CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 13, 2008

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- CALL TO ORDER:
- PRAYER:
- PLEDGE OF ALLEGIANCE:
- ROLL CALL:
- HONORS AND AWARDS:
- INTRODUCTIONS/PRESENTATION:
- CONSENT AGENDA:

    A. Approval of Minutes. CITY CLERK

    B. Membership Agreement – Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network. PUBLIC SAFETY

    C. 2008 Water Treatment Chemical Bids – Hydrofluorosilic Acid. WATER FILTRATION

    D. 2008 Water Treatment Chemical Bids – Aluminum Sulfate. WATER FILTRATION

    E. Accept Resignations and Make Appointments to Various Boards and Committees. CITY CLERK

    F. Consideration of Bids for Roblane, Quarterline to Marlane (H-1636). ENGINEERING

    G. Consideration of Bids for Hudson, Barney to Wilson (W-696) and Ireland, Hudson to Franklin (W-697). ENGINEERING

    H. Conveyance of Easement to MDEQ. ENGINEERING

- PUBLIC HEARINGS:

    A. Amendments to Brownfield Plan for Betten Auto Dealerships Project. PLANNING & ECONOMIC DEVELOPMENT

- COMMUNICATIONS:
- CITY MANAGER'S REPORT:

- **UNFINISHED BUSINESS:**
- **NEW BUSINESS:**

  A. **<u>MERS Health Care Savings Program (HCSP) for Medicare Eligible Retirees.</u>** FINANCE

  B. **<u>First Quarter 2008 Budget Reforecast.</u>** FINANCE

  C. **<u>Brownfield Development and Reimbursement Agreement – Betten.</u>** PLANNING & ECONOMIC DEVELOPMENT

  D. **<u>Dangerous Building – Muskegon Hotel – Bids for Demolition.</u>** INSPECTIONS

- **ANY OTHER BUSINESS:**
- **PUBLIC PARTICIPATION:**

➢ ***Reminder: Individuals who would like to address the City Commission shall do the following:***
➢ Fill out a request to speak form attached to the agenda or located in the back of the room.
➢ Submit the form to the City Clerk.
➢ 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 ANN MARIE BECKER, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TDD: (231) 724-4172.

Date:	**May 13, 2008**
To:	**Honorable Mayor and City Commissioners**
From:	**Ann Marie Becker, City Clerk**
RE:	**Approval of Minutes**

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, April 22nd.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

MAY 13, 2008

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, May 13, 2008.

Mayor Warmington opened the meeting with a prayer from Pastor Penny Johnson from the Oakcrest Church of God 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, Commissioners Clara Shepherd, Lawrence Spataro, Sue Wierengo, and Chris Carter, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker.

Absent: Commissioner Steve Wisneski (excused).

2008-41 INTRODUCTIONS/PRESENTATION:

Mayor Warmington announced that Tom Powers of the United Way presented the City of Muskegon with the 2007 Bronze Award plaque.

Commissioner Shepherd recognized Stephanie Frey, Miss Shoreline; and Anais Felt, Miss Teen Shoreline.

2008-42 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, April 22nd.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. **Membership Agreement – Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network.** PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety is requesting approval to enter into a membership agreement with the Middle Atlantic-Great Lakes

Organized Crime Law Enforcement Network (MAGLOCLEN). MAGLOCLEN facilities interjurisdictional information and intelligence exchange, in addition to providing analytical and technical support to aid member agencies in their efforts to identify and apprehend organized criminals and criminal groups across jurisdictional boundaries. Annual cost of the membership is $350.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the agreement.

C. <u>2008 Water Treatment Chemical Bids – Hydrofluorosilic Acid.</u> WATER FILTRATION

SUMMARY OF REQUEST: Recommend endorsement of the lowest responsible bidder to supply hydrofluorosilic acid – fluoride for the water filtration plant.

FINANCIAL IMPACT: Annual cost of $44,450 (based on average annual water pumped to mains).

BUDGET ACTION REQUIRED: None at this time. These chemicals are budgeted annually. However, the cost increase may require a budget adjustment at a later date.

STAFF RECOMMENDATION: Staff recommends the Mayor and City Commission endorse the low bid received and enter into a contract with Lucier Chemical Incorporated for fluoride.

D. <u>2008 Water Treatment Chemical Bids – Aluminum Sulfate.</u> WATER FILTRATION

SUMMARY OF REQUEST: Recommend endorsement of lowest responsible bidder to supply aluminum sulfate for the water filtration plant.

FINANCIAL IMPACT: Annual cost of $74,645 (based on average annual water pumped to mains).

BUDGET ACTION REQUIRED: None at this time. These chemicals are budgeted annually. However, the cost increase may require a budget adjustment at a later date.

STAFF RECOMMENDATION: Staff recommends the Mayor and City Commission endorse the low bid received and enter into a contract with US Aluminate Co. for aluminum sulfate.

E. <u>Accept Resignations and Make Appointments to Various Boards and Committees.</u> CITY CLERK

SUMMARY OF REQUEST: To accept resignations from Brenda Loyd, James Davies and Greg Roberts; and appoint Barbara VanFossen to the District Library Board, Ofelia Jimenez to the Equal Opportunity Committee, and Kevin Woods to the Income Tax Board of Review.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended approval at their May 5th meeting.

F. <u>Consideration of Bids for Roblane, Quarterline to Marlane (H-1636).</u> ENGINEERING

SUMMARY OF REQUEST: Award the Roblane reconstruction contract to Thompson Brothers of 388 McMillan Rd. since they were the lowest responsible bidder with a total bid price of $85,312.

FINANCIAL IMPACT: The reconstruction cost of $85,312 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Award the contract to Thompson Brothers.

G. <u>Consideration of Bids for Hudson, Barney to Wilson (W-696) and Ireland, Hudson to Franklin (W-697).</u> ENGINEERING

SUMMARY OF REQUEST: Award the Hudson and Ireland construction contract to Brenner Excavating out of Hopkins since they were the lowest responsible bidder with a total bid price of $194,173.10. The contract consists of water main and services replacement in Hudson and Ireland as per the referenced limits.

FINANCIAL IMPACT: The construction cost of $194,173.10 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Award the contract to Brenner Excavating.

H. <u>Conveyance of Easement to MDEQ.</u> ENGINEERING

SUMMARY OF REQUEST: Convey an easement to MDEQ for the wetland area north of Shoreline Drive east and west of the Ryerson Creek south of the railroad tracks as was required by the permit which was issued for the construction of Shoreline Drive. Also, authorize the Mayor to sign the easement documents.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Authorize the Mayor to sign the easement documents.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the consent agenda as read.

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

Nays: None

MOTION PASSES

2008-43 PUBLIC HEARINGS:

A. **Amendments to Brownfield Plan for Betten Auto Dealerships Project.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To hold a public hearing and approve the resolution approving and adopting amendments for the Brownfield Plan. The amendments are for the inclusion of the Betten Auto Dealerships project in the Brownfield Plan.

FINANCIAL IMPACT: Brownfield Tax Increment Financing would be used to reimburse the developer and the City for Act 381 "eligible expenses" incurred in association with development of the Betten properties, starting in 2008. The developers/owners estimate that full development of the Betten properties will involve over $13 million in private investment (in addition to property acquisition), resulting in a substantial increase in the city income, and local and school property taxes generated by the property.

"Eligible expenses" of over $3 million would be reimbursed. The estimated tax capture schedule is included as Attachment S-3 in the proposed Brownfield Plan Amendment. The City is also authorized by law to capture up to $75,000/year to pay for "reasonable and actual administrative and operating costs" of the Brownfield Redevelopment Authority. As such, $10,000/year of the local tax increment will be captured to reimburse the Brownfield Authority for its administrative costs, for the duration of the Brownfield Plan.

After all eligible costs incurred by the parties are reimbursed, the BRA is authorized to continue to capture local taxes for five more years for deposit into a Local Site Remediation Revolving Fund. Current tax capture estimates indicate that approximately $1,048,000 could be captured from the taxes on the Betten properties for deposit into this local fund.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To hold the public hearing and approve the resolution and authorize the Mayor and Clerk to sign the resolution.

COMMITTEE RECOMMENDATION: The Muskegon City Commission set the public hearing for May 13, 2008 at their April 22, 2008 meeting. Since that time, a notice of the public hearing has been sent to the taxing jurisdictions, MDEQ, and MEGA of the proposed amendment and its financial impact on each jurisdiction, and has been published twice in the Muskegon Chronicle. In addition, the Brownfield Redevelopment Authority approved the Plan amendment on April 1, 2008 and recommended that the Muskegon City Commission approve the Plan amendment. The BRA will review the Plan revisions at their May 13, 2008 meeting and will make an additional recommendation to the Commission regarding the revised Plan.

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

Motion by Commissioner Carter, second by Commissioner Shepherd to close the public hearing and approve the amendments to the Brownfield Plan for Betten Auto Dealerships Project.

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

Nays: None

MOTION PASSES

2008-44 NEW BUSINESS:

A. **MERS Health Care Savings Program (HCSP) for Medicare Eligible Retirees.** FINANCE

SUMMARY OF REQUEST: You may recall that several months ago the City switched from subsidizing MediGap insurance coverage through a company called Magna Care to paying an equivalent cash stipend directly to retirees. This was done both to simplify administration and to give retires greater flexibility in choosing insurance coverage to best meet their needs. One of the issues that came up was that, as direct cash payments to the retiree, the stipend would be subject to federal income tax. Working with MERS we have found a way to address this issue. This involves the establishment of healthcare savings program accounts (HCSP) for eligible retirees. Basically, running the money through the HCSP accounts will allow us to provide the retiree with the same benefit level, tax-free.

Active non-union and 517M (DPW) employees currently have HCSP accounts that they will carry into retirement. Additional employee groups are expected to participate. As these employees attain Medicare eligibility, the need to maintain separate retiree HCSP accounts will diminish.

FINANCIAL IMPACT: Approximately $3,500/year administrative fee to be paid from the City's retiree healthcare funding vehicle account at MERS. The cash stipend option helps to control the City's retiree healthcare obligation. Being able to make these payments in a tax-advantaged manner will make this option much more attractive to both current and future retirees.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of three MERS Healthcare Savings Program Participation Agreements for Medicare eligible retirees receiving cash stipend for healthcare and/or Rx. The three agreements are structured around whether the retiree has opted out of medical benefits ($52.08/mo) Rx benefits ($43.08/mo) or both medical and Rx ($93.08/mo).

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the three MERS Healthcare Savings Program Participation Agreements for

Medicare eligible retirees.

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

Nays: None

MOTION PASSES

B. <u>First Quarter 2008 Budget Reforecast.</u> FINANCE

SUMMARY OF REQUEST: At this time staff is transmitting the ***First Quarter 2008 Budget Reforecast*** which outlines proposed changes to the original budget that have come about as result of changes in policy priorities, labor contracts, updated economic conditions, or other factors. For the next meeting, an action item will be placed on the agenda for adoption of the budget reforecast together with any additional changes deemed necessary by Commissioners.

FINANCIAL IMPACT: The biggest change is an adjustment of projected income tax revenues from $6.9 million to $7.2 million. This upward adjustment is based on an analysis of recent collection history and allows us to eliminate from the 2008 budget the projected transfer of $300,000 from the Budget Stabilization fund. Other revenue items are generally on target with projections as are most operating budgets. We are, of course, hopeful that the Governor's proposal to increase revenue sharing by four percent is successful. This would impact the last three payments (of six) for the City's 2008 fiscal year. Significantly, employee healthcare coverage was renewed at a 6% increase which is within our budget projection.

Aside from income tax, the other significant changes to the 2008 budget included in the first quarter reforecast are in the area of capital improvements. Most of these changes reflect the reallocation of costs due to failed/withdrawn special assessment projects.

BUDGET ACTION REQUIRED: Self-explanatory.

STAFF RECOMMENDATION: The City Commission should review the *Reforecast* to ensure it reflects their policy initiatives. At the next City Commission meeting, staff will request formal approval of the *Reforecast* and related budget amendments.

No action needed.

C. <u>Brownfield Development and Reimbursement Agreement – Betten.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: As part of the Brownfield Plan and Tax Increment Finance (TIF) capture for the Betten project, it is necessary to have a Development Agreement in place. In addition, the document includes a Reimbursement Agreement for the Site Assessment Loan, in the amount of $250,000.

FINANCIAL IMPACT: The Agreement will insure that the taxes are captured and

Betten is reimbursed for the agreed upon eligible expenses. In addition, the Site Assessment Loan will be repaid through the TIF capture in a timely manner.

BUDGET ACTION REQUIRED: None.

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

Motion by Vice Mayor Gawron, second by Commissioner Wierengo to approve the resolution and authorize staff to approve any and all other necessary documents and authorize the Mayor and/or Clerk to execute such.

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

Nays: None

MOTION PASSES

D. <u>Dangerous Building - Muskegon Hotel - Bids for Demolition.</u> INSPECTIONS

SUMMARY OF REQUEST: The Inspection department requests that the City Commission award a bid for demolition of the property located at 593 W. Western to the lowest responsible bidder.

FINANCIAL IMPACT: General Funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To award the bid to Griffelle in the amount of $33,999.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the bid for demolition of 593 W. Western Avenue.

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

Nays: None

MOTION PASSES

ADJOURNMENT: The City Commission Meeting adjourned at 5:58 p.m.

Respectfully submitted,

Ann Marie Becker

Ann Marie Becker, MMC
City Clerk

City Commission Meeting
Tuesday May 13, 2008

TO: Honorable Mayor and City Commissioners

FROM: Anthony L. Kleibecker, Director of Public Safety

DATE: April 29, 2008

SUBJECT: Membership Agreement-Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network

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Summary of Request:

The Director of Public Safety is requesting approval to enter into a membership agreement with the Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network (MAGLOCLEN). MAGLOCLEN facilitates interjurisdictional information and intelligence exchange, in addition to providing analytical and technical support to aid member agencies in their efforts to identify and apprehend organized criminals and criminal groups across jurisdictional boundaries. Annual cost of the membership is $350.

Financial Impact:

None

Budget Action Required:

None

Staff Recommendation:

Approval of the agreement.

AGREEMENT

THIS AGREEMENT, made this __________ day of ______________________________ 20
between the Middle Atlantic - Great Lakes Organized Crime Law Enforcement Network (the "Association") which was established in 1981 by the following original member agencies, the Delaware State Police, Indiana State Police, Maryland State Police, New Jersey State Commission of Investigation, New Jersey State Police, New York County District Attorney's Office, New York State Organized Crime Task Force, New York State Police, Pennsylvania Crime Commission, and the Pennsylvania State Police, and any member agency subsequently added in accordance with the Association's Bylaws ("member agencies"), and

____
("THE AGENCY")

provides that:

WHEREAS, the Association and the Agency recognize the serious problems posed by the continuing presence and growth of organized criminal activities in our society; and

WHEREAS, the Agency recognizes that it has the legal and equitable obligation to investigate this criminal activity for the purposes of preventing future criminal activity or of seeing proven offenders brought to justice; and

WHEREAS, the Agency recognizes that the nature of this criminal activity necessitates the structured cooperation of the Agency and the Association in order for the Agency to meet its legal and equitable obligation,

THEREFORE, it is agreed that:

FIRST: The Agency will regularly contribute information to a pointer information system to be developed and maintained by the Association.

SECOND: The Agency will cooperate with other member agencies in activities undertaken to further the goals and policies of the Association when the Agency is reasonably called upon to do so by an act, decision or resolution of the Policy Board.

THIRD: The Agency will abide by the decisions of the Association's Policy Board, as determined by vote of the Board in accordance with the Association's Bylaws.

FOURTH: The Agency agrees to abide by the Association's Bylaws, and any amendment to the Bylaws which are duly made.

FIFTH: The Agency agrees to participate in the Association in compliance with 28 CFR 23 of the United States Federal Criminal Intelligence Systems Operating Policies.

SIXTH: The Pennsylvania Office of Attorney General as Grantee of the Association nor the Agency accepts liability for damages resulting from the acts of agents of individual members of the Association. Each agency accepts liability for damages resulting from the acts of its own agents to the extent covered by applicable law. However, to the extent consistent with applicable sovereign immunity laws, the Grantee accepts liability for damages resulting from the acts of its agents only.

SEVENTH: Notwithstanding any other provision of this agreement, the Agency is not required to take any action which is contrary to any applicable statute, law or regulation, or contrary to the best interests and priorities of the Agency as determined by the Agency.

The Agency agrees that the terms of this Agreement are binding between the Agency and the Association and also between the Agency and each Association member agency which signs or has signed an Agreement containing the terms of this Agreement. Accordingly, the Agency agrees with the Association and with each Association member agency to abide by the terms of this Agreement.

This Agreement shall remain in force until such time as the Association is dissolved by three-quarters vote of the Association's Policy Board, or until such time as the Agency withdraws, or until such time as the Agency is removed from the Association in accordance with procedures contained in the Association's Bylaws.

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Chairman
The Middle Atlantic-Great Lakes Organized Crime
Law Enforcement Network Association

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Signature
Chief Executive Officer

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Agency

Rev. 12/6/97
01/13/00

Date: May 13, 2008

To: Honorable Mayor and City Commission

From: Water Filtration Plant

RE: 2008 Water Treatment Chemical Bids

SUMMARY OF REQUEST:

Recommend endorsement of lowest responsible bidder to supply hydrofluorosilic acid – fluoride for the water filtration plant

FINANCIAL IMPACT:

Annual cost of $44,450.00 (based on average annual water pumped to mains).

BUDGET ACTION REQUIRED:

None at this time. These chemicals are budgeted annually. However the cost increase may require a budget adjustment at a later date.

STAFF RECOMMENDATION:

Staff recommends the Mayor and City Commission endorse the low bid received and enter into contract with Lucier Chemical Incorporated (LCI) for fluoride.

MEMORANDUM

5/6/08

TO: **M. AL-SHATEL, DEPUTY DIRECTOR**

FROM: **R. VENEKLASEN, WATER FILTRATION SUPERVISOR**

RE: **FLUORIDE (HYDROFLUORISILIC ACID)**

HISTORY
Fluoride is applied to the water being treated to enhance the prevention of dental caries (cavaties). In 1955 Muskegon was the control sample for the City of Grand Rapids when they became the first city to apply fluoride for improved dental health. The test was to run for ten-years but was abandoned after about five-years because the results were so compelling. That is when the application of fluoride began in Muskegon.

We bid fluoride similarly to aluminum sulfate – in a cooperative effort with Holland, Wyoming, Grand Rapids, Grand Haven, and Muskegon Heights – through the City of Grand Rapids purchasing department.

CONDITIONS
As with the previous chemical bids, it was anticipated there would be a significant increase in the cost of fluoride for a couple of obvious reasons. First, the increase in fuel costs for transport. Second, fluoride has been more difficult to procure for the past year. In fact, we must order a minimum of thirty days in advance of our need. On a couple of occasions the lead time has been six-weeks. The bids received reflect an 83% increase in cost from last year.

BIDS AND RECOMMENDATION
Attached is a bid tabulation sheet. Note that only two companies participated in the bidding this year. The lowest responsible bidder is our present supplier; Lucier Chemical Incorporated (LCI).

It is my recommendation that the Mayor and City Commission endorse the lowest responsible bidder, Lucier Chemical Inc. (LCI) and enter into a one-year contract to supply fluoride for the Water Filtration Plant at a cost of $635.00 per ton FOB.

FOR REFERENCE USE ONLY

BID TAB

BID REF #885-86-06 BID OPENING DATE: MAY 2, 2008 FOR: HYDROFLUORISILIC ACID # BIDDERS SOLICITED: 10 BUYER: TONY WOJCIAKOWSKI DEPT: LAKE FILTRATION	ITEM 1A 420 TONS HYDRO- FLUORSILIC ACID $/TON	ITEM 1B 420 TONS HYDRO- FLUORSILIC ACID $/TON	ITEM 1C 420 TONS HYDRO- FLUORSILIC ACID $/TON	ITEM 2 EMERGENCY AS NEEDED DELIVERY COST LUMP SUM					
YEAR 1									
YEAR 2									
YEAR 3									
LCI LTD	$635.00	$635.00	$635.00	$15,388.00					
	NB	NB	NB	NB					
	NB	NB	NB	NB					
ALEXANDER CHEMICAL	$870.00	$870.00	$870.00	$350.00					
	NB	NB	NB	NB					
	NB	NB	NB	NB					
SOLVAY FLUORIDES	NB								
PENCCO INC	NB								

BID TAB

FOR REFERENCE USE ONLY

BID REF #885-66-06 BID OPENING DATE: MAY 2, 2008 FOR: HYDROFLUORISILIC ACID # BIDDERS SOLICITED: 10 BUYER: TONY WOJCIAKOWSKI DEPT: LAKE FILTRATION	SUBMITTAL LITERATURE	DISCOUNT: 2ND TIER	DISCOUNT: JOINT VENTURE	DISCOUNT: WORKFORCE DIVERSITY	DISCOUNT: TARGETED ACQUISITION	DISCOUNT: INCOME TAX INCENTIVE	DISCOUNT: GENERAL TARGET AREA			
YEAR 1										
YEAR 2										
YEAR 3										
	YES									
LCI LTD	YES									
	YES									
ALEXANDER CHEMICAL										
SOLVAY FLUORIDES										
PENCCO INC										

Date: May 13, 2008

To: Honorable Mayor and City Commission

From: Water Filtration Plant

RE: 2008 Water Treatment Chemical Bids

SUMMARY OF REQUEST:

Recommend endorsement of lowest responsible bidder to supply aluminum sulfate for the water filtration plant

FINANCIAL IMPACT:

Annual cost of $74645.00 (based on average annual water pumped to mains).

BUDGET ACTION REQUIRED:

None at this time. These chemicals are budgeted annually. However the cost increase may require a budget adjustment at a later date.

STAFF RECOMMENDATION:

Staff recommends the Mayor and City Commission endorse the low bid received and enter into contract with US Aluminate Co. (USALCO) for aluminum sulfate.

MEMORANDUM

5/1/08

TO: M. AL-SHATEL, DEPUTY DIRECTOR

FROM: R. VENEKLASEN, WATER FILTRATION SUPV.

RE: ANNUAL ALUMINUM SULFATE (ALUM) BID

PURPOSE

Aluminum sulfate, or alum, is the coagulant used at the Water Filtration Plant to remove the material suspended in the raw, Lake Michigan, water being treated. The suspended particles are attracted to the alum molecules, the particles and molecules agglomerate, then settle by gravity.

HISTORY

We have been bidding alum in conjunction with the cities of Holland, Wyoming, Grand Rapids, Grand Haven, and Muskegon Heights. The City of Grand Rapids purchasing department performs the bidding process on behalf of the other municipalities.

