MOTION PASSES

E. <u>Consideration of Bids: Fifth Street, Merrill to Western.</u> ENGINEERING

SUMMARY OF REQUEST: McCormick Sand, out of Twin Lakes, submitted the lowest bid price for both concrete and asphalt. Unfortunately, they failed to fill out the list of subcontractors as required and indicated on the "check list" which was provided to all contract holders. At this time, staff is presenting the following:

1. If the Commission elects to waive the aforementioned irregularity, then the H-1604 contract (street & alley) be awarded to McCormick Sand using the concrete alternate for a bid price of $537,250.
2. If the Commission elects not to waive the aforementioned irregularity, then staff is recommending awarding to Milbocker & Sons since they were the second lowest bidder for the concrete alternate with a bid price of $581,784.56.

It should be noted that the award of this project, either options, must be contingent upon approvals by both the County and the State's Community Development Block Grant (CDBG) due to the nature of funding.

FINANCIAL IMPACT: The cost of construction plus 15% for engineering.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: None.

Motion by Commissioner Davis, second by Commissioner Carter to waive the irregularities and award the contract to McCormick Sand contingent on approval by the County and the State's Community Development Block Grant.

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

Nays: None

MOTION PASSES

F. **<u>Consideration of Bids: Streetlight Material Purchase for Western Avenue, Third to Terrace.</u>** ENGINEERING

SUMMARY OF REQUEST: Authorize staff to enter into a purchase agreement with Fitzpatrick/Kendall Electric, Inc. to purchase the necessary street light fixtures for Western Avenue between Third and Terrace since they were the lowest responsible bidder with a bid price of $155,390. If awarded to Fitzpatrick/Kendall Electric, Inc. the award must be contingent upon the Michigan Department of Transportation's approval.

FINANCIAL IMPACT: The purchasing cost $155,390.

BUDGET ACTION REQUIRED: None, the cost will be covered by the federal grant.

STAFF RECOMMENDATION: Award the contract to Fitzpatrick/Kendall Electric, Inc. contingent upon Michigan Department of Transportation's approval.

Motion by Commissioner Spataro, second by Commissioner Wierengo to award the contract to Fitzpatrick/Kendall Electric, Inc., contingent upon Michigan Department of Transportation's approval.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Various comments were heard.

2006-53 CLOSED SESSION: To discuss union contract negotiations.

Motion by Commissioner Carter, second by Commissioner Spataro to go into Closed Session to discuss union contract issues at 6:50 p.m.

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

Nays: None

MOTION PASSES

Motion by Commissioner Carter, second by Commissioner Shepherd to come out of Closed Session at 7:00 p.m.

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

Nays: None

MOTION PASSES

Motion by Commissioner Spataro, second by Commissioner Shepherd to ratify contract with SEIU.

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

Nays: None

MOTION PASSES

ADJOURNMENT: The City Commission Meeting adjourned at 7:03 p.m.

Respectfully submitted,

Linda Potter, CMC
Deputy City Clerk