Similarly to the recent sodium hypochlorite bid, alum was bid separately from the other chemicals due to various reasons such as advantageous contract extensions.

CONDITIONS

It was anticipated the chemical costs would rise in 2008 due to increased transportation costs and the global market. In the case of Alum, the global market has a high demand for sulfuric acid – an integral component of alum. The result is a cost increase of approximately 75% from last year - $202.08 to $355.45 per ton.

BIDS AND RECOMMENDATION

Attached is the bid tabulation sheet. Please note that only two manufacturers elected to bid with the low bid being our current supplier.

It is my recommendation that the Mayor and City Commission endorse the lowest responsible bidder, US Aluminate Company (USALCO) and enter into a one-year contract to supply aluminum sulfate for the Water Filtration Plant at a cost of $355.45 per ton FOB.

BID TAB

FOR REFERENCE USE ONLY

BID REF #885-77-10 BID OPENING DATE: APRIL 22, 2008 FOR: ALUMINUM SULFATE # BIDDERS SOLICITED: 23 BUYER: TONY WOJCIAKOWSKI DEPT: LAKR FILTRATION	ITEM 1A 830 TONS: LIQUID ALUMINUM SULFATE, CITY OF GR $/TON	ITEM 1B 1170 TONS: LIQUID ALUMINUM SULFATE, WEST MI CO-OP AGENCIES $/TON	ITEM 1C 2000 TONS: LIQUID ALUMINUM SULFATE, CITY OF GR AND WEST MI CO-OP AGENCIES $/TON	ITEM 2 EMERGENCY DELIVERY COSTS, PER OCCURRENCE LUMP SUM			
YEAR 1							
YEAR 2							
YEAR 3							
GENERAL CHEMICAL	$375.00	$375.00	N/A	$375.00			
	N/A	N/A	N/A	N/A			
	N/A	N/A	N/A	N/A			
US ALUMINATE CO (USALCO)	$355.45	$355.45	$355.45	SEE BID $150.00			
	N/A	N/A	N/A	N/A			
	N/A	N/A	N/A	N/A			
CHRYSAN INDUSTRIES	NB						
C & S CHEMICAL	NB						

BID TAB

FOR REFERENCE USE ONLY

BID REF #885-77-10 BID OPENING DATE: APRIL 22, 2008 FOR: ALUMINUM SULFATE # BIDDERS SOLICITED: 23 BUYER: TONY WOJCIAKOWSKI DEPT: LAKR FILTRATION	SUBMITTAL LITERATURE	DISCOUNT: 2ND TIER	DISCOUNT: JOINT VENTURE	DISCOUNT: WORKFORCE DIVERSITY	DISCOUNT: TARGETED ACQUISITION	DISCOUNT: INCOME TAX INCENTIVE	DISCOUNT: GENERAL TARGET AREA
YEAR 1							
YEAR 2							
YEAR 3							
GENERAL CHEMICAL	PARTIAL						
US ALUMINATE CO (USALCO)	YES						
	YES						
CHRYSAN INDUSTRIES							
C & S CHEMICAL							

Date: May 13, 2008

To: Honorable Mayor and City Commissioners

From: City Clerk

RE: Accept Resignations and Make Appointments to Various Boards and Committees

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SUMMARY OF REQUEST: To accept resignations from Brenda Loyd, James Davies and Greg Roberts; and appoint Barbara VanFossen to the District Library Board, Ofelia Jimenez to the Equal Opportunity Committee, and Kevin Woods to the Income Tax Board of Review.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended approval at their May 5th meeting.

Date: May 13, 2008

To: Honorable Mayor and City Commissioners

From: Engineering

RE: Consideration of Bids for:
Roblane, Quarterline to Marlane (H-1636)

SUMMARY OF REQUEST:

Award the Roblane reconstruction contract to Thompson Brothers of 388 McMillan Rd. since they were the lowest responsible bidder with a total bid price of $85,312, see attached bid tabulation.

FINANCIAL IMPACT:

The reconstruction cost of $85,312 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Award the contract to Thompson Brothers

COMMITTEE RECOMMENDATION:

H- 1636 ROBLANE AVE., QUARTERLINE RD. TO MARLANE ST.

BID TABULATION - 04/15/08

		CONTRACTOR	SCHIPPERS EXC., INC.		CL TRUCKING & EXC., LLC		KAMMINGA & ROODVOETS		VADEL STABILIZATION, INC		VAN'S CONTRACTING		LEE'S TRENCHING SVC, INC	
		ADDRESS	9829 LAKE MICHIGAN DR.		256 PARMETER RD.		3435 BROADMOOR AVE., SE		2500 N. OCEANA DR.		41 E. CLEVELAND		1201 76TH ST. SW	
		CITY/ST/ZIP	WEST OLIVE, MI 49460		IONIA, MI 48846		GRAND RAPIDS, MI 49512		HART, MI 49420		COOPERSVILLE, MI 49404		BYRON CENTER, MI 49315	
ITEM OF WORK	UNIT	QTY	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
AGGREGATE BASE, 6 INCH	SYD	1550	$ 4.75	$ 7,362.50	$ 3.80	$ 5,890.00	$ 5.25	$ 8,137.50	$ 6.50	$ 10,075.00	$ 4.85	$ 7,517.50	$ 4.90	$ 7,595.00
CATCH BASIN SPECIAL DETAIL	EACH	4	$ 1,500.00	$ 6,000.00	$ 1,185.00	$ 4,740.00	$ 1,000.00	$ 4,000.00	$ 1,450.00	$ 5,800.00	$ 1,350.00	$ 5,400.00	$ 1,035.00	$ 4,140.00
CURB AND GUTTER, STD, DET 1	FT	1061	$ 9.00	$ 9,549.00	$ 8.75	$ 9,283.75	$ 13.35	$ 14,164.35	$ 15.50	$ 16,445.50	$ 15.00	$ 15,915.00	$ 15.70	$ 16,657.70
DR STRUCTURE COVER, ADJ, CASE 1	EACH	1	$ 575.00	$ 575.00	$ 330.00	$ 330.00	$ 360.00	$ 360.00	$ 550.00	$ 550.00	$ 450.00	$ 450.00	$ 370.00	$ 370.00
DR STRUCTURE COVER, MODIFIED	LB	4600	$ 1.20	$ 5,520.00	$ 1.25	$ 5,750.00	$ 1.50	$ 6,900.00	$ 1.30	$ 5,980.00	$ 1.30	$ 5,980.00	$ 1.25	$ 5,750.00
DRIVEWAY, NONREINF CONC, 6 INCH, MODIFIED	SYD	81	$ 26.00	$ 2,106.00	$ 26.40	$ 2,138.40	$ 30.00	$ 2,430.00	$ 33.50	$ 2,713.50	$ 46.44	$ 3,761.64	$ 39.25	$ 3,179.25
HMA, 3C	TON	140	$ 66.50	$ 9,310.00	$ 63.35	$ 8,869.00	$ 63.35	$ 8,869.00	$ 64.00	$ 8,960.00	$ 81.12	$ 11,356.80	$ 73.50	$ 10,290.00
HMA, 4C	TON	140	$ 72.50	$ 10,150.00	$ 68.98	$ 9,657.20	$ 68.98	$ 9,657.20	$ 69.00	$ 9,660.00	$ 87.12	$ 12,196.80	$ 73.50	$ 10,290.00
HYDROSEEDING	SYD	700	$ 1.00	$ 700.00	$ 0.70	$ 490.00	$ 0.75	$ 525.00	$ 1.00	$ 700.00	$ 1.25	$ 875.00	$ 1.05	$ 735.00
MACHINE GRADING, MODIFIED	STA	5.45	$ 2,500.00	$ 13,625.00	$ 1,055.00	$ 5,749.75	$ 1,200.00	$ 6,540.00	$ 1,250.00	$ 6,812.50	$ 1,750.00	$ 9,537.50	$ 1,400.00	$ 7,630.00
MANHOLE SPECIAL DETAIL	EACH	7	$ 1,400.00	$ 9,800.00	$ 1,495.00	$ 10,465.00	$ 1,600.00	$ 11,200.00	$ 1,450.00	$ 10,150.00	$ 1,550.00	$ 10,850.00	$ 1,160.00	$ 8,120.00
PAVE, REM, MODIFIED	SYD	1347	$ 2.50	$ 3,367.50	$ 4.05	$ 5,455.35	$ 4.00	$ 5,388.00	$ 5.50	$ 7,408.50	$ 4.68	$ 6,303.96	$ 2.75	$ 3,704.25
PLUG, CL C76 V, 15 INCH	EACH	2	$ 150.00	$ 300.00	$ 205.00	$ 410.00	$ 300.00	$ 600.00	$ 150.00	$ 300.00	$ 250.00	$ 500.00	$ 150.00	$ 300.00
SEWER, CL C76 V, 12 INCH	FT	54	$ 24.00	$ 1,296.00	$ 33.00	$ 1,782.00	$ 32.00	$ 1,728.00	$ 31.50	$ 1,701.00	$ 27.74	$ 1,497.96	$ 38.60	$ 2,084.40
SEWER, CL C76 V, 15 INCH	FT	578	$ 26.00	$ 15,028.00	$ 40.00	$ 23,120.00	$ 36.00	$ 20,808.00	$ 33.50	$ 19,363.00	$ 30.56	$ 17,663.68	$ 51.25	$ 29,622.50
SEWER, CL C76, 18 INCH	FT	8	$ 30.00	$ 240.00	$ 83.00	$ 664.00	$ 69.00	$ 552.00	$ 50.00	$ 400.00	$ 62.73	$ 501.84	$ 460.00	$ 3,680.00
SIDEWALK, CONC, 6 INCH	SFT	340	$ 3.00	$ 1,020.00	$ 2.85	$ 969.00	$ 3.40	$ 1,156.00	$ 3.20	$ 1,088.00	$ 5.16	$ 1,754.40	$ 5.35	$ 1,819.00
TOPSOIL SURFACE, FURN, 4 INCH	SYD	700	$ 4.00	$ 2,800.00	$ 2.20	$ 1,540.00	$ 3.00	$ 2,100.00	$ 3.50	$ 2,450.00	$ 5.50	$ 3,850.00	$ 1.85	$ 1,295.00
TRAFFIC CONTROL	LS	1	$ 2,000.00	$ 2,000.00	$ 4,600.00	$ 4,600.00	$ 4,800.00	$ 4,800.00	$ 3,500.00	$ 3,500.00	$ 1,718.00	$ 1,718.00	$ 1,255.00	$ 1,255.00
WATER VALVE BAX AND COVER, COMPLETE	EACH	3	$ 200.00	$ 600.00	$ 210.00	$ 630.00	$ 380.00	$ 1,140.00	$ 350.00	$ 1,050.00	$ 300.00	$ 900.00	$ 375.00	$ 1,125.00
TOTAL				$101,349.00		$102,533.45		$111,055.05		$115,107.00		$118,530.08		$119,642.10

H- 1636 ROBLANE AVE., QUARTERLINE RD. TO MARLANE ST.

BID TABULATION - 04/15/08

		CONTRACTOR ADDRESS CITY/ST/ZIP		THOMPSON BROS, INC. 388 W. MCMILLAN RD. MUSKEGON, MI 49445		ACKSON-MERKEY CONTR, IN 555 E. WESTERN AVE. MUSKEGON, MI 49441		BRENNER EXC, INC. 2841 132ND AVE. HOPKINS, MI 49328		JACK DYKSTRA EXC., INC. 3677 3 MILE RD. NW GRAND RAPIDS, MI 49534		FELCO CONTRACTORS, INC 856 PULASKI AVE. MUSKEGON, MI 49441		MCCORMICK SAND, INC. 5430 RUSSELL RD. TWIN LAKE, MI 49457	
	ITEM OF WORK	UNIT	QTY	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
1	AGGREGATE BASE, 6 INCH	SYD	1550	$4.80	$7,440.00	$5.50	$8,525.00	$4.80	$7,440.00	$6.70	$10,385.00	$4.90	$7,595.00	$ 5.18	$ 8,029.00
2	CATCH BASIN SPECIAL DETAIL	EACH	4	$1,274.00	$5,096.00	$960.00	$3,840.00	$1,260.00	$5,040.00	$1,170.00	$4,680.00	$1,100.00	$4,400.00	$ 1,400.00	$ 5,600.00
3	CURB AND GUTTER, STD, DET 1	FT	1061	$10.50	$11,140.50	$10.35	$10,981.35	$9.75	$10,344.75	$9.05	$9,602.05	$9.15	$9,708.15	$ 8.05	$ 8,541.05
4	DR STRUCTURE COVER, ADJ, CASE 1	EACH	1	$300.00	$300.00	$1,070.00	$1,070.00	$554.00	$554.00	$250.00	$250.00	$300.00	$300.00	$ 500.00	$ 500.00
5	DR STRUCTURE COVER, MODIFIED	LB	4600	$1.25	$5,750.00	$1.80	$8,280.00	$1.60	$7,360.00	$1.20	$5,520.00	$1.05	$4,830.00	$ 1.75	$ 8,050.00
6	DRIVEWAY, NONREINF CONC, 6 INCH, MODIFIED	SYD	81	$24.00	$1,944.00	$25.80	$2,089.80	$28.30	$2,292.30	$24.45	$1,980.45	$30.00	$2,430.00	$ 23.45	$ 1,899.45
7	HMA, 3C	TON	140	$64.00	$8,960.00	$63.35	$8,869.00	$67.00	$9,380.00	$64.00	$8,960.00	$65.00	$9,100.00	$ 63.35	$ 8,869.00
8	HMA, 4C	TON	140	$69.00	$9,660.00	$69.00	$9,660.00	$73.00	$10,220.00	$69.00	$9,660.00	$70.00	$9,800.00	$ 68.98	$ 9,657.20
9	HYDROSEEDING	SYD	700	$1.43	$1,001.00	$0.75	$525.00	$1.00	$700.00	$1.00	$700.00	$3.00	$2,100.00	$ 0.57	$ 399.00
10	MACHINE GRADING, MODIFIED	STA	5.45	$700.00	$3,815.00	$920.00	$5,014.00	$882.00	$4,806.90	$2,000.00	$10,900.00	$1,500.00	$8,175.00	$ 1,142.75	$ 6,227.99
11	MANHOLE SPECIAL DETAIL	EACH	7	$1,428.00	$9,996.00	$1,070.00	$7,490.00	$1,190.00	$8,330.00	$1,020.00	$7,140.00	$1,400.00	$9,800.00	$ 1,693.00	$ 11,851.00
12	PAVE, REM, MODIFIED	SYD	1347	$0.50	$673.50	$3.30	$4,445.10	$3.50	$4,714.50	$4.00	$5,388.00	$2.00	$2,694.00	$ 1.73	$ 2,330.31
13	PLUG, CL C76 V, 15 INCH	EACH	2	$250.00	$500.00	$150.00	$300.00	$118.00	$236.00	$75.00	$150.00	$400.00	$800.00	$ 74.00	$ 148.00
14	SEWER, CL C76 V, 12 INCH	FT	54	$20.00	$1,080.00	$36.60	$1,976.40	$23.00	$1,242.00	$21.25	$1,147.50	$28.00	$1,512.00	$ 22.91	$ 1,237.14
15	SEWER, CL C76 V, 15 INCH	FT	578	$21.50	$12,427.00	$33.50	$19,363.00	$25.00	$14,450.00	$25.75	$14,883.50	$32.00	$18,496.00	$ 31.33	$ 18,108.74
16	SEWER, CL C76, 18 INCH	FT	8	$28.00	$224.00	$42.80	$342.40	$34.00	$272.00	$30.00	$240.00	$50.00	$400.00	$ 60.41	$ 483.28
17	SIDEWALK, CONC, 6 INCH	SFT	340	$3.00	$1,020.00	$2.95	$1,003.00	$3.20	$1,088.00	$2.85	$969.00	$4.00	$1,360.00	$ 2.65	$ 901.00
18	TOPSOIL SURFACE, FURN, 4 INCH	SYD	700	$2.00	$1,400.00	$4.00	$2,800.00	$2.30	$1,610.00	$4.50	$3,150.00	$6.00	$4,200.00	$ 5.13	$ 3,591.00
19	TRAFFIC CONTROL	LS	1	$1,775.00	$1,775.00	$1,310.00	$1,310.00	$8,000.00	$8,000.00	$3,000.00	$3,000.00	$2,000.00	$2,000.00	$ 4,271.00	$ 4,271.00
20	WATER VALVE BAX AND COVER, COMPLETE	EACH	3	$370.00	$1,110.00	$310.00	$930.00	$363.00	$1,089.00	$320.00	$960.00	$200.00	$600.00	$ 208.00	$ 624.00
	TOTAL				$85,312.00		$98,814.05		$99,169.45		$99,665.50		$100,300.15		$101,318.16

Date: May 13, 2008

To: Honorable Mayor and City Commissioners

From: Engineering

RE: Consideration of Bids for:
Hudson, Barney to Wilson (W- 696) &
Ireland, Hudson to Franklin (W-697)

SUMMARY OF REQUEST:

Award the Hudson & Ireland construction contract to Brenner Excavating out of Hopkins since they were the lowest responsible bidder with a total bid price of $194,173.10, see attached bid tabulation. The contract consists of water main & services replacement in Hudson & Ireland as per the referenced limits.

FINANCIAL IMPACT:

The construction cost of $194,173.10 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Award the contract to Brenner Excavating.

COMMITTEE RECOMMENDATION:

HUDSON ST, BARNEY TO WILSON & IRELAND AVE., FRANKLIN ST. TO HUDSON ST.
WATERMAIN IMPROVEMENTS
BID TABULATION - 04/15/08

	CONTRACTOR ADDRESS CITY/ST/ZIP			BRENNER EXCAVATING 2841 132ND AVE. HOPKINS, MI 49328		FELCO CONTRACTORS, INC 656 PULASKI AVE. MUSKEGON, MI 49441		SCHIPPERS EXCAVATING 9829 LAKE MICHIGAN DR WEST OLIVE, MI 49460		ACKSON-MERKEY CONTR, IN 555 E. WESTERN AVE. MUSKEGON, MI 49441		MCCORMICK SAND, INC. 5430 RUSSELL RD. TWIN LAKE, MI 49457	
	ITEM OF WORK	UNIT	QTY	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
1	BENDS D.C.I. 8" 45° M.J.	EACH	12	$ 250.00	$ 3,000.00	$ 180.00	$ 2,160.00	$ 300.00	$ 3,600.00	$ 315.00	$ 3,780.00	$ 337.00	$ 4,044.00
2	CONCRETE SIDEWALK 4"	SQ.FT.	50	$ 2.60	$ 130.00	$ 5.00	$ 250.00	$ 2.25	$ 112.50	$ 3.65	$ 182.50	$ 3.50	$ 175.00
3	CORP. STOP 1" MUELLER #15000 OR EQUAL	EACH	41	$ 169.00	$ 6,929.00	$ 175.00	$ 7,175.00	$ 200.00	$ 8,200.00	$ 136.00	$ 5,576.00	$ 260.00	$ 10,660.00
4	CURB STOP 1" MUELLER #15150 OR EQUAL	EACH	6	$ 228.00	$ 1,368.00	$ 175.00	$ 1,050.00	$ 150.00	$ 900.00	$ 205.00	$ 1,230.00	$ 358.00	$ 2,148.00
5	DETECTABLE WARNING ADA STAMP	SQ.FT.	40	$ 35.00	$ 1,400.00	$ 40.00	$ 1,600.00	$ 35.00	$ 1,400.00	$ 34.65	$ 1,386.00	$ 35.00	$ 1,400.00
6	EROSION CONTROL, INLET PROTECTION, FABRIC DROP	EACH	16	$ 117.00	$ 1,872.00	$ 500.00	$ 8,000.00	$ 100.00	$ 1,600.00	$ 105.00	$ 1,680.00	$ 47.00	$ 752.00
7	HYDRANT STD.	EACH	5	$ 2,152.00	$ 10,760.00	$ 1,800.00	$ 9,000.00	$ 1,750.00	$ 8,750.00	$ 1,750.00	$ 8,750.00	$ 1,766.00	$ 8,830.00
8	REDUCERS 8" TO 6" D.C.I. M.J.	EACH	3	$ 211.00	$ 633.00	$ 150.00	$ 450.00	$ 250.00	$ 750.00	$ 270.00	$ 810.00	$ 298.00	$ 894.00
9	REMOVE CONC. CURB	LIN. FT.	7	$ 10.50	$ 73.50	$ 20.00	$ 140.00	$ 10.00	$ 70.00	$ 32.00	$ 224.00	$ 20.00	$ 140.00
10	REMOVE CONC. SIDEWALK	SQ.FT.	32	$ 3.75	$ 120.00	$ 4.00	$ 128.00	$ 1.00	$ 32.00	$ 3.25	$ 104.00	$ 2.00	$ 64.00
11	SAND REFILL	CU.YD.	2777	$ 5.00	$ 13,885.00	$ 6.00	$ 16,662.00	$ 7.50	$ 20,827.50	$ 9.20	$ 25,548.40	$ 10.30	$ 28,603.10
12	SLEEVES LONG 6" D.C.I. M.J.	EACH	3	$ 182.00	$ 546.00	$ 200.00	$ 600.00	$ 250.00	$ 750.00	$ 260.00	$ 780.00	$ 561.00	$ 1,683.00
13	SLEEVES LONG 8" D.C.I. M.J.	EACH	4	$ 253.00	$ 1,012.00	$ 200.00	$ 800.00	$ 275.00	$ 1,100.00	$ 345.00	$ 1,380.00	$ 420.00	$ 1,680.00
14	TAP EXISTING MANHOLE STRUCTURE	EACH	3	$ 104.00	$ 312.00	$ 200.00	$ 600.00	$ 400.00	$ 1,200.00	$ 245.00	$ 735.00	$ 75.00	$ 225.00
15	TEE D.C.I. 8" x 8" x 6" M.J.	EACH	5	$ 349.00	$ 1,745.00	$ 400.00	$ 2,000.00	$ 350.00	$ 1,750.00	$ 430.00	$ 2,150.00	$ 486.00	$ 2,430.00
16	TRAFFIC CONTROL	LUMP	1	$ 20,400.00	$ 20,400.00	$ 3,000.00	$ 3,000.00	$ 6,000.00	$ 6,000.00	$ 3,000.00	$ 3,000.00	$ 5,305.00	$ 5,305.00
17	TRENCH REPAIR LOCAL STREET TYPE III	LIN. FT.	1816	$ 25.00	$ 45,400.00	$ 24.84	$ 45,109.44	$ 24.50	$ 44,492.00	$ 31.00	$ 56,296.00	$ 23.50	$ 42,676.00
18	TRENCH REPAIR SPECIAL	LIN. FT.	154	$ 33.00	$ 5,082.00	$ 40.00	$ 6,160.00	$ 30.00	$ 4,620.00	$ 64.00	$ 9,856.00	$ 18.07	$ 2,782.78
19	UNDERDRAIN 6" PIPE	LIN. FT.	1774	$ 4.50	$ 7,983.00	$ 11.00	$ 19,514.00	$ 3.50	$ 6,209.00	$ 1.25	$ 2,217.50	$ 1.98	$ 3,512.52
20	VALVE 6" GATE M.J. W/BOX	EACH	5	$ 775.00	$ 3,875.00	$ 700.00	$ 3,500.00	$ 550.00	$ 2,750.00	$ 670.00	$ 3,350.00	$ 814.00	$ 4,070.00
21	VALVE 8" GATE M.J. W/BOX	EACH	3	$ 1,136.00	$ 3,408.00	$ 800.00	$ 2,400.00	$ 750.00	$ 2,250.00	$ 815.00	$ 2,445.00	$ 1,035.00	$ 3,105.00
22	WATER SERVICE 1" TYPE "K" COPPER	LIN. FT.	418	$ 11.70	$ 4,890.60	$ 19.00	$ 7,942.00	$ 18.00	$ 7,524.00	$ 18.10	$ 7,565.80	$ 14.00	$ 5,852.00
23	WATERMAIN 6" D.C.I. CL. 52	LIN. FT.	82	$ 27.00	$ 2,214.00	$ 42.00	$ 3,444.00	$ 37.00	$ 3,034.00	$ 40.40	$ 3,312.80	$ 34.00	$ 2,788.00
24	WATERMAIN 8" D.C.I. CL. 52	LIN. FT.	1758	$ 32.50	$ 57,135.00	$ 31.00	$ 54,498.00	$ 41.00	$ 72,078.00	$ 34.65	$ 60,914.70	$ 39.63	$ 69,669.54
	TOTAL				$ 194,173.10		$ 196,182.44		$ 199,999.00		$ 203,273.70		$ 203,488.94

	CONTRACTOR ADDRESS CITY/ST/ZIP			LEE'S TRENCHING SVC 1201 76TH ST. SW BYRON CENTER, MI 49315		JACK DYKSTRA EXC 3677 3 MILE RD. NW GRAND RAPIDS, MI 49534		KAMMINGA & ROODVOETS 3435 BROADMOOR AVE. SE GRAND RAPIDS, MI 49512		CL TRUCKING & EXC 256 E PARMENTER RD. IONIA, MI 48846		WADEL STABILIZATION, INC 2500 N. OCEANA DR. HART, MI 49420	
	ITEM OF WORK	UNIT	QTY	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
1	BENDS D.C.I. 8" 45° M.J.	EACH	12	$ 390.00	$ 4,680.00	$ 215.00	$ 2,580.00	$ 280.00	$ 3,360.00	$ 285.00	$ 3,420.00	$ 275.00	$ 3,300.00
2	CONCRETE SIDEWALK 4"	SQ.FT.	50	$ 10.20	$ 510.00	$ 3.05	$ 152.50	$ 3.25	$ 162.50	$ 4.00	$ 200.00	$ 5.00	$ 250.00
3	CORP. STOP 1" MUELLER #15000 OR EQUAL	EACH	41	$ 280.00	$ 11,480.00	$ 130.00	$ 5,330.00	$ 225.00	$ 9,225.00	$ 375.00	$ 15,375.00	$ 450.00	$ 18,450.00
4	CURB STOP 1" MUELLER #15150 OR EQUAL	EACH	6	$ 340.00	$ 2,040.00	$ 185.00	$ 1,110.00	$ 280.00	$ 1,680.00	$ 150.00	$ 900.00	$ 300.00	$ 1,800.00
5	DETECTABLE WARNING ADA STAMP	SQ.FT.	40	$ 48.30	$ 1,932.00	$ 35.00	$ 1,400.00	$ 25.00	$ 1,000.00	$ 36.00	$ 1,440.00	$ 43.00	$ 1,720.00
6	EROSION CONTROL, INLET PROTECTION, FABRIC DROP	EACH	16	$ 75.00	$ 1,200.00	$ 120.00	$ 1,920.00	$ 100.00	$ 1,600.00	$ 80.00	$ 1,280.00	$ 120.00	$ 1,920.00
7	HYDRANT STD.	EACH	5	$ 1,815.00	$ 9,075.00	$ 1,595.00	$ 7,975.00	$ 1,550.00	$ 7,750.00	$ 1,650.00	$ 8,250.00	$ 1,925.00	$ 9,625.00
8	REDUCERS 8" TO 6" D.C.I. M.J.	EACH	3	$ 310.00	$ 930.00	$ 185.00	$ 555.00	$ 245.00	$ 735.00	$ 245.00	$ 735.00	$ 240.00	$ 720.00
9	REMOVE CONC. CURB	LIN. FT.	7	$ 10.00	$ 70.00	$ 25.00	$ 175.00	$ 20.00	$ 140.00	$ 15.00	$ 105.00	$ 50.00	$ 350.00
10	REMOVE CONC. SIDEWALK	SQ.FT.	32	$ 2.00	$ 64.00	$ 10.00	$ 320.00	$ 7.00	$ 224.00	$ 1.50	$ 48.00	$ 10.00	$ 320.00
11	SAND REFILL	CU.YD.	2777	$ 9.45	$ 26,242.65	$ 6.50	$ 18,050.50	$ 7.00	$ 19,439.00	$ 8.40	$ 23,326.80	$ 8.25	$ 22,910.25
12	SLEEVES LONG 6" D.C.I. M.J.	EACH	3	$ 435.00	$ 1,305.00	$ 430.00	$ 1,290.00	$ 1,185.00	$ 3,555.00	$ 1,100.00	$ 3,300.00	$ 1,200.00	$ 3,600.00
13	SLEEVES LONG 8" D.C.I. M.J.	EACH	4	$ 530.00	$ 2,120.00	$ 495.00	$ 1,980.00	$ 1,270.00	$ 5,080.00	$ 1,200.00	$ 4,800.00	$ 1,200.00	$ 4,800.00
14	TAP EXISTING MANHOLE STRUCTURE	EACH	3	$ 250.00	$ 750.00	$ 150.00	$ 450.00	$ 400.00	$ 1,200.00	$ 135.00	$ 405.00	$ 450.00	$ 1,350.00
15	TEE D.C.I. 8" x 8" x 6" M.J.	EACH	5	$ 460.00	$ 2,300.00	$ 290.00	$ 1,450.00	$ 400.00	$ 2,000.00	$ 400.00	$ 2,000.00	$ 390.00	$ 1,950.00
16	TRAFFIC CONTROL	LUMP	1	$ 3,010.00	$ 3,010.00	$ 6,000.00	$ 6,000.00	$ 10,250.00	$ 10,250.00	$ 16,827.00	$ 16,827.00	$ 6,500.00	$ 6,500.00
17	TRENCH REPAIR LOCAL STREET TYPE III	LIN. FT.	1816	$ 21.75	$ 39,498.00	$ 31.00	$ 56,296.00	$ 28.00	$ 50,848.00	$ 30.00	$ 54,480.00	$ 35.40	$ 64,286.40
18	TRENCH REPAIR SPECIAL	LIN. FT.	154	$ 35.00	$ 5,390.00	$ 64.00	$ 9,856.00	$ 23.00	$ 3,542.00	$ 36.85	$ 5,674.90	$ 27.50	$ 4,235.00
19	UNDERDRAIN 6" PIPE	LIN. FT.	1774	$ 6.05	$ 10,732.70	$ 3.00	$ 5,322.00	$ 4.00	$ 7,096.00	$ 3.75	$ 6,652.50	$ 7.25	$ 12,861.50
20	VALVE 6" GATE M.J. W/BOX	EACH	5	$ 705.00	$ 3,525.00	$ 630.00	$ 3,150.00	$ 540.00	$ 2,700.00	$ 600.00	$ 3,000.00	$ 925.00	$ 4,625.00
21	VALVE 8" GATE M.J. W/BOX	EACH	3	$ 930.00	$ 2,790.00	$ 840.00	$ 2,520.00	$ 705.00	$ 2,115.00	$ 760.00	$ 2,280.00	$ 1,050.00	$ 3,150.00
22	WATER SERVICE 1" TYPE "K" COPPER	LIN. FT.	418	$ 19.10	$ 7,983.80	$ 40.80	$ 17,054.40	$ 28.00	$ 11,704.00	$ 15.00	$ 6,270.00	$ 14.00	$ 5,852.00
23	WATERMAIN 6" D.C.I. CL. 52	LIN. FT.	82	$ 27.40	$ 2,246.80	$ 47.50	$ 3,895.00	$ 44.00	$ 3,608.00	$ 34.00	$ 2,788.00	$ 40.00	$ 3,280.00
24	WATERMAIN 8" D.C.I. CL. 52	LIN. FT.	1758	$ 38.05	$ 66,891.90	$ 40.90	$ 71,902.20	$ 46.00	$ 80,868.00	$ 38.00	$ 66,804.00	$ 34.50	$ 60,651.00
	TOTAL				$ 206,766.85		$ 220,733.60		$ 229,881.50		$ 230,361.20		$ 238,506.15

Date: May 13, 2008

To: Honorable Mayor and City Commissioners

From: Engineering

RE: Conveyance of Easement to MDEQ

SUMMARY OF REQUEST:

Convey an easement to MDEQ for the wetland area north of Shoreline Dr. east & west of the Ryerson Creek south of the rail road tracks as was required by the permit which was issued for the construction of Shoreline Drive. Also, authorize the Mayor to sign the easement documents.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

Authorize the Mayor to sign the easement documents.

COMMITTEE RECOMMENDATION:

Received & Sealed For Record
MARK F. FAIRCHILD REGISTER OF DEEDS
Muskegon County Michigan
03/30/2009 11:50A LIBER 3806 PAGE 155

5307261
L-3806 P-155
03/30/2009 11:50A
Mark Fairchild, Muskegon Co ROD 034
Page: 1 of 10

AGREEMENT FOR CONSERVATION EASEMENT

(This instrument is exempt from County and State transfer taxes pursuant to MCL 207.505(a) and MCL 207.526(a), respectively)

This CONSERVATION EASEMENT is created May 19, 2008, by and between

the City of Muskegon, municipality whose address

is **933 Terrace Street, Muskegon, Michigan 49440** (Grantor) and the Michigan Department of Environmental Quality (MDEQ), whose address is, Constitution Hall, 1st Floor South, P.O. Box 30458, Lansing, Michigan 48909-7958; or 525 West Allegan Street, Lansing, Michigan 48933 (Grantee);

The Grantor is the fee simple title holder of real property located in the City of

Muskegon, Muskegon County, and State of Michigan, legally described in Exhibit A.

MDEQ is the agency charged with administering Part 303, Wetlands Protection, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), and

Permittee/Grantor has applied for a Permit (MDEQ File Number 01-61-0045-P) pursuant to Part 303 to authorize activities that will impact regulated wetland. The MDEQ evaluated the permit application and determined that a permit could be authorized for certain activities within regulated wetlands provided certain conditions are met, and

Permittee/Grantor has agreed to grant the MDEQ a Conservation Easement that protects the wetland mitigation site and/or the remaining wetlands on the property and restricts further development to the area legally described in Exhibit B. The Conservation Easement (the Easement Premises) consists of approximately 0.307 acres. A survey map depicting the easement premises is attached as Exhibit C. The MDEQ shall record this Agreement with the county register of deeds.

ACCORDINGLY, Grantor conveys this Conservation Easement to Grantee pursuant to Subpart 11 of Part 21, Conservation and Historic Preservation Easement, of the NREPA, MCL 324.2140 et seq., on the terms and conditions stated below.

1. The purpose of this Agreement is to protect the functions and values of existing or established wetlands and its natural resource values on the Easement Premises consistent with the Permit and the protection of the benefits to the public derived from wetlands and integral habitat, by requiring Grantor to maintain the Easement Premises in its natural and undeveloped condition.

2. Except as authorized under MDEQ Permit Number 01-61-0045-P issued on 2 / 27/2002 or as otherwise provided in this Agreement, Grantor shall refrain from, and prevent any other person from altering or developing the Easement Premises in any way. This includes, but is not limited to:

a) Alteration of the topography;
b) Creation of paths, trails, or roads;
c) The placement of fill material as defined in Part 303 of the NREPA, MCL 324.30301 et seq., as amended;
d) Dredging, removal, or excavation of any soil or minerals;
e) Drainage of surface or groundwater;
f) Construction or placement of any structure;
g) Plowing, tilling, or cultivating the soils or vegetation;
h) Alteration or removal of vegetation, including the planting of non-native species;
i) Ranching
j) Construction of unauthorized utility or petroleum lines;
k) Storage or disposal of garbage, trash, debris, abandoned equipment or accumulation of machinery, or other waste materials, including accumulated vegetative debris such as grass clippings, leaves, yard waste, or other material collected and deposited from areas outside the Easement Premises;
l) Use or storage of off-road vehicles including, but not limited to, snowmobiles, dune buggies, all-terrain vehicles, and motorcycles;
m) Placement of billboards or signage, except as otherwise allowed in the Permit or this Agreement;
n) Use of the wetland for the dumping of untreated stormwater at a volume that adversely impacts the hydrology of the wetland.

3. Cutting down, destroying, or otherwise altering or removing trees, tree limbs, shrubs, or other vegetation, whether living or dead, is prohibited within the Easement Premises, except with the written permission of Grantee, expressly for the removal of trees or limbs to eliminate danger to health and safety; to reduce a threat of infestation posed by diseased vegetation; or to control invasive non-native plant species that endanger the health of native species.

4. Grantor is not required to restore the Easement Premises due to alterations resulting from causes beyond the owner's control, including, but not limited to, unauthorized actions by third parties that were not reasonably foreseeable; or natural disasters such as unintentional fires, floods, storms, or natural earth movement.

5. Grantor may perform activities within the Easement Premises consistent with the Permit or the mitigation requirements. Grantor shall provide 5 days notice of undertaking any mitigation activity even if the mitigation project has been conceptually approved. Any activities undertaken pursuant to the Permit, a mitigation project, or this Agreement, shall be performed in a manner to minimize the adverse impacts to existing wetland or mitigation areas.

6. Grantor warrants that Grantor has good and sufficient title to the Easement Premises described in Exhibit B.

7. Grantor warrants that any other existing interests or encumbrances in the Easement Premises have been disclosed to the MDEQ.

8. Grantor warrants that to the best of Grantor's knowledge no hazardous substances or hazardous or toxic wastes have been generated, treated, stored, used, disposed of, or deposited in or on the property.

9. This Agreement does not grant or convey to Grantee or members of the general public any right to possession or use of the Easement Premises.

10. Grantor shall continue to have all rights and responsibilities as owner of the property subject to this Agreement. Grantor shall continue to be solely responsible for the upkeep and maintenance of the Easement Premises, to the extent it may be required by law.

11. Grantee and its authorized employees and agents may enter the Easement Premises upon reasonable notice to Grantor to determine whether the Easement Premises are being maintained in compliance with the terms of this Agreement, mitigation, or other conditions of the Permit; and for the purpose of taking corrective actions for failure to comply. If Grantee is entering the easement premises for purposes of

taking corrective actions, Grantor shall be provided with 14 days notice to provide the opportunity to cure the failure to comply.

12. This Agreement shall be binding upon the successors and assigns of the parties and shall run with the land in perpetuity unless modified or terminated by written agreement of the parties.

13. This Agreement may be modified only in writing through amendment of the Agreement. Any modification shall be consistent with the purpose and intent of the Agreement.

14. This Agreement may be enforced by either an action at law or in equity and shall be enforceable against any person claiming an interest in the Easement Premises despite a lack of privity of estate or contract.

15. Grantor shall indicate the existence of this Agreement on all future deeds, mortgages, land contracts, plats, and any other legal instrument used to convey an interest in the Easement Premises.

16. A delay in enforcement shall not be construed as a waiver of the Grantee's rights to enforce the conditions of this Agreement.

17. This Agreement shall be liberally construed in favor of maintaining the purpose of the Conservation Easement.

18. If any portion of this Agreement is determined to be invalid by a court of law, the remaining provisions will remain in force.

19. This Agreement will be construed in accordance with Michigan law.

20. In addition to the terms of the Permit issued by Grantee, this document sets forth the entire agreement of the parties. It is intended to supercede all prior discussions or understandings.

21. Within 90 days after this Agreement is executed, Grantor shall place and maintain at Grantor's expense, signs, fences, or other suitable markings along the Easement Premises to clearly demarcate the boundary of the Easement Premises.

LIST OF ATTACHED EXHIBITS

Exhibit A: A legal description of the Grantor's property, inclusive of the Easement Premises.

Exhibit B: A legal description of the Easement Premises.

Exhibit C: A survey map depicting the Easement Premises that also includes identifiable landmarks such as nearby roads to clearly identify the easement site.

Exhibit D: A legal description that provides a path of legal access to the Easement Premises and a map that indicates this access site that MDEQ staff will use for ingress and egress to and from the Easement Premises; or if the Easement is directly connected to a publicly accessible point, such as a public road, a statement is required that authorizes MDEQ staff ingress and egress to and from the Easement Premises with a map that clearly indicates the connection of the public access site to the Easement Premises.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written. In signing this Agreement, the Signatory warrants that he or she has the authority to convey the Conservation Easement on behalf of the Grantor.

GRANTOR:

Signature: ______________________

Stephen J. Warmington, ~~Mayor~~ for the City of Muskegon

STATE OF MICHIGAN }
} ss
COUNTY OF Muskegon }

IF SIGNING ON BEHALF OF AN ORGANIZATION, THIS MUST BE COMPLETED:

The foregoing instrument was acknowledged before me this 19 day of May, 2008

by **Stephen J. Warmington, the City Mayor**

of **the City of Muskegon, a Municipality in the state of Michigan.**

Linda Potter
(Signature of Notary Public)

Linda Potter
(Typed or Printed name of Notary Public)

Acting in: Muskegon County, Michigan

My Commission Expires: 9-25-2012

Commission is in Muskegon County

(OR) IF SIGNING AS AN INDIVIDUAL OR MARRIED PERSON, THIS MUST BE COMPLETED:

The foregoing instrument was acknowledged before me this _____ day of ______________, 20__

by ____, (name[s]) ___________________ (marital status).

____
(Signature of Notary Public)

____
(Typed or Printed name of Notary Public)

Acting in: ____________________________ County, Michigan

My Commission Expires: ____________________________

GRANTEE:

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LAND AND WATER MANAGEMENT DIVISION

Elizabeth M Browne
Elizabeth M. Browne, Acting Division Chief

STATE OF MICHIGAN}
} ss
COUNTY OF INGHAM}

The foregoing instrument was acknowledged before me this 11th day of March, 2009 by Elizabeth M. Browne, Acting Division Chief, Land and Water Management Division, State of Michigan, on behalf of the Michigan Department of Environmental Quality.

Lynda Kay Jones
(Signature of Notary Public)

Lynda Kay Jones
(Typed or Printed name of Notary Public)

Acting in: Ingham County, Michigan

My Commission Expires: 10/01/2013

LYNDA KAY JONES
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF CLINTON
My Commission Expires Oct. 1, 2013
Acting in the County of Ingham

Form Drafted By:
The Honorable Mike Cox, Attorney General
Department of Attorney General
Environment, Natural Resources, and
Agriculture Division
P.O. Box 30755
Lansing, Michigan 48909

AFTER RECORDING, RETURN TO:

Michigan Department of Environmental Quality
Land and Water Management Division
Constitution Hall, 1st Floor South
P.O. Box 30458
Lansing, Michigan 48909-7958

RET

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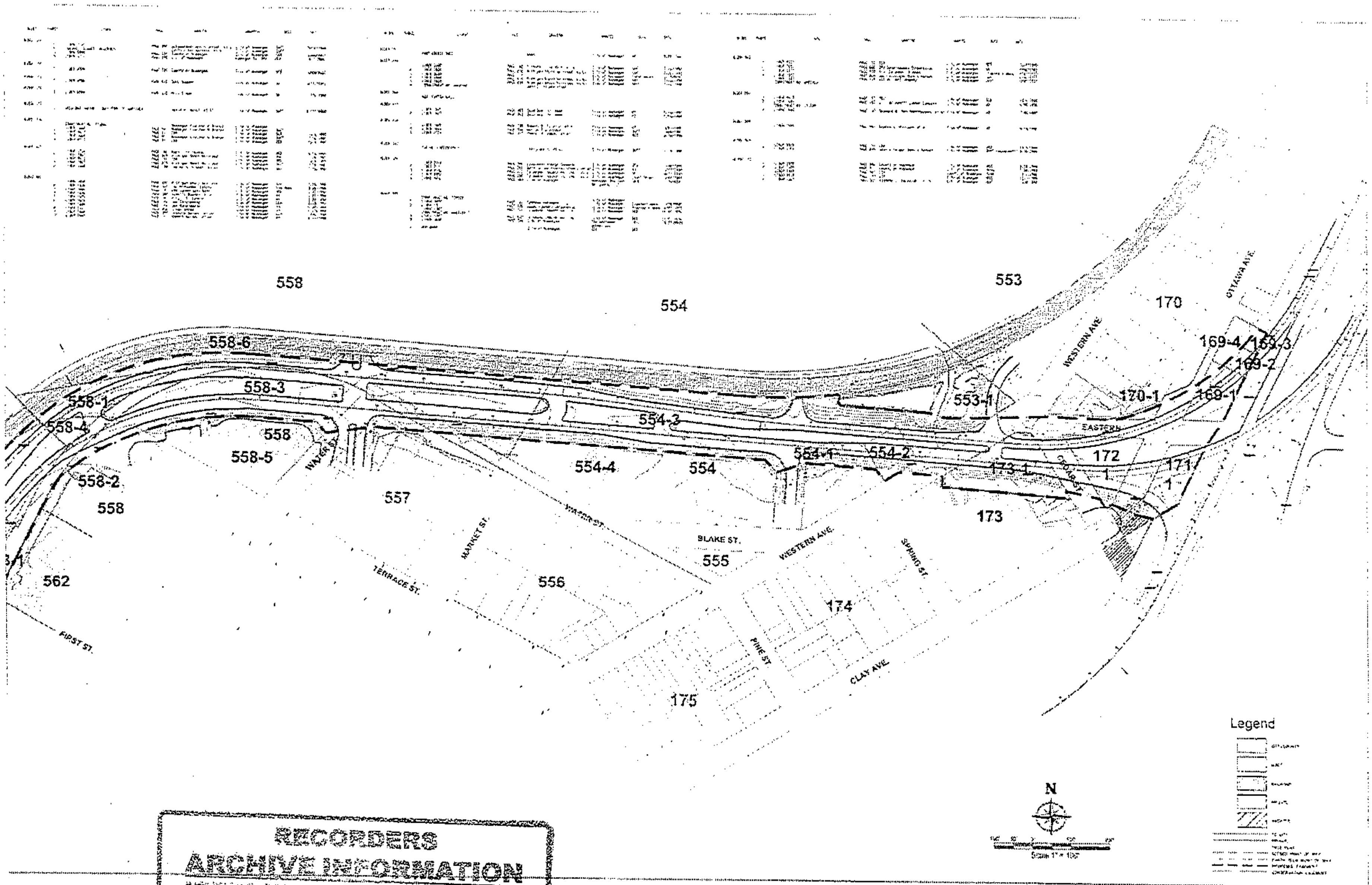
Mark Fairchild, Muskegon Co ROD 034
03/30/2009 11:50A
Page: 5 of 10

EXHIBIT A



558
554
553
170
OTTAWA AVE.
WESTERN AVE
169-4
169-3
169-2
170-1
169-1
558-6
558-3
558-1
558-4
558
558-5
553-1
554-3
EASTERN
172
171
554-1
554-2
173-1
554-4
554
558-2
558
557
173
BLAKE ST.
555
WESTERN AVE.
SPRING ST.
MARKET ST.
WATER ST.
562
TERRACE ST.
556
174
FIRST ST.
PINE ST.
CLAY AVE.
175
Legend
N

EXHIBIT B

Easement #1

Conservation Easement - West of Ryerson Creek

An easement for conservation purposes located in Block 554 of the Revised Plat of 1903 of the City of Muskegon (recorded in Liber 3 of Plats, Page 71),City of Muskegon, Muskegon County, State of Michigan described as follows

Commencing at the most Southerly corner of Block 556;
thence North 58^27'32" East 417.80 feet along the Northwesterly line of Western Avenue;
thence North 58^23'09" East 698.10 feet along the Northwesterly line of Western Avenue;
thence North 04^17'03" East 79.03 feet to point "A" of the Shoreline Drive easement;
said point "A" also being located as follows:
Commence at the Southwest Corner of Section 30, Town 10 North, Range 16 West;
thence South 88^05'48" East 827.55 feet along the South line of said Section;
thence North 02^17'47" East 2509.76 feet along the construction centerline of U.S. 31-BR (Seaway Drive);
thence North 40^30'01" East 6393.80 feet to the point called "A";
thence North 72^28'00" West 37.40 feet to the POINT OF BEGINNING of the conservation easement;

thence North 85^53'00" West 227.28 feet along the Shoreline Drive easement;

thence North 39^55'00" West 11.80 feet along the Shoreline Drive easement;

thence North 28^55'00" East 10.60 feet along the Shoreline Drive easement;

thence North 83^25'00" East 41.60 feet;

thence North 87^43'00" East 42.20 feet;

thence North 78^02'00" East 121.09 feet;

thence North 81^07'00" East 31.80 feet;

thence North 71^02'00" East 29.80 feet;

thence South 05^20'00" East 7.30 feet along the Westerly bank of Ryerson Creek;

thence South 25^17'00" West 47.50 feet along the Westerly bank of Ryerson Creek;

thence South 22^41'56" West 33.15 feet along the Westerly bank of Ryerson Creek to the POINT OF BEGINNING.

Note: all distances are grid distances.
grid distance divided by 0.99992 = ground distance. (0.249A)

Easement #2

Conservation Easement - East of Ryerson Creek

An easement for conservation purposes located in Block 553 of the Revised Plat of 1903 of the City of Muskegon (recorded in Liber 3 of Plats, Page 71), City of Muskegon, Muskegon County, State of Michigan, described as follows:
Commencing at the most Southerly corner of Block 556;
thence North 58^27'32" East 417.80 feet along the Northwesterly line of Western Avenue;
thence North 58^23'09" East 698.10 feet along the Northwesterly line of Western Avenue;
thence North 04^17'03" East 79.03 feet to point "A" of the Shoreline Drive easement;
said point "A" also being located as follows:
Commence at the Southwest Corner of Section 30, Town 10 North, Range 16 West;
thence South 88^05'48" East 827.55 feet along the South line of said Section;
thence North 02^17'47" East 2509.76 feet along the construction centerline of U.S. 31-BR (Seaway Drive);
thence North 40^30'01" East 6393.80 feet to the point called "A";
thence North 18^25'25" East 82.71 feet to the POINT OF BEGINNING of the conservation easement;

thence North 17^02'34" East 25.14 feet along the Easterly bank of Ryerson Creek;

thence North 62^47'00" East 72.39 feet;

thence South 87^07'00" East 8.70 feet;

thence South 15^57'00" East 3.30 feet;

thence South 49^32'00" West 15.00 feet;

thence South 15^41'00" West 21.80 feet;

thence North 81^31'00" West 16.40 feet;

thence South 47^55'00" West 23.00 feet;

thence South 84^39'00" East 24.00 feet;

thence South 05^50'00" East 19.20 feet;

thence South 85^54'00" West 23.60 feet;

thence North 68^14'00" West 35.60 feet to the POINT OF BEGINNING.

Note: all distances are grid distances.
grid distance divided by 0.99992 = ground distance. (0.058 A)

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Mark Fairchild, Muskegon Co ROD 034
Page: 8 of 10

EXHIBIT C

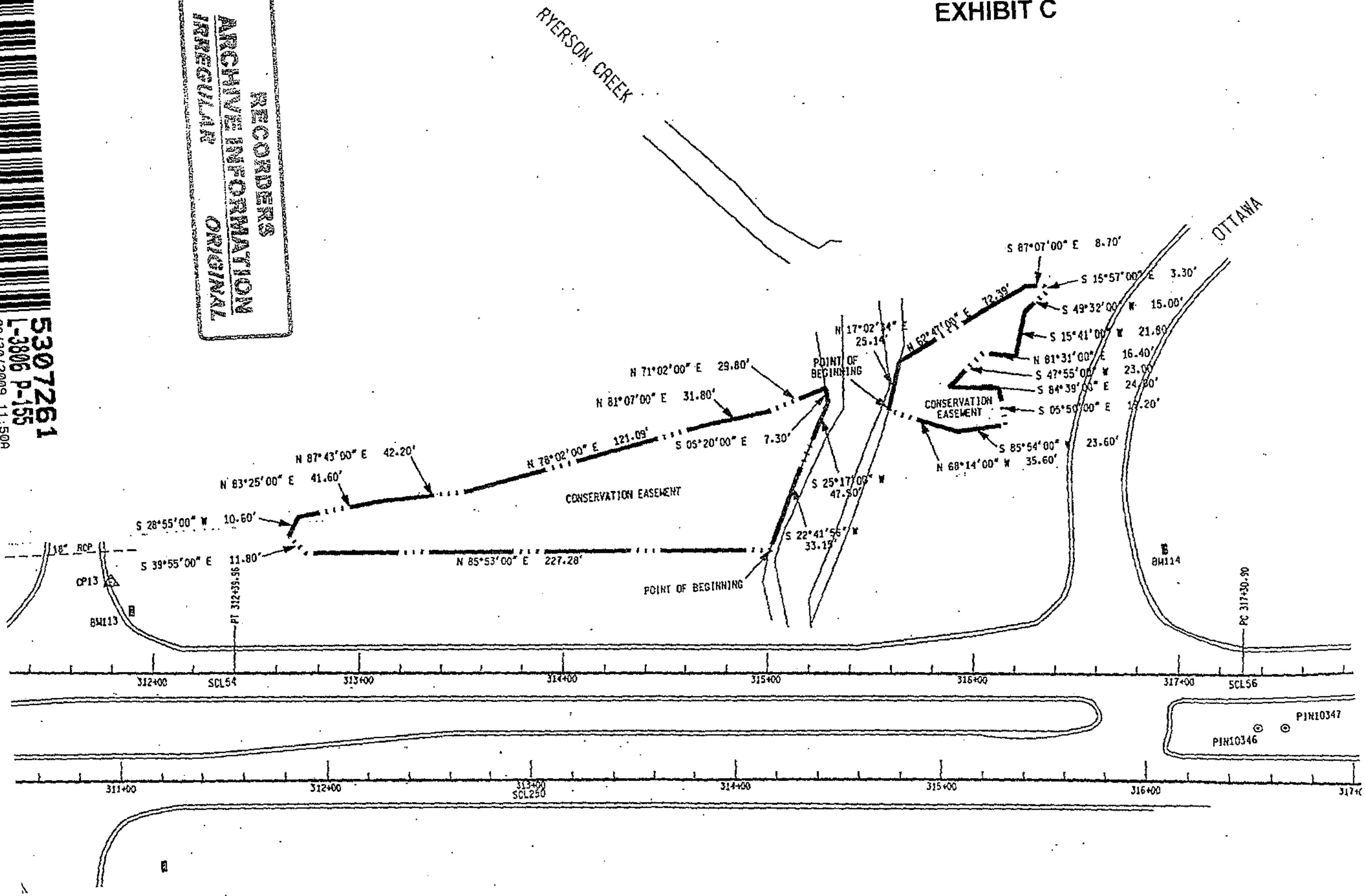

RYERSON CREEK
OTTAWA
S 87°07'00" E 8.70'
S 15°57'00" E 3.30'
S 49°32'00" W 15.00'
S 15°41'00" W 21.80'
N 81°31'00" E 16.40'
S 47°55'00" W 23.00'
S 84°39'00" E 24.80'
S 05°50'00" E 12.20'
S 85°54'00" W 23.60'
N 68°14'00" W 35.60'
CONSERVATION EASEMENT
N 62°47'00" E 72.39'
N 17°02'34" E 25.14'
POINT OF BEGINNING
N 71°02'00" E 29.80'
N 81°07'00" E 31.80'
S 05°20'00" E 7.30'
N 78°02'00" E 121.09'
N 87°43'00" E 42.20'
N 83°25'00" E 41.60'
S 28°55'00" W 10.60'
S 39°55'00" E 11.80'
CONSERVATION EASEMENT
S 25°17'00" W 47.50'
S 22°41'56" W 33.15'
N 85°53'00" E 227.28'
POINT OF BEGINNING
18" RCP
CP13
BM113
PT 312+59.56
BM114
PC 317+30.90
312+00
SCL54
313+00
314+00
315+00
316+00
317+00
SCL56
PIN10347
PIN10346
311+00
312+00
313+00
SCL250
314+00
315+00
316+00
317+00

Exhibit D (Access)

The easement can be accessed through Shoreline Dr. which is a public road that is adjacent to the easement. MDEQ staff can use said road to gain access to this easement.

Commission Meeting Date: May 13, 2008

Date:	**May 1, 2008**
To:	**Honorable Mayor & City Commission**
From:	**Planning & Economic Development Department**
RE:	**Public Hearing for Amendments to Brownfield Plan - Betten Auto Dealerships Project**

SUMMARY OF REQUEST: To hold a public hearing and approve the attached resolution approving and adopting amendments for the Brownfield Plan. The amendments are for the inclusion of the Betten Auto Dealerships project in the Brownfield Plan.

FINANCIAL IMPACT: Brownfield Tax Increment Financing would be used to reimburse the developer and the City for Act 381 "eligible expenses" incurred in association with development of the Betten properties, starting in 2008. The developers/owners estimate that full development of the Betten properties will involve over $13 million in private investment (in addition to property acquisition), resulting in a substantial increase in the city income, and local and school property taxes generated by the property.

"Eligible expenses" of over $3 million would be reimbursed The estimated tax capture schedule is included as Attachment S-3 in the proposed Brownfield Plan Amendment. The City is also authorized by law to capture up to $75,000/year to pay for "reasonable and actual administrative and operating costs" of the Brownfield Redevelopment Authority. As such, $10,000/year of the local tax increment will be captured to reimburse the Brownfield Authority for its administrative costs, for the duration of the Brownfield Plan.

After all eligible costs incurred by the parties are reimbursed, the BRA is authorized to continue to capture local taxes for five more years for deposit into a Local Site Remediation Revolving Fund. Current tax capture estimates indicate that approximately $1,048,000 could be captured from the taxes on the Betten properties for deposit into this local fund.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To hold the public hearing and approve the attached resolution and authorize the Mayor and Clerk to sign the resolution.

COMMITTEE RECOMMENDATION: The Muskegon City Commission set the public hearing for May 13, 2008 at their April 22, 2008 meeting. Since that time, a notice of the public hearing has been sent to the taxing jurisdictions, MDEQ, and MEGA of the proposed amendment and its financial impact on each jurisdiction, and has been published twice in the Muskegon Chronicle. In addition, the Brownfield Redevelopment Authority approved the Plan amendment on April 1, 2008 and recommended that the Muskegon City Commission approve the Plan amendment. The BRA will review the Plan revisions at their May 13, 2008 meeting and will make an additional recommendation to the Commission regarding the revised Plan.

RESOLUTION APPROVING THE BROWNFIELD PLAN AMENDMENT

BETTEN AUTO DEALERSHIPS PROJECT

City of Muskegon

County of Muskegon, Michigan

Minutes of a Regular Meeting of the City Commission of the City of Muskegon, County of Muskegon, Michigan (the "City"), held in the City Commission Chambers, on the 13th of May, 2008, at 5:30 o'clock p.m., prevailing Eastern Time.

PRESENT: Members

Gawron, Shepherd, Spataro, Warmington, Wierengo, and Carter

ABSENT: Members

Wisneski

The following preamble and resolution were offered by Member Carter and supported by Member Shepherd:

WHEREAS, in accordance with the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381"), the City of Muskegon Brownfield Redevelopment Authority (the "Authority") has prepared and approved a Brownfield Plan Amendment to include the Betten Auto Dealerships Project (Betten Brownfield Plan Amendment); and

WHEREAS, the Authority has forwarded the Betten Brownfield Plan Amendment to the City Commission requesting its approval of the Betten Brownfield Plan Amendment; and

WHEREAS, the City Commission has provided notice and a reasonable opportunity to the public, the taxing jurisdictions levying taxes subject to capture, the Michigan Department of Environmental Quality, and the Michigan Economic Growth Authority to express their views and recommendations regarding the Betten Brownfield Plan Amendment, as required by Act 381; and

WHEREAS, not less than 10 days has passed since the City Commission provided notice of the proposed Betten Brownfield Plan to the taxing units; and

WHEREAS, a notice of the Public Hearing on the proposed Betten Brownfield Plan Amendment was published twice in the Muskegon Chronicle, the first of which was not less than 10 days before the scheduled Public Hearing; and

WHEREAS, the City Commission held a public hearing on the proposed Betten Brownfield Plan on May 13, 2008.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. Definitions. Where used in this Resolution the terms set forth below shall have the following meaning unless the context clearly requires otherwise:

"Brownfield Plan" means the Brownfield Plan and its Amendments prepared by the Authority, as transmitted to the City Clerk by the Authority for approval, copies of which Brownfield Plan and Amendments are on file in the office of the City Clerk.

"Eligible Activities" means those activities as defined by Act 381.

"Eligible Property" means the property designated in the Brownfield Plan as the Eligible Property, as described in Act 381.

"Taxing Jurisdiction" shall mean each unit of government levying an ad valorem property tax on the Eligible Property.

2. Public Purpose. The City Commission hereby determines that the Brownfield Plan Amendment for the Betten Auto Dealership Project constitutes a public purpose.

3. Best Interest of the Public. The City Commission hereby determines that it is in the best interests of the public to promote the revitalization of eligible properties in the City to proceed with the Betten Brownfield Plan Amendment.

4. Review Considerations. As required by Act 381, the City Commission has, in reviewing the Betten Brownfield Plan Amendment, taken into consideration whether the Brownfield Plan Amendment meets the requirements set forth in Section 13 of Act 381.

5. Capture of Tax Increment Revenues by Authority. The Authority intends to capture Tax Increment Revenues on the Eligible Property, as described in the Brownfield Plan Amendment. The amount of captured taxable value estimated to result from adoption of the Brownfield Plan Amendment is reasonable, given the current information available. The financing of eligible activities as described by the Brownfield Plan appears to be feasible, and the Authority has the ability to arrange such financing.

6. Costs of Eligible Activities. The costs of eligible activities as described in the Brownfield Plan Amendment are reasonable and necessary to carry out the purposes of Act 381.

7. Approval and Adoption of Brownfield Plan Amendment. The Betten Brownfield Plan Amendment as submitted by the Authority is hereby approved and adopted. A copy of the Brownfield Plan and all amendments thereto shall be maintained on file in the City Clerk's office.

8. Disclaimer. By adoption of this resolution and approval of the Brownfield Plan Amendment, the City assumes no obligation or liability to the owner, developer or lessor of the Eligible Property for any loss or damage that may result to such persons from the adoption of this resolution and Brownfield Plan Amendment. The City makes no guarantees or representations as to the determinations of the appropriate state officials regarding the ability of the owner, developer or lessor to qualify for a Michigan Business Tax credit pursuant to, Michigan Public Act 36 of 2007, as amended, or as to the ability of the Authority to capture tax increment revenues from the State and local school district taxes for the Brownfield Plan.

8. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members

Spataro, Warmington, Wierengo, Carter, Gawron, and

Shepherd

NAYS:

Members None

RESOLUTION DECLARED ADOPTED.

Ann Marie Becker, City Clerk

Stephen J. Warmington, Mayor

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held May 13, 2008, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Ann Marie Becker, City Clerk

CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN AMENDMENT

BETTEN AUTO DEALERSHIPS

May, 2008

CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN AMENDMENT

BETTEN AUTO DEALERSHIPS

Original Plan Approved by the Board of the City of Muskegon Brownfield Redevelopment Authority on **February 23, 1998,** with amendments approved 8/10/98; 6/13/00; 4/15/03; 7/7/03; 4/20/04; 6/21/04; 9/8/04; 9/5/06; 2/23/07; 5/15/07, and 11/12/07.

Original Plan Approved by the City Commission of the City of Muskegon on **April 14, 1998,** with amendments approved 8/11/98; 7/11/00; 5/27/03; 8/12/03; 5/25/04; 7/13/04; 7/27/04; 10/12/04; 10/24/06; 3/27/07; 6/12/07, and 1/8/08.

CITY OF MUSKEGON
BROWNFIELD REDEVELOPMENT AUTHORITY
BROWNFIELD PLAN

INDEX

I. INTRODUCTION

In order to promote the revitalization of commercial, industrial, and residential properties within the boundaries of the City of Muskegon (the "City"), the City established the City of Muskegon Brownfield Redevelopment Authority (the "Authority") pursuant to the Brownfield Redevelopment Financing Act, P.A. 381 of 1996, as amended ("Act 381"), and a resolution adopted by the Muskegon City Commission on February 10, 1998.

The major purpose of this Brownfield Plan ("Plan") is to promote the redevelopment of *eligible properties* within the City that are impacted by the presence of hazardous substances in concentrations that exceed Michigan's Part 201 Generic Cleanup Criteria ("*facilities*") or that have been determined to be Functionally Obsolete or Blighted. Inclusion of property within this Plan can facilitate financing of environmental response activities, infrastructure improvements, demolition, lead or asbestos abatement, and site preparation activities at *eligible properties*; and may also provide tax incentives to eligible taxpayers willing to invest in revitalization of *eligible properties*. By facilitating redevelopment of underutilized *eligible properties*, the Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the Authority.

This plan is intended to be a living document, which can be amended as necessary to achieve the purposes of Act 381. It is specifically anticipated that properties will be continually added to the Plan as new projects are identified. The Plan contains general provisions applicable to each site included in the Plan, as well as property-specific information for each project. The applicable Sections of Act 381 are noted throughout the Plan for reference purposes.

This Brownfield Plan contains the information required by Section 13(1) of Act 381, as amended. Additional information is available from the Muskegon City Manager or the Director of Planning and Economic Development.

II. GENERAL PROVISIONS

A. Costs of the Brownfield Plan *(Section 13(1)(a))*

Any site-specific costs of implementing this Plan are described in the site-specific section of the Plan. Site-specific sources of funding may include tax increment financing revenue generated from new development on eligible brownfield properties, state and federal grant or loan funds, and/or private parties. Where private parties finance the costs of eligible activities under the Plan, tax increment revenues may be used to reimburse the private parties. The initial costs related to preparation of the Brownfield Plan were funded by the City's general fund. Subsequent amendments to the Plan may be funded by the person requesting inclusion of a project in the Plan, and if eligible, may be reimbursed through tax increment financing.

The Authority intends to pay for administrative costs and all of the things necessary or convenient to achieve the objectives and purposes of the Authority with fees charged applicants to be included in the Plan, and any eligible tax increment revenues collected pursuant to the Plan, in accordance with the provisions of Act 381, including, but not limited to:

i) the cost of financial tracking and auditing the funds of the Authority,
ii) costs for amending and/or updating this Plan, and
iii) costs for Plan implementation

Tax increment revenues that may be generated and captured by this plan are identified in the site-specific sections of this Plan.

B. Method for Financing Costs of Plan *(Section 13(1)(d) and (e)))*

The City or Brownfield Authority may incur some debt on a site-specific basis. Please refer to the site-specific section of this Plan for details on any debt to be incurred by the City or Authority. When a property proposed for inclusion in the Plan is in an area where tax increment financing is a viable option, the Authority intends to enter into Development Agreements with the property owners/developers of properties included in the Plan to reimburse them for the costs of eligible activities undertaken pursuant to this Plan. Financing arrangements will be specified in a Development and Reimbursement Agreement, and also identified in the Site Specific section of the Plan.

C. Duration of the Brownfield Plan *(Section 13(1)(f))*

The Plan, as it applies to a specific eligible property, shall be effective up to five (5) years after the year in which the total amount of any tax increment revenue captured is equal to the total costs of *eligible activities* attributable to the specific *eligible property*, or up to thirty (30) years from the date of initial brownfield tax capture as it relates to an individual site, whichever is less. The total costs of *eligible activities* include the cost of principal and interest on any note or obligation issued by the Authority to pay for the costs of *eligible activities*, the cost of principal and interest otherwise incurred to pay for eligible activities, the reasonable costs of a work plan or remedial action plan, the costs of preparation of Brownfield Plans and amendments; the actual costs of the Michigan Department of Environmental Quality's or Michigan Economic Growth Authority's review of work plans, and implementation of the *eligible activities*.

D. Displacement/Relocation of Individuals on *Eligible Properties* *(Section 13(1)(i),(j)(k)(l)*

At this time, *eligible properties* identified in this Plan do not contain existing residences, Therefore the provisions of *Section 13(1)(i-l)* are not applicable at this time.

E. Local Site Remediation Revolving Fund *(Section 8; Section 13(1)(m))*

Whenever this Plan includes a property for which taxes will be captured through the tax increment financing authority provided by Act 381, it is the Authority's intent to establish a Local Site Remediation Revolving Fund ("Fund"). The Fund will consist of tax increment revenues that exceed the costs of eligible activities incurred on an eligible property, as specified in *Section 13(5) of Act 381*. Section 13(5) authorizes the capture of tax increment revenue from an eligible property for up to 5 years after the time that capture is required for the purposes of paying the costs of eligible activities identified in the Plan. It is the intention of the Authority to continue to capture tax increment revenues for 5 years after eligible activities are funded from those properties identified for tax capture in the Plan, provided that the time frame allowed by Act 381 for tax capture is sufficient to accommodate capture to capitalize a Fund. The amount of school operating taxes captured for the Revolving Fund will be limited to the amount of school operating taxes captured for eligible environmental response activities under this Plan. It may also include funds appropriated or otherwise made available from public or private sources.

The Revolving Fund may be used to reimburse the Authority, the City, and private parties for the costs of eligible activities at *eligible properties* and other costs as permitted by Act 381. It may also be used for eligible activities on *an eligible property* for which there is no ability to capture tax increment revenues. The establishment of this Revolving Fund will provide additional flexibility to the Authority in facilitating redevelopment of brownfield properties by providing another source of financing for necessary eligible activities.

III. SITE SPECIFIC PROVISIONS

S. Betten Auto Dealerships

1. Eligibility and Project Description(Sec. 13(1)(h))

Project Description

The ***eligible property*** included in this plan is located at 2410, 2474, 2477, and 2501 South Henry Street, Muskegon, Michigan. The legal descriptions of the properties are included in Attachment S-1. This *eligible property* includes all real and personal property.

The Proposed Project would include redevelopment on both sides (east and west) of South Henry Street in the City of Muskegon. The parcels with even-numbered addresses are on the east side of the street, and the parcels with odd-numbered addresses are on the west side of the street. A site map and preliminary proposed site plan is attached as Attachment S-2. If the Proposed Project is not constructed at this site, the entire Betten family of full service automobile dealership businesses will be relocated to a 23 acre greenfield site located along Ellis Road in the City of Norton Shores, which is already owned by the Betten family.

The part of the Proposed Project on the east side of South Henry Street would include new automobile dealership facilities for four (4) General Motors automobile lines and a new automobile body shop and repair facility, and would be located on two contiguous parcels located at 2410 South Henry Street (formerly the location of the Doo Drop Inn) and 2474 South Henry Street (the current location of the existing Betten Chevrolet and Cadillac dealerships). This part of the Proposed Project will sometimes herein be referred to as the "East Project".

The portion of the Proposed Project which is on the west side of South Henry Street would include two separate new automobile dealership facilities and a used car dealership facility, and would be located on two contiguous parcels located at 2477 South Henry Street (currently the Robinson Body Shop) and 2501 South Henry Street (formerly the Tom Miller Pontiac-GMC-Honda automobile dealership and currently home to the Betten Honda-Pontiac-GMC automobile dealership). These parcels are directly across South Henry Street from the East Project. This part of the Proposed Project will sometimes be referred to herein as the "West Project", and the three new facilities to be constructed in the West Project will sometimes be individually referred to herein as the "Honda Project", the "Hyundai Project" and the "Used Car Project".

The East Project would include substantial expansion and rehabilitation of the existing functionally obsolete, outdated and undersized automobile dealership facilities at 2474 South Henry Street, to create a larger, more modern, efficient and visually appealing full service automobile dealership facility encompassing both the 2410 South Henry Street and 2474 South Henry Street parcels, as well as a new automobile body shop and repair facility which would be located on the back (east side) of the dealership facility. This automobile dealership facility would be home to the Betten automobile dealership operations for Chevrolet, Cadillac, Pontiac and GMC. This part of the Proposed Project is driven by practical needs and legal requirements relating to the recent addition of the Pontiac and GMC businesses to the Betten family of dealerships, and by the requirements of the four automobile manufacturers to enlarge and improve the dealership facilities. The existing automobile dealership structure is approximately 30,000 square feet, and the East Project would reuse, rehabilitate, and expand the existing building to the north and east to a total size of approximately 70,000 square feet. The new body shop located on the back (east side) of the dealership facility would serve all of the Betten dealerships, and would incorporate state-of-the-art systems and equipment, which would provide environmental protections superior to those provided by existing older operations.

The West Project would include demolition of the former Tom Miller auto dealership facility and the Robinson Body Shop, to be replaced by construction of three new facilities. The Honda Project and the Hyundai Project would replace the existing functionally obsolete automobile dealership building, which is undersized, suffering deterioration, and inefficient in its layout.

The construction of these new dealership facilities is also driven by requirements of the automobile manufacturers to separate and improve Betten's dealership facilities as a condition of acquisition (as to recent acquisitions of Pontiac, GMC and Honda), a condition of obtaining (as to Hyundai) the dealership business, and a condition of the continuing relationship with General Motors.

The Used Car Project would be a new facility which would replace the existing "trailer" (i.e., manufactured-housing-type building) which currently serves as the inadequate and relatively unappealing home to the used car sales operation on the west side of South Henry Street.

Both the East Project and the West Project would be designed to be more visually appealing than the current buildings, and would include landscaping and other site improvements to improve layout, traffic flow, and storm water management, among other things. Both the East Project and West Project also would include reconstruction and improvement of parking lot facilities, which would improve vehicle display and customer traffic efficiency.

<u>Estimate of Capital Investment</u>

The Proposed Project would result in substantial new and increased capital investment ad valorem tax base in the City of Muskegon, as well as increased City income taxes. Investment in demolition; infrastructure improvements; site preparation and site improvements; building construction, restoration, rehabilitation, renovation and improvement; and new or additional machinery, equipment and fixtures is currently estimated at $10,808,500 Those costs are broken down in Sections 2 and 3 of this Plan.

In addition, Betten has or will incur substantial costs of several million dollars for land acquisition (parcels referred to as 2410 and 2501 South Henry Street have already been acquired; acquisition of the parcel referred to as 2477 South Henry Street has not yet been completed and acquisition of the 2474 South Henry Street parcel is currently under lease but must be acquired outright by the applicant in the future); as well as additional legal and consulting costs. By locating the Proposed Project at this site, the applicant would also incur substantial costs as a result of interference with its continuing business operations while site work, construction, etc., is underway.

Job Retention and Creation

The Proposed Project would result in substantial job retention and job creation, with all the benefits that follow from those jobs including substantial increased City income taxes. The existing Betten businesses in Muskegon currently employ approximately 125 employees among all of the locations affected. The Proposed Project would result in retention of these jobs in the City of Muskegon. The Proposed Project likely would also result in retention of several jobs associated with the Robinson Body Shop at the 2477 South Henry Street parcel. In addition, we estimate that there would be an additional 30 to 40 new jobs created in the City of Muskegon at the various Betten entities as part of the Proposed Project, including automobile technicians, office staff, and sales personnel. Furthermore, the firm which would design and construct the Proposed Project has indicated that approximately 100 jobs would be created or retained with regard to its design, construction and related activities to complete the Proposed Project. The jobs which would be created or retained for the construction of the Proposed Project are not limited to employees of the general contractor that may (in part) be brought to the City of Muskegon from elsewhere; local tradesmen would be expected to benefit as well.

Sustainable Development Principles

In many ways, the Proposed Project is not only consistent with sustainable development principles, it goes right to the core of those principles. The very heart of the Proposed Project is that it would result in redevelopment/reuse of four parcels historically used for commercial activities in a neighborhood that has long been extensively developed for commercial and industrial use and which is served by existing roads, utilities and other public infrastructure. Two of the parcels to be reused are impacted by environmental contamination (i.e., the parcels at 2410 and 2501 South Henry Street) and another is currently an automobile body shop for the environmental due is underway (i.e., 2477 South Henry Street). Furthermore, the East Project is based on redevelopment and reuse of the existing large dealership building structure at 2474 South Henry Street.

Additional specific elements and benefits of the Proposed Project are also consistent with or based on sustainable development principles. For example, the buildings which are part of the Proposed Project will harmonize with and improve the appearance of the neighborhood. As a further example, the Proposed Project is anticipated to include modernized energy efficient and resource efficient buildings and fixtures, which are also anticipated to be more healthy and user friendly than the existing buildings. The Proposed Project would also incorporate well designed storm water management facilities and practices, which likely will include low impact bio-retention concepts. The Proposed Project would be anticipated to improve traffic flow, offer parking for alternative fuel vehicles, and encourage employees to ride bicycles to work by including a bicycle rack and shower facilities for the bicyclists to shower upon arrival. The Proposed Project would also include substantially enhanced landscaping, which is anticipated to include plants native to and compatible with the local and regional ecosystem.

As further evidence of the implementation of sustainable development principles, we anticipate that "LEED" certification would be sought through the U.S. Green Building Council for the Proposed Project. However, as noted above, the new and rehabilitated dealership facilities contemplated in the Proposed Project are subject to requirements set by the automobile manufacturers for which the applicant is a dealer; these requirements and specifications are beyond the control of the applicant, and may limit the potential for maximizing such certification.

Public Benefits

The public benefits that would result from completion of this Proposed Project include:

- A very substantial multi-million-dollar investment (estimated to exceed $13,000,000 including land acquisition costs) and substantially increased tax base in the City of Muskegon as described in more detail elsewhere in this application;
- The substantial job retention and creation described above, including the resulting continued and increased City income taxes;
- The overall improved appearance of the facilities and site;
- Renovation and construction of new buildings in a traditional commercial corridor of the City;
- The improved traffic flow, continued and increased utilization of local public utilities, storm water management, protection from pre-existing potential environmental hazards;
- Other benefits inherent to implementation of sustainable development principles and consistent with "smart growth" tenets.

Site Plan Information

As indicated above, a site map and preliminary proposed site plan is attached as Attachment S-2. To summarize the information in that site depiction, the Proposed Project includes approximately 19.8 acres of land in total. The East Project is located on approximately nine acres of land. When complete, the East Project full service automobile dealership facility would be approximately 70,000 square feet, which is an expansion that would more than double the 30,000 square feet of the existing building. The West Project is located on approximately 10 acres of land, and would replace the outdated automobile dealership facility at 2501 South Henry Street (approximately 30,000 square feet) and the existing manufactured-housing-type used car facility (approximately 1,500 square feet) with the new 28,000 square foot Honda facility, the new 16,000 square foot Hyundai facility and the new 6,500 square foot newly-constructed used car facility.

"Facility" Status

Environmental due diligence performed with regard to the 2410 South Henry Street site in conjunction with the 2007 acquisition of that site revealed that the 2410 South Henry Street parcel is a Part 201 "facility" due to environmental contamination. Based on information available, the environmental impacts at the 2410 South Henry Street site were not caused by the applicant or its family of businesses; the contamination was apparently the result of the long-past practice of using impacted foundry waste as fill material, as well as a plume of impacted groundwater migrating onto the site, apparently from a neighboring plating company. A Baseline Environmental Assessment (BEA) was prepared in August 2007 and submitted to the Michigan Department of Environmental Quality for the 2410 South Henry Street parcel. The BEA and a Part 201 Due Care Plan were funded by the City's MDEQ Site Assessment Grant.

Environmental due diligence performed in conjunction with the 2007 acquisition of the 2501 South Henry Street parcel revealed that this parcel is a "facility" due to environmental contamination; based on the available information, the environmental contamination of this parcel was not caused by the applicant or its family of businesses, but was apparently caused by the long-past practice of disposing of impacted foundry fill in the area (this parcel was apparently owned long ago by the Campbell, Wyant & Cannon Company, a local foundry) and by historical underground storage tanks (which were removed in 1989 and properly "closed" in accordance with law). A Baseline Environmental Assessment was prepared February, 2007 and submitted to the Michigan Department of Environmental Quality with regard go the 2501 South Henry Street parcel. The BEA and a Part 201 Due Care Plan were funded by the City's MDEQ Site Assessment Grant.

<u>Project Timetable</u>

The Proposed Project timetable is generally based on and measured from a starting date which is assumed to be the date when the applicant makes a final decision to proceed with the Proposed Project. In turn, this is contingent (in significant part) on the completion and timing of final approval of the tax benefits and tax increment financing enabled by this Brownfield Plan. However, it is also important to note that the Proposed Project is contemplated in order to meet requirements of various automobile manufacturers for which the applicant is or will become a dealer. These manufacturers have demanded construction of new, improved, modernized and enlarged facilities, and to meet the time limits they have demanded of the applicant, this Proposed Project must proceed as soon as possible. Therefore, because of the time required to proceed through the Brownfield process, the most pressing item on the applicant's timetable is to obtain all necessary approvals for the Brownfield financial incentives, in order to make the Proposed Project financially viable at the existing site.

This tight timeline due to the requisite commitments by the applicant to various automobile manufacturers also imposes an additional difficulty in undertaking the Proposed Project at this location. The timeline for the Proposed Project at this site would be extended due to the need to plan around and/or relocate existing utilities and infrastructure, and work around the operation of the existing automobile dealership businesses on the same site during site work and construction.

Completion of the Proposed Project is targeted for December 31, 2008, which will require commencement of the Proposed Project as soon as possible. If this application process becomes overly protracted, the Proposed Project may have to be abandoned in favor of the alternative greenfield site where new full service automobile dealership facilities can be constructed more expeditiously (as well as at less cost).

The East Project and West Project, including all of the separate facilities to be constructed (East Project General Motors automobile dealership facilities and body shop, Honda Project, Hyundai Project and Used Car Project) would be constructed on an overlapping and concurrent basis, to the maximum extent possible consistent with the requirements of the ongoing Betten businesses currently at this site, as well as the practical limitations of the site and the contractor's resources.

2. Eligible Activities (Sec. 13(1)(a)(b))

Some *eligible activities* have already been conducted on the Proposed Project property and included preparation of a Baseline Environmental Assessment and Section 7a (Due Care) Compliance Analysis for the 2501 Henry St. property and also the 2410 Henry Street Property. As noted previously, these *environmental response activities* were paid for through the City's MDEQ Brownfield Site Assessment Grant. However, several additional *eligible activities* have been identified that are necessary to implement the Proposed Project. They are summarized in the table below.

Eligible Activities (for tax increment financing)	Estimated Costs	Start/End Date* (all dates estimated)
Phase I & II Environmental Site Assessment, Baseline Environmental Assessment and Due Care Plan (2477 South Henry Street)	**$33,000**	Immediate/Day 45
Due Care Response Activities and Additional Response Activities: 2410, 2474, 2501, 2477 South Henry Street • Due Care Plan update and documentation; Due Care oversight during construction • Impacted soils/fill excavation, characterization, disposal, and clean backfill (as necessary)	 **$50,000** **$866,415**	Concurrent with other site preparation and site improvement activities
Due Care Response Activities and Additional Response Activities: 2477 South Henry Street: Impacted Soil excavation and disposal is included in the above category; however, until the Phase I & II ESA is completed, this budget includes an allocation for Due Care Response activities that may be identified during the environmental due diligence.	**$50,000**	If such activities are necessary or appropriate at this parcel, it is anticipated they will occur concurrently with other site preparation and improvement activities

Eligible Activities (for tax increment financing)	Estimated Costs	Start/End Date* (all dates estimated)
Preparation of Brownfield Plan, and Work Plans for Due Care Activities and Additional Response Activities	**$50,000**	Immediate/Day 30
Demolition - East Project - West Project	 **$60,000** **$100,000**	 Immediate/Day 30 Day 30 - Day 60
Asbestos/Lead Paint Survey - East Project - West Project	 **$3,000** **$6,000**	 Immediate/Day 10
Lead Abatement - 2410, 2474 and 2501 South Henry Street - 2477 South Henry Street	N/A It is not yet known whether any such activities will be necessary or appropriate for the 2477 South Henry Street parcel	N/A If necessary, they will occur concurrently with other site preparation and improvement activities
Asbestos Abatement - East Project - West Project: 2501 South Henry Street 2477 South Henry Street	**$30,000** total preliminary estimate for all buildings; it is not known whether any such activities will be necessary or appropriate until surveys are performed	N/A N/A If such activities are necessary or appropriate at this parcel, it is anticipated they will occur concurrently with other site preparation and improvement activities
Public Infrastructure Improvements (Infrastructure improvements that directly benefit the project, such as public streets, sidewalks, parking facilities, sewer and water) East Project: Sewer relocation West Project: Sewer televising, cleaning, spot repairs Total project: Mill and resurface Henry St. between Sherman & Hackley	 **$200,000** **$150,000** **$300,000**	Concurrent with other site preparation and site improvement activities Spring 2009 (After improvements)

Eligible Activities (for tax increment financing)	Estimated Costs	Start/End Date* (all dates estimated)
Site Preparation (Activities necessary to prepare site for construction including relocation of utilities, addition/removal of soils, clearing and grubbing, land balancing/grading; foundation to address special soil concerns) - East Project - West Project	 **$550,000** **$465,000**	 Immediate/Day 150 Immediate/Day 150
Preparation of Work Plans for Public Infrastructure Improvements and Site Preparation Activities; engineering, design, legal and professional costs and fees	**$50,000**	Immediate/Day 30
Costs to review 381 Work Plans: *MDEQ* *MEDC/MSHDA*	 **$2,500** **$10,000**	
Contingencies	**24,085**	
TOTAL ELIGIBLE ACTIVITY COSTS	**$3,000,000.**	

* All starting dates are based on a timeline commencing with a final decision of the applicant to proceed, which is contingent (in significant part) on approval of this Brownfield Plan and final approval of the tax incentives sought pursuant to it.

3. Eligible Investments, Tax Increment Revenue Estimates (Sec. 13(1)(c)(f))

The Betten Automobile Dealerships project is included in this Plan to enable *qualified taxpayers,* as defined by Section 437(31)(m) of Michigan Public Act 36 of 2007, an amendment to the Michigan Business Tax Act, to avail themselves of eligibility for a credit against their Michigan Business Tax liability for *eligible investments* as defined by P.A. 36 of 2007. *Eligible investment* includes demolition, construction, restoration, alteration, renovation, or improvement of buildings or site improvements on *eligible property* and the addition of machinery, equipment, and fixtures to *eligible property* after the effective date of this Plan, and after the date the State pre-approval letter is issued, if the costs of the *eligible investment* are not otherwise reimbursed to the *qualified taxpayer* or paid for on behalf of the taxpayer from any source other than the taxpayer. Michigan Business Tax credits of up to 20% of the *eligible investment* are available to certain qualified taxpayers on certain projects. The Betten Auto Dealerships project appears to meet the criteria for eligibility of up to 20% Michigan Business tax Credit, pursuant to new pending new amendments to the Michigan Business Tax Act, 2007 P.A. 36. The following summarizes the *eligible investment* for the Proposed Project:

Eligible Investments (For MBT Credit)	Estimated Costs	Start/End Date*
Site Improvements (Clearing land; adding sewer, water lines, or other utilities; landscaping; soil addition/removal; fencing; lighting; walkways, driveways, or parking lots; related site improvements)		
- East Project	**$175,000**	Immediate/Day 150
- West Project		
- Honda Project	**$60,000**	Immediate/Day 150
- Hyundai Project	**$40,000**	Immediate/Day 150
- Used Car Project	**$25,000**	Immediate/Day 150
Construction, Restoration, Alteration, Renovation, or improvements of Buildings		
- East Project	**$3,800,000**	ASAP/December 31, 2008
- Honda Project	**$2,519,000**	ASAP/December 31, 2008
- Hyundai Project	**$1,693,000**	ASAP/December 31, 2008
- Used Car Project	**$400,000**	ASAP/December 31, 2008
Addition of Machinery, Equipment and Fixtures		
- East Project	**$300,000**	To be completed by December 31, 2008
- West Project	**$200,000**	To be completed by December 31, 2008
TOTAL ELIGIBLE INVESTMENTS	**$9,212,000**	

* All starting dates are based on a timeline commencing with a final decision of the applicant to proceed, which is contingent (in significant part) on approval of this Brownfield Plan and final approval of the tax incentives sought pursuant to it.

Based on these eligible investments, an estimate of the captured taxable value and tax increment revenues from the Proposed Project property have been estimated. The tax increment revenue estimates are included in Attachment S-3. These estimates include both local taxes and school operating taxes. .

4. Project Financing (Sec. 13(1)(d)(e))

The primary source of financing for the *eligible activities* identified in this Plan will be private financing arranged by the developer. The City and the Developer have also negotiated a Brownfield Reimbursement Agreement that will provide for reimbursement of Betten's *eligible costs*, including interest, as provided for by law and the terms of the Reimbursement Agreement, through the Brownfield tax increment generated by the project. Eligible costs will be capped at $3 million; or until 2025, whichever occurs first.

Initial costs to prepare this Brownfield Plan and associated work plans were financed by the City's Brownfield Plan application fee (paid by the applicant), city funds, and the developers funds. These costs are eligible to be reimbursed through the Brownfield tax capture. In addition, the City intends to capture $10,000 per year of the local tax increment from this project to pay for the reasonable and actual administrative expenses of the Authority, as provided by Act 381.

To capture school operating taxes for reimbursement the costs of *eligible activities*, MDEQ must approve a work plan for the eligible environmental response activities, and MEDC must approve a work plan for the Site Preparation and Public Infrastructure activities.

In addition to the private financing by the developer, the City intends to utilize its MDEQ Brownfield Loan to pay $250,000 of the environmental response activity costs summarized above. The terms for repayment of this MDEQ Loan will be integrated into the Development Agreement, and consistent with the Loan Contract between MDEQ and the City.

5. Local Site Remediation Revolving Fund (Sec. 13(1)(m)

Upon completion of reimbursement of all the eligible activity expenses as described above, the Authority will continue to capture taxes from this project to finance a Local Site Remediation Revolving Fund, as provided for by Act 381. Section 13(5) authorizes the capture of tax increment revenue from an eligible property for up to 5 years after the time that capture is required for the purposes of paying the costs of eligible activities identified in the Plan. It is the intention of the Authority to continue to capture tax increment revenues for 5 years after eligible activities are funded from those properties identified for tax capture in the Plan. The amount of school operating taxes captured for the Revolving Fund will be limited to the amount of school operating taxes captured for reimbursement of eligible environmental response activities under this Plan. This Project is estimated to generate $1,048,484 in tax increments for the Revolving Fund.

The Revolving Fund may be used to reimburse the Authority, the City, and private parties for the costs of eligible activities at *eligible properties* and other costs as permitted by Act 381. It may also be used for eligible activities on *an eligible property* for which there is no ability to capture tax increment revenues. The establishment of this Revolving Fund will provide additional flexibility to the Authority in facilitating redevelopment of brownfield properties by providing another source of financing for necessary eligible activities.

ATTACHMENT S-1

Legal Descriptions
Betten Auto Dealerships Brownfield Plan
MUSKEGON, MICHIGAN

2410 South Henry Street Legal Description:

Located in the City of Muskegon. Muskegon County, Michigan, legally described as follows:
Commencing on the North line, 33 feet East of the Northwest corner of the Southwest fractional 1/4 of the Southwest fractional 1/4 of Section 31, Town 10 North, Range 16 West; thence South, parallel to the West line of said Section, 303 feet: thence East, parallel with the North line, 456.76 feet; thence North 303 feet; thence West 456.76 feet to the point of beginning.

2474 South Henry Street Legal Description

Real property in the City of Muskegon, County of Muskegon, State of Michigan, described as follows:

PARCEL I:
That part of the North 22 rods of the Southwest fractional quarter of the Southwest fractional quarter of Section 31, Town 10 North, Range 16 West, described as follows: Commence 33 feet East and 333 feet South of the Northwest corner of said Southwest fractional quarter of Southwest fractional quarter; thence East parallel to the north line of said Southwest fractional quarter of Southwest fractional quarter 456.16 feet, more or less, to a point 250 feet West of the West right of way line of the Norton-Glade Express Highway; thence South parallel to the West line of said Highway 30 feet; thence East parallel to the north line of said Southwest fractional quarter of Southwest fractional quarter, a distance of 250 feet to the West right-of-way line of the Norton-Glade Express Highway; thence North along the West right of way line of said Highway 200 feet; thence West parallel to the north line of said Southwest fractional quarter of Southwest fractional quarter 250 feet; thence South parallel with the West right-of-way line of the Norton-Glade Express Highway, 140 feet; thence West parallel to the north line of said Southwest fractional quarter of Southwest fractional quarter 456.16 feet; more or less, to a point 33 feet East of the West line of said Section 31; thence South 30 feet to the place of beginning.

PARCEL II:

All that part of the South 250 feet of the North 613 feet of the Southwest fractional quarter of the Southwest quarter of Section 31, Town 10 North, Range 16 West; City of Muskegon, Muskegon County, Michigan, which lies West of a line 100 feet West of, measured at right angles and parallel to the construction centerline of Highway US-16 and US-31. The construction centerline of Highway US-31 and US-16 is described as: Beginning at a point 474.31 feet South of the North quarter corner of Section 7, Town 9 North, Range 16 West, Norton Township, now known as City of Norton Shores, Muskegon County, Michigan; thence North 88°54' West

319.11 feet to the point of curve of a 5°45' curve to the right; thence Northwesterly along the arc of the curve 1572.17 feet to the point of tangent; thence North l°30' East 4927.39 feet to a point of deflection; thence l°06'50" East 2600 feet to the point of ending.

PARCEL III:
Part of the North 22 rods of the Southwest fractional quarter of the Southwest fractional quarter of Section 31, Town 10 North, Range 16 West, Muskegon County, Michigan, described as follows: Commence 33 feet East and 363 feet South of the Northwest corner of said Southwest fractional quarter of the Southwest fractional quarter; thence East parallel to the North line of said Southwest fractional quarter of the Southwest fractional quarter a distance of 456.16 feet more or less to a point 250 feet West of the West right-of-way line of the Norton-Glade Express Highway; thence Northerly parallel to said West right-of-way line of said Highway 30 feet; thence West parallel to the North line of said Southwest fractional quarter of the Southwest fractional quarter, 456.16 feet to a point 33 feet East of the West line of said Section 31; thence South 30 feet to place of beginning.

<u>2477 South Henry Street Legal Description</u>:

The land referred to herein below is situated in the City of Muskegon, County of Muskegon, and State of Michigan, to wit: That part of the Southeast 1/4 of the Southeast 1/4 of Section 36, Town 10 North, Range 17 West, described as follows: Commence at the Southeast corner of the North 10 acres of said Southeast 1/4 of Southeast 1/4 thence West along the South line of said North 10 acres, 672.04 feet to the West line of the East 1/2 of said Southeast 1/4 of Southeast 1/4, thence South along said West line of said East 1/2 of Southeast 1/4 of Southeast 1/4, 150 feet, thence East parallel to the South line of said North 10 acres 671.83 feet to the East line of said Section 36, thence North along the East line of said Section 36,150 feet to the place of beginning, except the East 33 feet thereof which are reserved for highway purposes.

<u>2501 South Henry Street Legal Description</u>:

City of Muskegon, County of Muskegon and State of Michigan: That part of the Southeast 1/4 of the Southeast 1/4 of Section 36, Town 10 North, Range 17 West, described as follows: Commencing at a point on the East line of said Section 36,150 feet South of the Southeast corner of the North 10 acres of said Southeast 1/4 of the Southeast 1/4; thence West parallel to the South line of the North 10 acres of said Southeast l/4of the Southeast 1/4, 671.83 feet to the West line of the East 1/2 of said Southeast 1/4 of the Southeast 1/4; thence South along said West line of the East 1/2 of the Southeast 1/4 of the Southeast 1/4, 400 feet; thence East parallel to the South line of the North 10 acres of said Southeast 1/4 of the Southeast 1/4 to the East line of Section 36; thence North along the East line of Section 36,400 feet to the point of beginning.

ATTACHMENT S-2

Preliminary Site Plan
Betten Auto Dealerships Brownfield Plan
MUSKEGON, MICHIGAN

INSERT SITE PLAN

ATTACHMENT S-3

Tax Increment Revenue Estimates
Betten Auto Dealerships Brownfield Plan
MUSKEGON, MICHIGAN

Insert tax capture estimate tables

CITY OF MUSKEGON
BROWNFIELD REDEVELOPMENT AUTHORITY
BETTEN AUTO DEALERSHIPS BROWNFIELD PLAN

Fiscal Years Ended or Ending December 31	Year	Total School Tax Increment Revenues	Total Local Tax Increment Revenues	Total Tax Increment Revenues	Excess (Shortfall)	Cumulative Increment
2007		$ -	$ -	$ -	$ -	$ -
2008	1	410	441	850	850	850
2009	2	89,006	95,778	184,784	184,784	185,634
2010	3	101,006	108,691	209,697	209,697	395,331
2011	4	101,006	108,691	209,697	209,697	605,028
2012	5	101,006	108,691	209,697	209,697	814,725
2013	6	101,006	108,691	209,697	209,697	1,024,421
2014	7	101,006	108,691	209,697	209,697	1,234,118
2015	8	101,006	108,691	209,697	209,697	1,443,815
2016	9	101,006	108,691	209,697	209,697	1,653,512
2017	10	101,006	108,691	209,697	209,697	1,863,209
2018	11	101,006	108,691	209,697	209,697	2,072,906
2019	12	101,006	108,691	209,697	209,697	2,282,602
2020	13	101,006	108,691	209,697	209,697	2,492,299
2021	14	101,006	108,691	209,697	209,697	2,701,996
2022	15	101,006	108,691	209,697	209,697	2,911,693
2023	16	101,006	108,691	209,697	209,697	3,121,390
2024	17	101,006	108,691	209,697	209,697	3,331,087
2025	**18**	**101,006**	**108,691**	**209,697**	**209,697**	**3,540,783**
2026	19	101,006	108,691	209,697	209,697	3,750,480
2027	20	101,006	108,691	209,697	209,697	3,960,177
2028	21	101,006	108,691	209,697	209,697	4,169,874
2029	22	101,006	108,691	209,697	209,697	4,379,571
2030	23	101,006	108,691	209,697	209,697	4,589,268

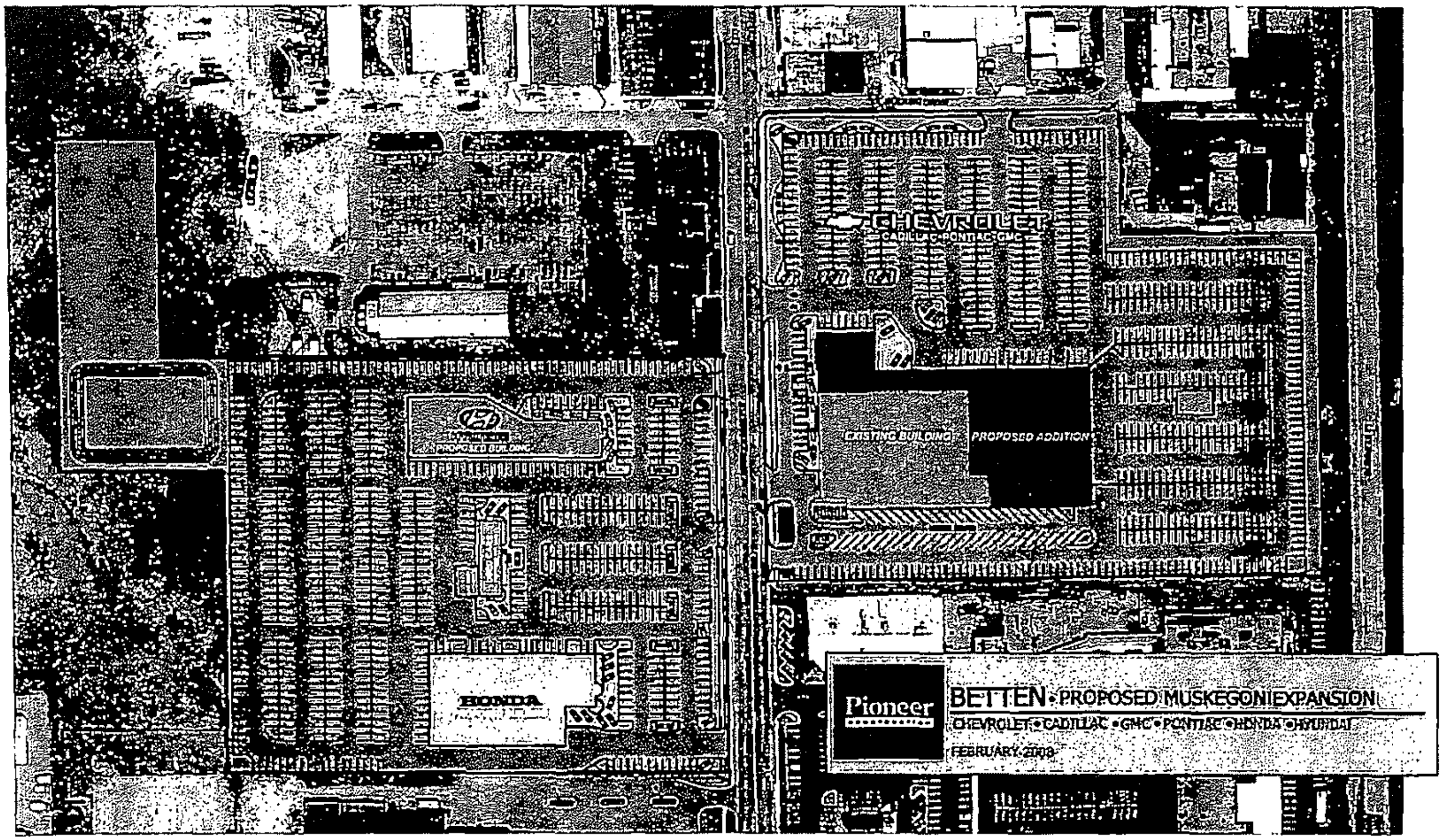
Source: City of Muskegon

Total Eligible Expenses for Reimbursement	$ 3,000,000
Total Amount to Administration	
Total Local Taxes to BRA Administration	$ 220,000
Total Amount to Local Revolving Fund	$ 1,048,484
TOTAL Project TIF	**$ 4,268,484**

4/30/2008

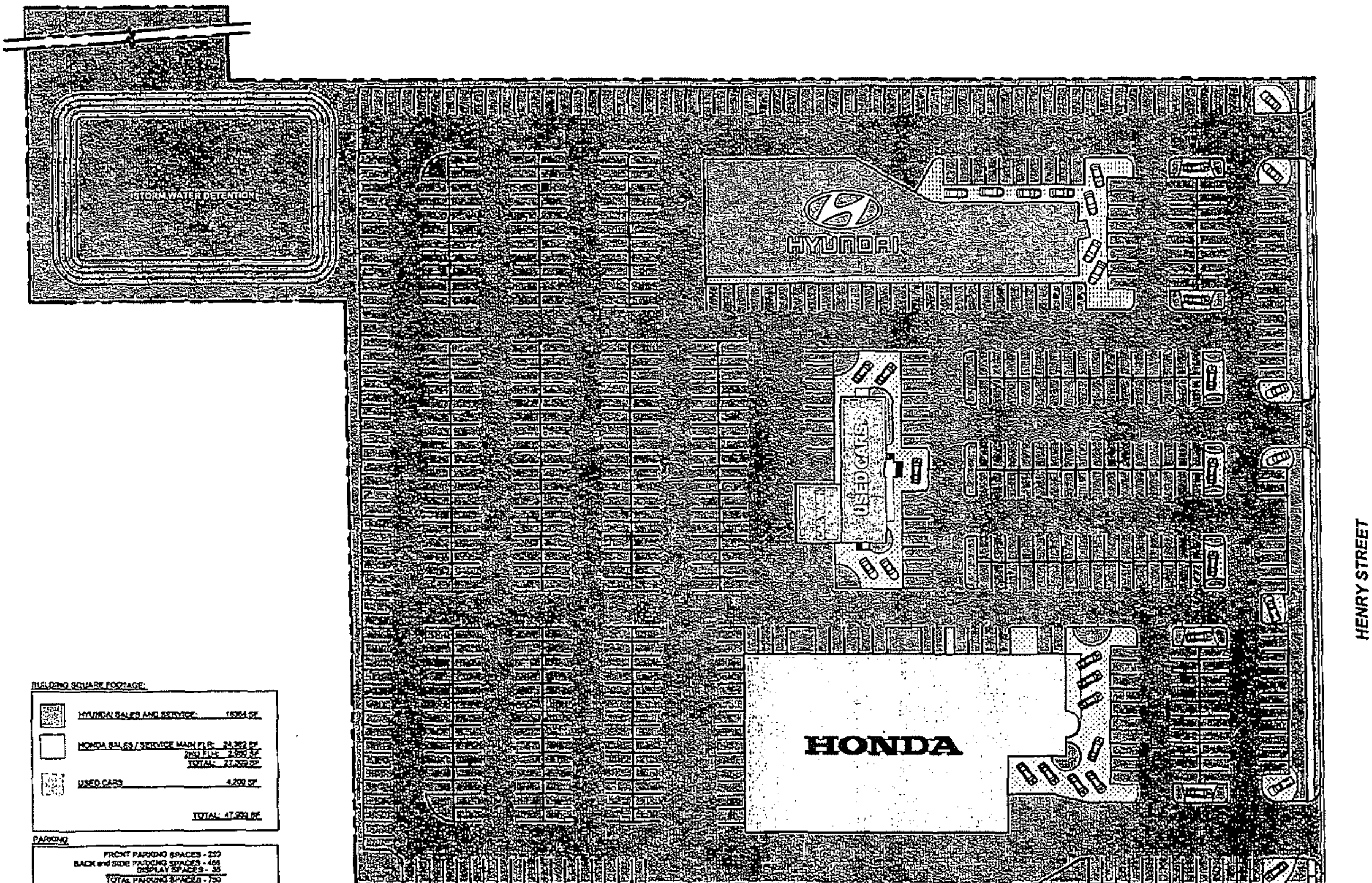
EXHIBIT A
To
<u>Brownfield Redevelopment MBT Credit Application – Part 1</u>

Site Map and Preliminary Proposed Site Plans



CONTENTS:

COVER	OVER ALL SITE PLAN (EAST AND WEST SIDES OF HENRY STREET)
C1	HONDA/HYUNDAI SITE PLAN (WEST SIDE OF HENRY)
C2	GM SITE PLAN (EAST SIDE OF HENRY)
A1.1	HONDA/HYUNDAI ELEVATIONS
A1.2	GM ELEVATIONS
A2.1	HONDA FLOOR PLAN
A2.2	USED CAR FLOOR PLAN
A2.3	HYUNDAI FLOOR PLAN
A2.3	GM FLOOR PLAN



BUILDING SQUARE FOOTAGE:

	HYUNDAI SALES AND SERVICE:	16364 SF
	HONDA SALES / SERVICE MAIN FLR:	24,362 SF
	2ND FLR:	2,960 SF
	TOTAL:	27,322 SF
	USED CARS	4,200 SF
	TOTAL:	47,[illegible] SF

PARKING

FRONT PARKING SPACES - 250
BACK and SIDE PARKING SPACES - 465
DISPLAY SPACES - 35
TOTAL PARKING SPACES - 750

SCHEMATIC SITE PLAN BETTEN HONDA and HYUNDAI

SCALE 1" = 30'

HONDA/HYUNDAI SCHEMATIC SITE PLAN	DATE	ISSUED FOR:	BY
BETTEN HONDA / HYUNDAI DEALERSHIPS 2501 HENRY STREET MUSKEGON, MICHIGAN	07 20 09	SPECIAL USE PERMIT	

DRAWN BY: MICHAEL BOUMAN
JOB NUMBER: 0900-784
CADD REFERENCE:
PLOTTED: 07 20 09
SHEET # C1

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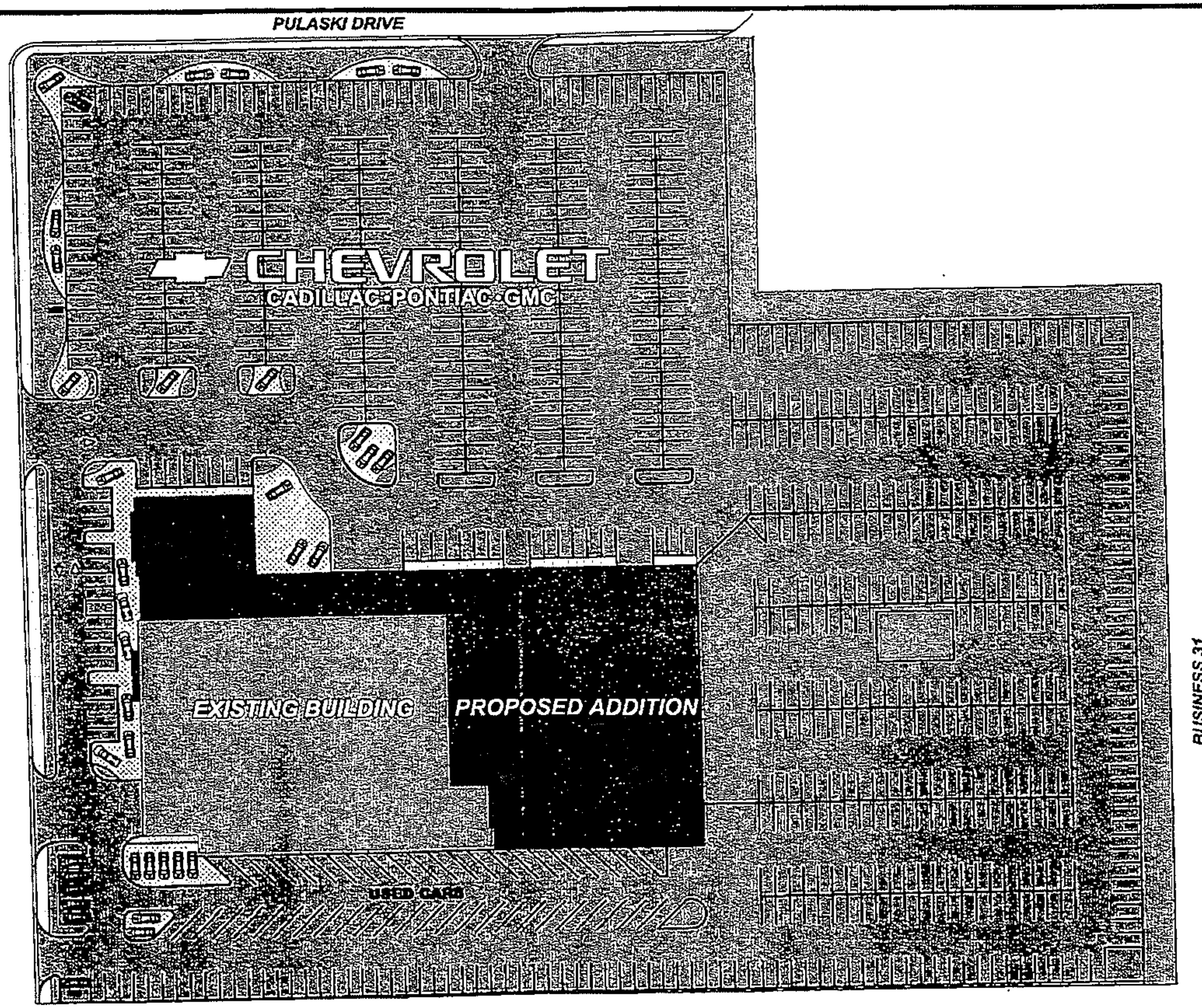
Pioneer CONSTRUCTION

Tailored BUILDING SYSTEMS DIVISION OF PIONEER INC



BUILDING SQUARE FOOTAGE:

PROPOSED RENOVATION	29,861 SF
PROPOSED ADDITION	38,100 SF
TOTAL:	67,961 SF

PARKING

CUSTOMER PARKING SPACES	40
EMPLOYEE PARKING SPACES	65
NEW CAR DISPLAY	342
USED CAR DISPLAY	100
SERVICE PARKING	124
DISPLAY	32
TOTAL PARKING SPACES	705

SCHEMATIC SITE PLAN BETTEN GM

SCALE 1" = 30'

GM - SCHEMATIC SITE PLAN

BETTEN
GM DEALERSHIPS
2501 HENRY STREET
MUSKEGON, MICHIGAN

DATE	ISSUED FOR:	BY
02 20 06	SPECIAL USE PERMIT	

DRAWN BY: MICHAEL BOUMAN
JOB NUMBER: 0700-784
CADD REFERENCE:
PLOTTED: 0 10 06
SHEET #
C2

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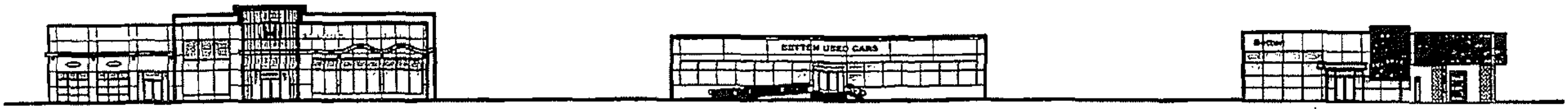
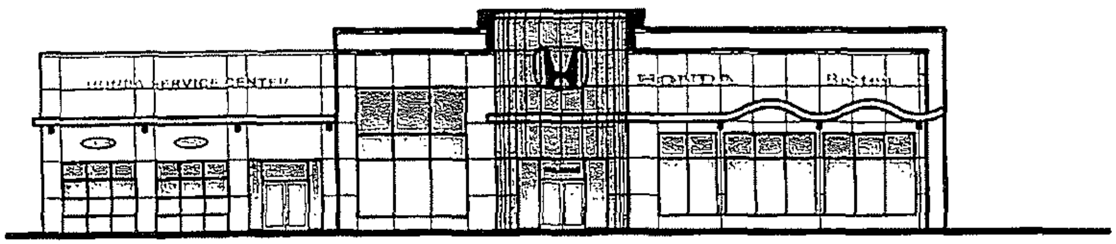
Pioneer
CONSTRUCTION

Tailored
BUILDING SYSTEMS
DIVISION OF PIONEER INC

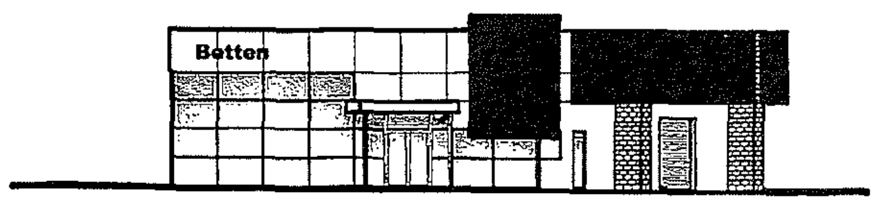


COMPOSITE EAST ELEVATION



HONDA - EAST ELEVATION

USED CAR SALES - EAST ELEVATION



HYUNDAI - EAST ELEVATION

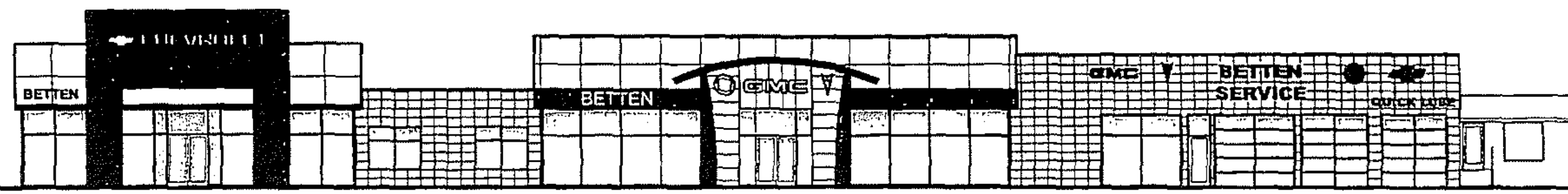
DATE	ISSUED FOR:	BY
12.21.05	SPECIAL USE APPLICATION	PMB

EAST ELEVATIONS
BETTEN
HONDA / HYUNDAI DEALERSHIPS
2501 HENRY STREET
MUSKEGON, MICHIGAN

DRAWN BY:
JOB NUMBER:
CADD REFERENCE:
PLOTTED:
SHEET #
A1.1

Pioneer CONSTRUCTION

Tailored
DIVISION OF PIONEER INC



WEST ELEVATION

DATE	ISSUED FOR:	BY
	SPECIAL USE PERMIT	

WEST ELEVATION

BETTEN

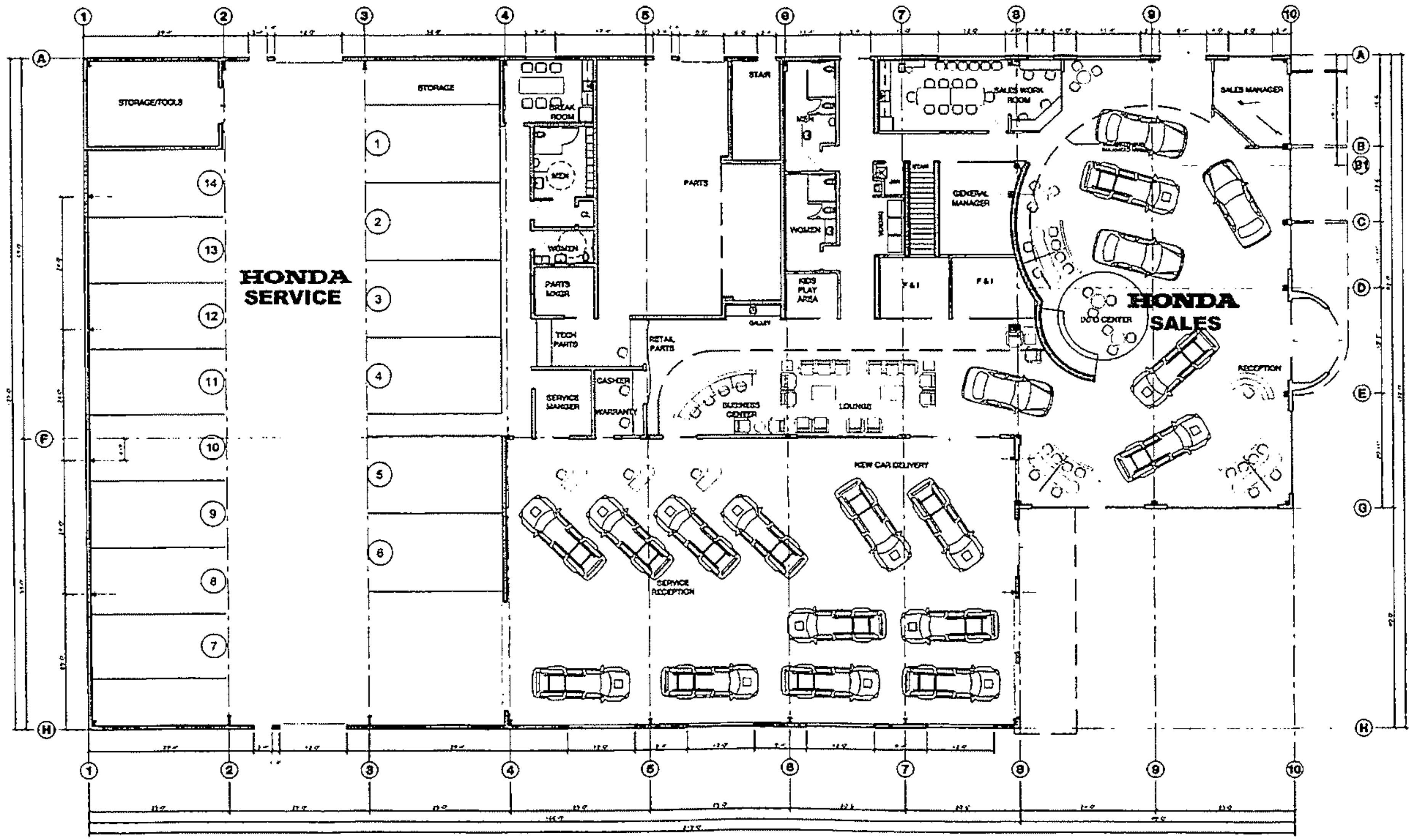
CHEVROLET CADILLAC PONTIAC GMC
BODY SHOP/USED CAR SALES ADDITION - PHASE 1
2474 HENRY STREET
MUSKEGON, MICHIGAN

DRAWN BY:
JOB NUMBER:
CADD REFERENCE:
PLOTTED:
SHEET #

A1.2

Pioneer CONSTRUCTION

Tailored BUILDING SYSTEMS
DIVISION OF PIONEER INC



HONDA - FIRST FLOOR PLAN - 24,390

SCALE: 1/8" = 1'-0"

DATE	ISSUED FOR:	BY
	SPECIAL USE APPLICATION	PRO

FIRST FLOOR PLAN

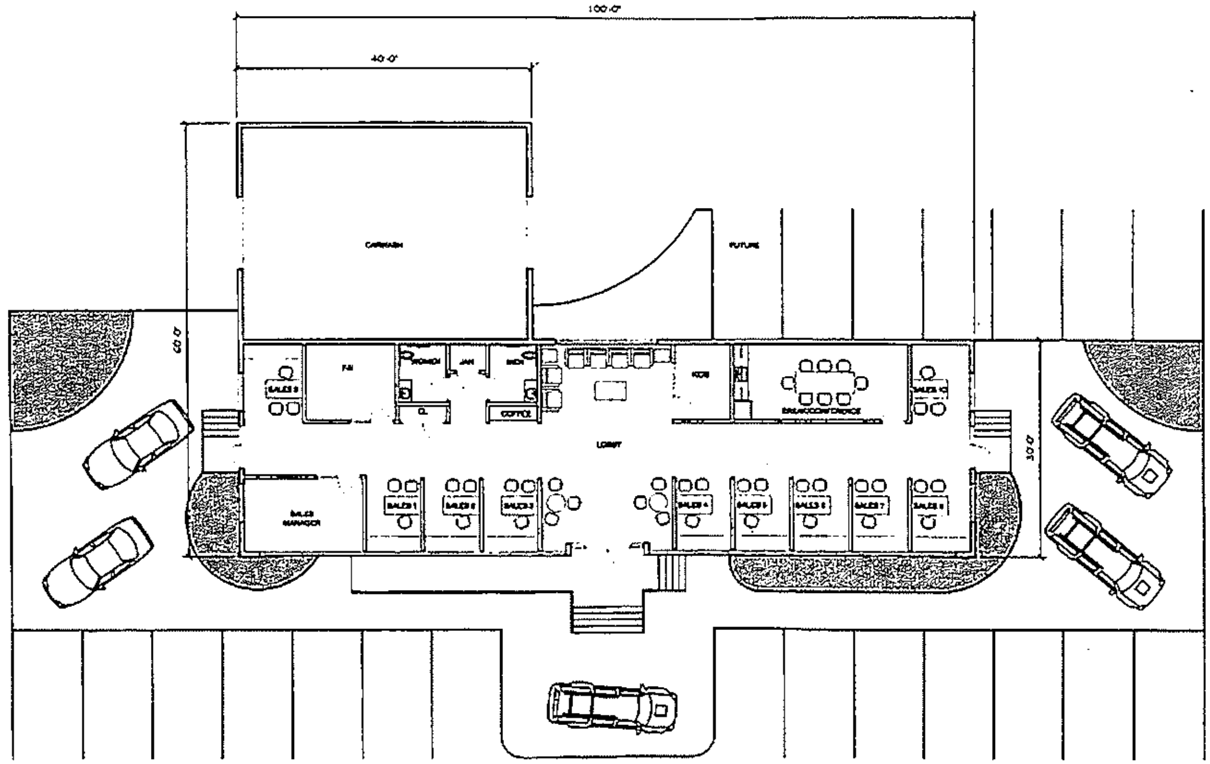
BETTEN
HONDA DEALERSHIP
2501 HENRY STREET
MUSKEGON, MICHIGAN

DRAWN BY:
JOB NUMBER:
CADD REFERENCE
PLOTTED:
SHEET #

A2.1

Pioneer CONSTRUCTION

Tailored BUILDING SYSTEMS
DIVISION OF PIONEER INC



USED CAR SALES - FLOOR PLAN - 4200 SF

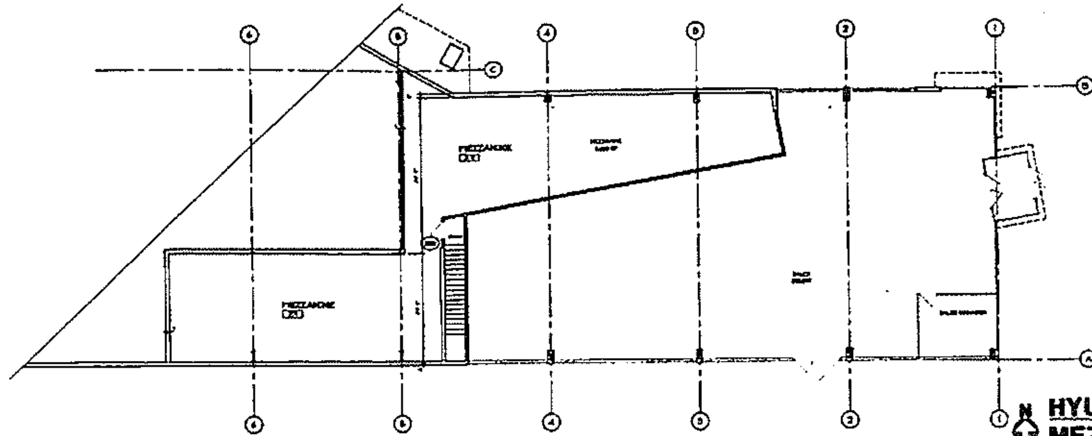
SCALE: 1/8" = 1'-0"

Tailored Building Systems, Division of Pioneer Inc.	Pioneer Construction	
DATE	ISSUED FOR:	BY
	SPECIAL USE APPLICATION	PMD

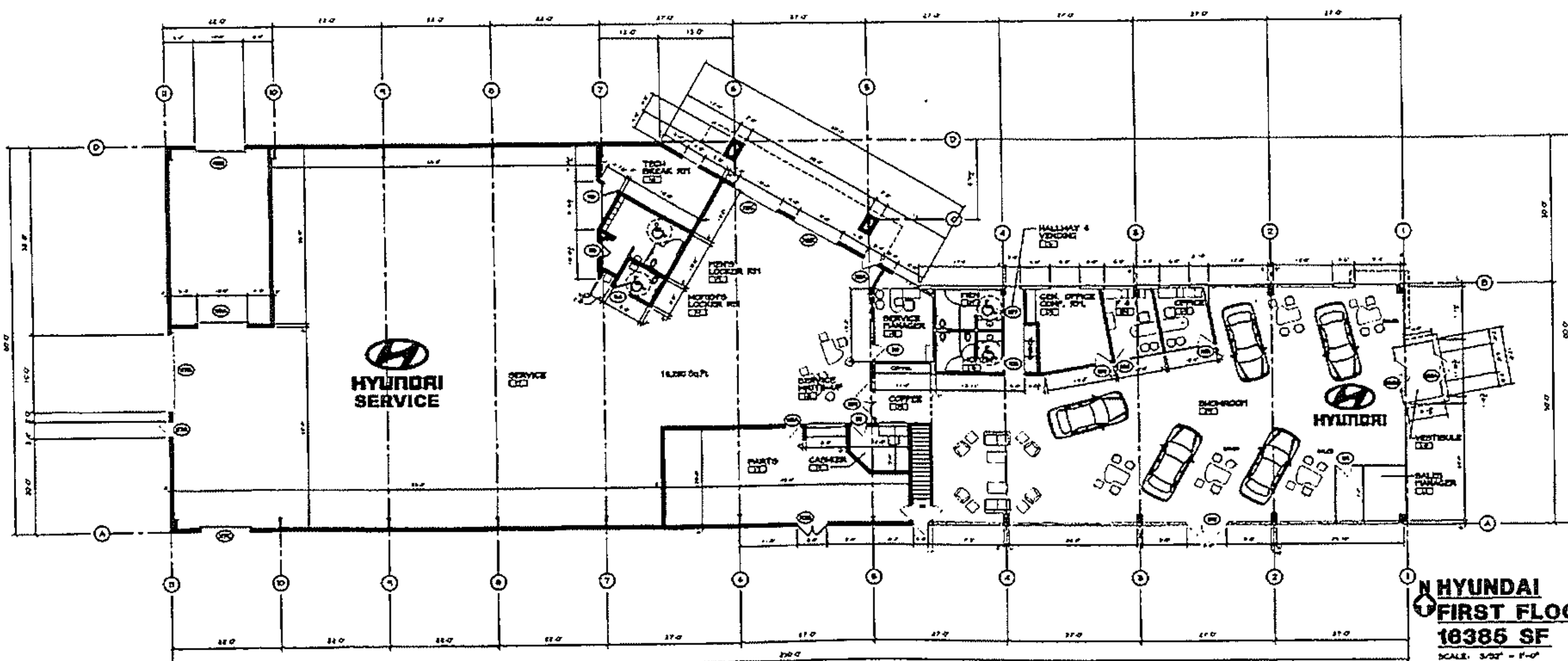
USED CAR SALES - FLOOR PLAN
BETTEN
HONDA / HYUNDAI DEALERSHIPS
2501 HENRY STREET
MUSKEGON, MICHIGAN

DRAWN BY:
JOB NUMBER:
CADD REFERENCE:
PLOTTED:
SHEET #

A2.2



HYUNDAI MEZZANINE PLAN
2530 SF
SCALE: 3/32" = 1'-0"



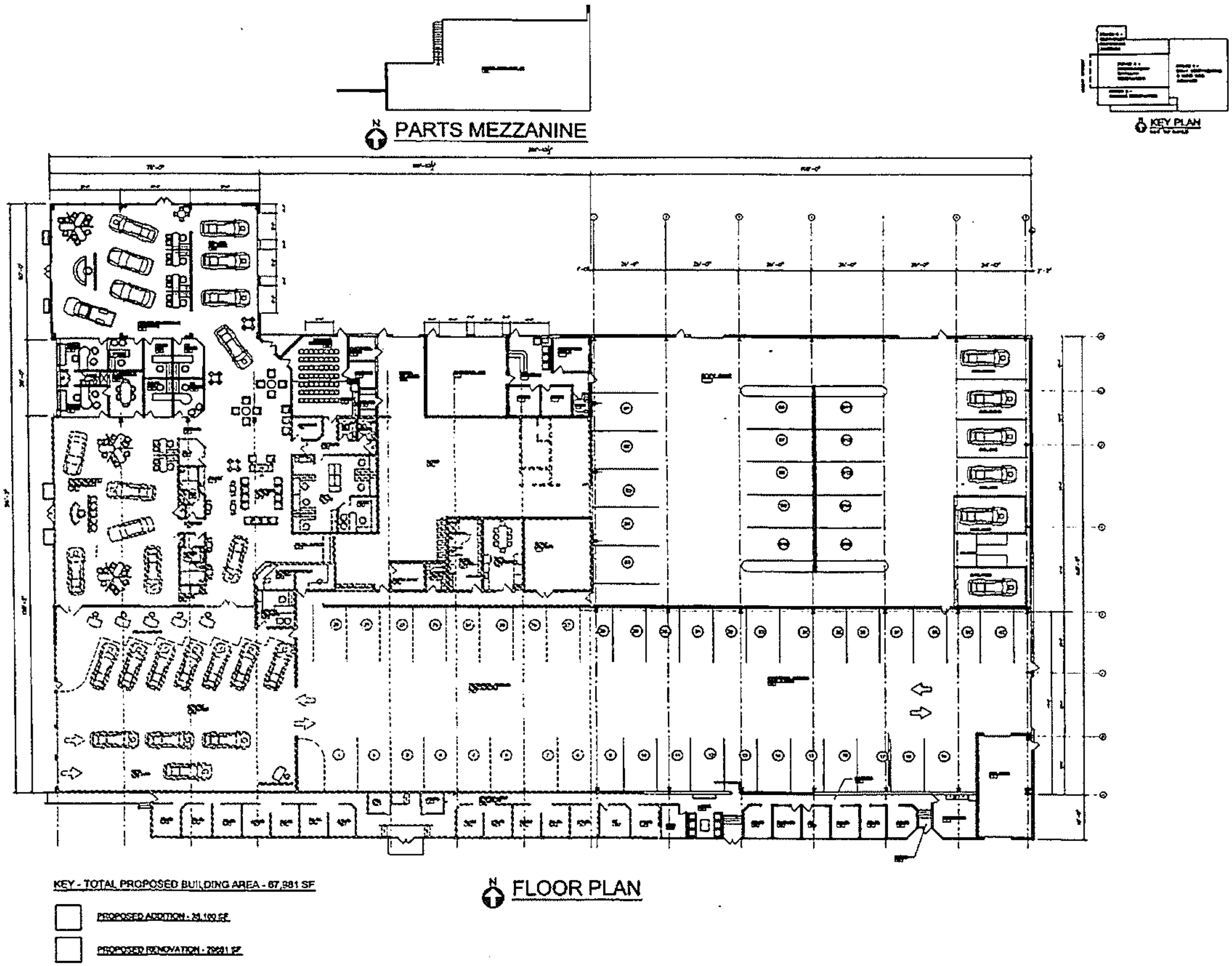
HYUNDAI FIRST FLOOR PLAN
16385 SF
SCALE: 3/32" = 1'-0"

DATE	ISSUED FOR:	BY
02.13.07	SPECIAL SE APPLICATION	H-G

FLOOR PLANS
BETTEN
HYUNDAI DEALERSHIP
2501 HENRY STREET
MUSKEGON, MICHIGAN

DRAWN BY:
JOB NUMBER:
CADD REFERENCE:
PLOTTED:
SHEET #
A2.3

Pioneer Construction
Tailored Building Systems
DIVISION OF PIONEER INC



Tailored BUILDING SYSTEMS DIVISION OF PIONEER INC

Pioneer CONSTRUCTION

DATE	ISSUED FOR:	BY
	SPECIAL USE APPLICATION	

COMPOSITE FLOOR PLANS

BETTEN
CHEVROLET CADILLAC PONTIAC GMC
BODY SHOP/USED CAR SALES ADDITION - PHASE 1
3474 HENRY STREET
MUSKEGON, MICHIGAN

DRAWN BY:

JOB NUMBER:

CADD REFERENCE:

PLOTTED:

SHEET #

A2.4


PULASKI DRIVE
CHEVROLET
CADILLAC·PONTIAC·GMC
2410
2474
EXISTING BUILDING
PROPOSED ADDITION
USED CARS
HENRY STREET
HYUNDAI
2477
USED CARS
2501
HONDA
Pioneer
CONSTRUCTION
BETTEN • PROPOSED MU
CHEVROLET • CADILLAC • GMC • PON

Date: May 13, 2008

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: MERS Health Care Savings Program (HCSP) for Medicare Eligible Retirees

---

SUMMARY OF REQUEST: You may recall that several months ago the City switched from subsidizing MediGap insurance coverage through a company called Magna Care to paying an equivalent cash stipend directly to retirees. This was done both to simplify administration and to give retirees greater flexibility in choosing insurance coverage to best meet their needs. One of the issues that came up was that, as direct cash payments to the retiree, the stipend would be subject to federal income tax. Working with MERS we have found a way to address this issue. This involves the establishment of healthcare savings program accounts (HCSP) for eligible retirees. Basically, running the money through the HCSP accounts will allow us to provide the retiree with the same benefit level, tax-free.

Active non-union and 517M (DPW) employees currently have HCSP accounts that they will carry into retirement. Additional employee groups are expected to participate. As these employees attain Medicare eligibility, the need to maintain separate retiree HCSP accounts will diminish.

FINANCIAL IMPACT: Approximately $3,500/year administrative fee to be paid from the City's retiree healthcare funding vehicle account at MERS. The cash stipend option helps to control the City's retiree healthcare obligation. Being able to make these payments in a tax-advantaged manner will make this option much more attractive to both current and future retirees.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of three MERS Healthcare Savings Program Participation Agreements for Medicare eligible retirees receiving cash stipend for healthcare and/or Rx. The three agreements are structured around whether the retiree has opted out of medical benefits ($52.08/mo), Rx benefits ($43.08/mo) or both medical and Rx ($93.08/mo).

COMMITTEE RECOMMENDATION: None.

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

Assessor
(231)724-6708
FAX (231)726-5181

Cemetery
(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

Comm. & Neigh. Services
(231)724-6717
FAX (231)726-2501

Engineering
(231)724-6707
FAX (231)727-6904

Finance
(231)724-6713
FAX (231)724-6768

Fire Department
(231)724-6792
FAX (231)724-6985

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

Info. Technology
(231)724-4126
FAX (231)722-4301

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
(231)724-4100
FAX (231)722-4188

Treasurer
(231)724-6720
FAX (231)724-6768

Water Billing
(231)724-6718
FAX (231)724-6768

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

MUSKEGON

West Michigan's Shoreline City
www.shorelinecity.com

Dear Retiree,

You may recall that a few months ago, when the City began paying a monthly healthcare stipend in lieu of subsidizing coverage through Magna Care, one of the issues that arose was taxability of the payments to the retiree. Because the payments are added to your regular pension, they are considered subject to federal taxes.

I'm happy to let you know that we have found a way to make these payments to you so that they are tax-free. *The change will not reduce or enhance your benefit; it is simply an administrative change.*

The City has partnered with MERS to assist in coordinating this benefit. With this partnership, the City has set up a MERS Health Care Savings Program account for you. The Health Care Savings Program account is an IRS-approved, tax-favored medical savings account for post-employment healthcare.

In lieu of paying the stipend in your monthly pension check, the City will deposit your health care stipend payment into this account. MERS will then automatically remit the payment via direct deposit back to your personal checking or savings account. The only change you will see is that instead of a single direct deposit amount, you will have two deposit items on your monthly bank statement: one for your pension and another for the healthcare stipend.

To begin processing healthcare stipend payments this way, we will need a copy of your Medicare card and the three enclosed forms completed and signed by you.

The City will conduct informational meetings on this matter June 10th at 10AM and 2PM in the City Commission Chambers. Feel free to attend one of these meetings to have your questions answered. At that time we can collect the needed documents or assist you in filling out any forms. If you cannot attend the meetings, please mail the **completed and signed** Enrollment & Beneficiary Form, Reimbursement Claim form, Direct Deposit Agreement and a copy of your Medicare card to:

MERS
Attn: Cara Doerfler
1134 Muncipal Way
Lansing, MI. 48917

Thank you for your patience. If you have any questions please contact the City's Finance Department at 231-724-6713 or Tara Gist at MERS 1-800-767-6377 ext. 356.

Sincerely,

Timothy J. Paul
Finance Director

HEALTH CARE SAVINGS PROGRAM PARTICIPATION AGREEMENT

City of Muskegon

(Participating Employer)

Municipal Employees' Retirement System of Michigan
1134 Municipal Way
Lansing, MI 48917
517-703-9030

Restated: November 15, 2005
(Approved May 14, 2003 and amended August 19, 2004)

HEALTH CARE SAVINGS PROGRAM EMPLOYER

Effective Date of this Participation Agreement May 1, 2008

Health Care Savings Program Coordinator (Name and title) Tim Paul, Finance Director

Address 933 Terrace Street, Muskegon, MI 49443-0536

Phone (231) 724 - 6709 Facsimile (231) 726 - 2325

E-mail tim.paul@postman.org

COVERED EMPLOYEE GROUPS

A participating Employer may cover all of its employee groups, bargaining units or personnel/employee classifications ("Covered Group"), in Health Care Savings Program or select from the listing below. **Contributions shall be made on the same basis within each Covered Group identified by this agreement, and remitted as directed by the Program Administrator.** If the Employer has varying coverage or contribution structures between groups, a separate agreement will need to be completed for each covered group. This agreement encompasses the group(s) listed below:

All Eligible Employees within the following bargaining unit(s) or personnel/employee classification(s) (must specify below, e.g., MERS Division 1; All Police & Fire; or Police Command):

All Medicare eligible retirees who opt out of the city's Rx Coverage

ELIGIBLE EMPLOYEES

Only Employees of a "municipality" may be covered by the Health Care Savings Program Participation Agreement. Independent contractors may not participate in the Health Care Savings Program. 2. Subject to other conditions in the Trust Document and this Participation Agreement, the following Covered Group of Employees are deemed to be "qualified persons" eligible to participate in the Health Care Savings Program:

Check one or both:

☑ With respect to Covered Groups, this Participation Agreement covers all employees who are in a collective bargaining unit, subject to the terms of the collective bargaining agreement.

☑ With respect to Covered Groups, this Participation Agreement covers all employees who are subject to the same personnel policy, according to the terms of the policy.

The Employer shall provide MERS with the name, address, Social Security Number, and date of birth for each Eligible Employee, as defined by the Participation Agreement on Employee Enrollment and Beneficiary Designation forms to be provided by MERS Health Care Savings Program.

EMPLOYER CONTRIBUTIONS TO THE HEALTH CARE SAVINGS PROGRAM

The Participating Employer hereby elects to make contributions to the Trust. Once you have determined the contribution structure, language should be added in the appropriate area below. Contributions shall be made on the same basis within each Covered Group specified in this agreement, and remitted to MERS as directed by the Program Administrator along with the Participation Report, to be credited to the individual accounts of Eligible Employees as follows:

Check one or more, as applicable:

☑ **Basic Employer (Before-Tax) Contributions**

These employer contributions may be made as a percentage of salary and/or by a specified dollar amount. Identify below the basic employer contribution formula to be applied to the covered groups within the Health Care Savings Program identified in this agreement.

Contribution structure **(specify)**: All employees will receive $43.08 per month

☐ **Vesting Cycle For Basic Employer Contributions Only**

The employer contributions identified in this Participation Agreement are subject to the following vesting cycle.

Years of Service	Percentage Vested
	100%

FORFEITURE PROVISION. Upon separation from the service with the Employer prior to meeting required vesting schedule set out above, or upon Death of the Participant, prior to meeting the required vesting schedule, a Participant's account assets shall:

Check only one, as applicable:

- ☐ Remain in the HCSP sub-trust to be reallocated among all Plan Participants in on equal dollar basis
- ☐ Remain in the HCSP sub-trust to be used to offset future Employer Contributions
- ☐ Be transferred to the Employer's Health Funding Vehicle ("RHFV").

☐ **Mandatory Salary Reduction (Before-Tax) Contributions**

Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory salary reduction resulting from collective bargaining or the establishment of a personnel policy. These reductions may be made as a percentage of salary or a specific dollar amount.

Contribution structure **(specify):** ______________________________________

____

____

____

☐ **Mandatory Leave Conversion (Before-Tax) Contributions**

Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory conversion of accrued leave including, but not limited to vacation, holiday, sick leave, or severance amounts otherwise paid out, to a cash contribution. These contributions may be calculated as a percentage of accrued leave or a specific dollar amount representing the accrued leave. Leave conversions may be made on an annual basis or at separation from service, or at such other time as the Employer indicates. (*Note: The leave conversion program shall not permit employees the option of receiving cash in lieu of the employer contribution.*)

The following type of leave shall be converted to an employer cash contribution to Health Care Savings Program:

Check one or more, as applicable:

☐ **Vacation Leave Conversion Contribution Structure:**

- ☐ As of ____________________, ________% of vacation leave must be contributed to HCSP.
  (Annual Date or X weeks prior to termination)
- ☐ Other **(specify):** ______________________________________

____

☐ **Sick Leave Conversion Contribution Structure:**

☐ As of ______________________, ________% of sick leave must be contributed to HCSP.
(Annual Date or X weeks prior to termination)

☐ Other **(specify)**: ____

____

☐ **Personal Leave Conversion Contribution Structure:**

☐ As of ______________________, ________% of personal leave must be contributed to HCSP.
(Annual Date or X weeks prior to termination)

☐ Other **(specify)**: ____

____

☐ **Severance Pay Conversion Contribution Structure:**

☐ As of ______________________, ________% of severance pay must be contributed to HCSP.
(Annual Date or X weeks prior to termination)

☐ Other **(specify)**: ____

____

☐ **Post-Tax Employee Contributions**

The Participating Employer hereby elects to permit post-tax Employee Contributions to be made by Eligible Employees within the Covered Group(s), which shall be remitted as directed by the Program Administrator, to be credited to the individual accounts of Eligible Employees. All Employee Contributions must be remitted to MERS along with the Participation Report.

MODIFICATION OF THE TERMS OF THE PARTICIPATION AGREEMENT

If a Participating Employer desires to amend any of its previous elections contained in this Participation Agreement, including attachments, the Governing Body by official action must adopt a new Participation Agreement and forward it to the Board for approval. The amendment of the new Participation Agreement is not effective until approved by the Board and other procedures required by the Trust Plan Document have been implemented.

STATE LAW

To the extent not preempted by federal law, this agreement shall be interpreted in accordance with Michigan law.

TERMINATION OF THE PARTICIPATION AGREEMENT

This Participation Agreement may be terminated only in accordance with the Trust Plan Document.

EXECUTION BY GOVERNING BODY OF MUNICIPALITY

The foregoing Participation Agreement is hereby adopted and approved on the 13th day of May, 2008.

GOVERNING BODY

City of Muskegon
Name of Employer

Signed

Printed Name Stephen J. Warmington

Title Mayor

Date of Signature 5-19-2008

MERS APPROVAL

The Participation Agreement is approved by MERS. Contributions shall first be remitted beginning with the month of ______________________, 20___.

Dated: ________________, 20____ By ______________________________
(Authorized MERS signatory)

Title ______________________________

MERS

MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

HEALTH CARE SAVINGS PROGRAM

HEALTH CARE SAVINGS PROGRAM PARTICIPATION AGREEMENT

City of Muskegon

(Participating Employer)

Municipal Employees' Retirement System of Michigan
1134 Municipal Way
Lansing, MI 48917
517-703-9030

Restated: November 15, 2005
(Approved May 14, 2003 and
amended August 19, 2004)

HEALTH CARE SAVINGS PROGRAM EMPLOYER

Effective Date of this Participation Agreement May 1, 2008

Health Care Savings Program Coordinator (Name and title) Tim Paul, Finance Director

Address 933 Terrace Street, Muskegon, MI 49443-0536

Phone (231) 724 - 6709 Facsimile (231) 726 - 2325

E-mail tim.paul@postman.org

COVERED EMPLOYEE GROUPS

A participating Employer may cover all of its employee groups, bargaining units or personnel/employee classifications ("Covered Group"), in Health Care Savings Program or select from the listing below. **Contributions shall be made on the same basis within each Covered Group identified by this agreement, and remitted as directed by the Program Administrator.** If the Employer has varying coverage or contribution structures between groups, a separate agreement will need to be completed for each covered group. This agreement encompasses the group(s) listed below:

All Eligible Employees within the following bargaining unit(s) or personnel/employee classification(s) (must specify below, e.g., MERS Division 1; All Police & Fire; or Police Command):

All Medicare eligible retirees who opt out of the city's Medical and Rx coverage

ELIGIBLE EMPLOYEES

Only Employees of a "municipality" may be covered by the Health Care Savings Program Participation Agreement. Independent contractors may not participate in the Health Care Savings Program. 2. Subject to other conditions in the Trust Document and this Participation Agreement, the following Covered Group of Employees are deemed to be "qualified persons" eligible to participate in the Health Care Savings Program:

Check one or both:

☑ With respect to Covered Groups, this Participation Agreement covers all employees who are in a collective bargaining unit, subject to the terms of the collective bargaining agreement.

☑ With respect to Covered Groups, this Participation Agreement covers all employees who are subject to the same personnel policy, according to the terms of the policy.

The Employer shall provide MERS with the name, address, Social Security Number, and date of birth for each Eligible Employee, as defined by the Participation Agreement on Employee Enrollment and Beneficiary Designation forms to be provided by MERS Health Care Savings Program.

EMPLOYER CONTRIBUTIONS TO THE HEALTH CARE SAVINGS PROGRAM

The Participating Employer hereby elects to make contributions to the Trust. Once you have determined the contribution structure, language should be added in the appropriate area below. Contributions shall be made on the same basis within each Covered Group specified in this agreement, and remitted to MERS as directed by the Program Administrator along with the Participation Report, to be credited to the individual accounts of Eligible Employees as follows:

Check one or more, as applicable:

☑ **Basic Employer (Before-Tax) Contributions**

These employer contributions may be made as a percentage of salary and/or by a specified dollar amount. Identify below the basic employer contribution formula to be applied to the covered groups within the Health Care Savings Program identified in this agreement.

Contribution structure **(specify)**: All employees will receive $93.08 per month

☐ **Vesting Cycle For Basic Employer Contributions Only**

The employer contributions identified in this Participation Agreement are subject to the following vesting cycle.

Years of Service	Percentage Vested
	100%

FORFEITURE PROVISION. Upon separation from the service with the Employer prior to meeting required vesting schedule set out above, or upon Death of the Participant, prior to meeting the required vesting schedule, a Participant's account assets shall:

Check <u>only</u> one, as applicable:

- ☐ Remain in the HCSP sub-trust to be reallocated among all Plan Participants in on equal dollar basis
- ☐ Remain in the HCSP sub-trust to be used to offset future Employer Contributions
- ☐ Be transferred to the Employer's Health Funding Vehicle ("RHFV").

☐ **<u>Mandatory Salary Reduction (Before-Tax) Contributions</u>**

Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory salary reduction resulting from collective bargaining or the establishment of a personnel policy. These reductions may be made as a percentage of salary or a specific dollar amount.

Contribution structure **(specify):** ____

____

____

____

☐ **<u>Mandatory Leave Conversion (Before-Tax) Contributions</u>**

Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory conversion of accrued leave including, but not limited to vacation, holiday, sick leave, or severance amounts otherwise paid out, to a cash contribution. These contributions may be calculated as a percentage of accrued leave or a specific dollar amount representing the accrued leave. Leave conversions may be made on an annual basis or at separation from service, or at such other time as the Employer indicates. (*Note: The leave conversion program shall not permit employees the option of receiving cash in lieu of the employer contribution.*)

The following type of leave shall be converted to an employer cash contribution to Health Care Savings Program:

Check one or more, as applicable:

☐ **<u>Vacation Leave Conversion Contribution Structure</u>:**

☐ As of ____________________, ________% of vacation leave must be contributed to HCSP.
(Annual Date or X weeks prior to termination)

☐ Other **(specify)**: ____

____

☐ **Sick Leave Conversion Contribution Structure:**

☐ As of ______________________, ________% of sick leave must be contributed to HCSP.
(Annual Date or X weeks prior to termination)

☐ Other **(specify):** ____

____

☐ **Personal Leave Conversion Contribution Structure:**

☐ As of ____________________, ________% of personal leave must be contributed to HCSP.
(Annual Date or X weeks prior to termination)

☐ Other **(specify):** ____

____

☐ **Severance Pay Conversion Contribution Structure:**

☐ As of ____________________, ________% of severance pay must be contributed to HCSP.
(Annual Date or X weeks prior to termination)

☐ Other **(specify):** ____

____

☐ **Post-Tax Employee Contributions**

The Participating Employer hereby elects to permit post-tax Employee Contributions to be made by Eligible Employees within the Covered Group(s), which shall be remitted as directed by the Program Administrator, to be credited to the individual accounts of Eligible Employees. All Employee Contributions must be remitted to MERS along with the Participation Report.

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City of Muskegon
Name of Employer

Signed ____________

Printed Name Stephen J. Warmington

Title Mayor

Date of Signature 5-19-2008

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Dated: ____________________, 20____ By ______________________________
(Authorized MERS signatory)

Title ______________________________

HEALTH CARE SAVINGS PROGRAM
PARTICIPATION AGREEMENT

City of Muskegon

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These employer contributions may be made as a percentage of salary and/or by a specified dollar amount. Identify below the basic employer contribution formula to be applied to the covered groups within the Health Care Savings Program identified in this agreement.

Contribution structure **(specify)**: All employees will receive $52.08 per month

☐ **Vesting Cycle For Basic Employer Contributions Only**

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☐ As of ______________________, ________% of sick leave must be contributed to HCSP.
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____

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(Annual Date or X weeks prior to termination)

☐ Other **(specify)**: ____

____

☐ **<u>Severance Pay Conversion Contribution Structure</u>:**

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GOVERNING BODY

City of Muskegon
Name of Employer

Signed ______________________

Printed Name Stephen J. Warmington

Title Mayor

Date of Signature 5-19-2008

MERS APPROVAL

The Participation Agreement is approved by MERS. Contributions shall first be remitted beginning with the month of ____________________, 20___.

Dated: ________________, 20____ By ______________________
(Authorized MERS signatory)

Title ______________________

Date: May 13, 2008

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: First Quarter 2008 Budget Reforecast

SUMMARY OF REQUEST: At this time staff is transmitting the ***First Quarter 2008 Budget Reforecast*** which outlines proposed changes to the original budget that have come about as result of changes in policy priorities, labor contracts, updated economic conditions, or other factors. For the next meeting, an action item will be placed on the agenda for adoption of the budget reforecast together with any additional changes deemed necessary by Commissioners.

FINANCIAL IMPACT: The biggest change is an adjustment of projected income tax revenues from $6.9 million to $7.2 million. This upward adjustment is based on an analysis of recent collection history and allows us to eliminate from the 2008 budget the projected transfer of $300,000 from the Budget Stabilization fund. Other revenue items are generally on target with projections as are most operating budgets. We are, of course, hopeful that the Governor's proposal to increase revenue sharing by four percent is successful. This would impact the last three payments (of six) for the City's 2008 fiscal year. Significantly, employee healthcare coverage was renewed at a 6% increase which is within our budget projection.

Aside from income tax, the other significant changes to the 2008 budget included in the first quarter reforecast are in the area of capital improvements. Most of these changes reflect the reallocation of costs due to failed/withdrawn special assessment projects.

BUDGET ACTION REQUIRED: Self-explanatory.

STAFF RECOMMENDATION: The City Commission should review the *Reforecast* to ensure it reflects their policy initiatives. At the next City Commission meeting, staff will request formal approval of the *Reforecast* and related budget amendments.

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

CITY OF MUSKEGON
GENERAL FUND

HISTORICAL SUMMARY

Year		Revenues & Transfers In		Expenditures & Transfers Out		Fund Balance at Year-End
1998	$	21,643,855	$	21,634,467	$	2,059,075
1999		21,451,681		22,011,881		1,498,875
2000		23,685,516		22,232,657		2,951,734
2001		23,446,611		23,235,978		3,162,367
2002		23,617,163		23,971,534		2,807,996
2003		23,328,756		23,705,334		2,431,418
2004		23,401,793		23,388,019		2,445,192
2005		23,732,641		23,658,227		2,519,606
2006		24,669,210		24,498,776		2,690,040
2007		25,031,403		24,800,810		2,920,633

Fiscal 2008 Budget Summary

FUND BALANCE AT START OF YEAR		$ 2,920,633
MEANS OF FINANCING:		
Taxes	15,277,731	61.8%
Licenses and Permits	1,028,000	4.2%
Federal Grants	45,718	0.2%
State Grants	28,000	0.1%
State Shared Revenue	4,487,972	18.2%
Other Charges	2,290,813	9.3%
Interest & Rentals	483,900	2.0%
Fines and Fees	572,000	2.3%
Other Revenue	397,419	1.6%
Other Financing Sources	95,000	0.4%
	24,706,553	100.0%
ESTIMATED REQUIREMENTS:		
Customer Value Added Activities	18,308,591	73.8%
Business Value Added Activities	4,490,803	18.1%
Fixed Budget Items	2,015,025	8.1%
	24,814,419	100.0%
ESTIMATED FUND BALANCE AT END OF YEAR		$ 2,812,767
OPERATING DEFICIT (USE OF FUND BALANCE)		$ (107,866)
TARGET FUND BALANCE (10% PRIOR YEAR EXPENDITURES)		$ 2,480,081
ESTIMATED EXCESS (SHORTFALL) vs. TARGET		$ 332,686

City of Muskegon
First Quarter 2008 Budget Reforecast - General Fund

	Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
Available Fund Balance - BOY	$ 2,519,606	$ 2,690,039	$ 2,533,800	$ 2,920,632	$ 2,920,632	$ 386,832	
Taxes							
City income tax	$ 7,425,173	$ 7,618,461	$ 6,900,000	$ 2,068,063	$ 7,200,000	$ 300,000	4.35%
Property taxes - general	5,526,271	5,686,706	5,968,000	5,147,464	5,968,000	-	0.00%
Property taxes - sanitation	1,616,027	1,658,845	1,740,000	1,501,840	1,740,000	-	0.00%
Industrial facilities taxes	396,366	364,628	270,731	-	270,731	-	0.00%
Payments in lieu of taxes	88,871	91,392	89,000	-	89,000	-	0.00%
Delinquent chargeback collected	2,112	-	10,000	-	10,000	-	0.00%
	$ 15,054,820	$ 15,420,032	$ 14,977,731	$ 8,717,367	$ 15,277,731	$ 300,000	2.00%
Licenses and permits							
Business licenses	$ 33,656	$ 32,025	$ 33,000	$ 2,080	$ 33,000	$ -	0.00%
Liquor licenses	36,452	37,000	35,000	6,955	35,000	-	0.00%
Cable TV franchise fees	285,124	296,701	300,000	-	300,000	-	0.00%
Rental property registration	12,980	695	100,000	9,740	100,000	-	0.00%
Property Maintenance Inspection Fees	55,623	81,640	-	-	-	-	0.00%
Burial permits	118,399	117,703	120,000	19,554	120,000	-	0.00%
Building permits	306,791	348,349	250,000	69,075	250,000	-	0.00%
Electrical permits	76,536	106,607	95,000	21,385	95,000	-	0.00%
Plumbing permits	34,367	34,540	40,000	7,813	40,000	-	0.00%
Mechanical permits	45,978	56,016	52,500	14,378	52,500	-	0.00%
Franchise fees	-	500	-	-	-	-	0.00%
Cat licenses	3,115	3,740	2,500	2,230	2,500	-	0.00%
Police gun registration	3	2	-	-	-	-	0.00%
	$ 1,009,024	$ 1,115,518	$ 1,028,000	$ 153,210	$ 1,028,000	$ -	0.00%
Federal grants							
Federal operational grant	$ 172,881	$ 84,162	$ 45,718	$ -	$ 45,718	$ -	0.00%
	$ 172,881	$ 84,162	$ 45,718	$ -	$ 45,718	$ -	0.00%
State grants							
Act 302 police training grant	$ 18,302	$ 18,373	$ 18,000	$ -	$ 18,000	$ -	0.00%
State operational grant	-	-	10,000	-	10,000	-	0.00%
	$ 18,302	$ 18,373	$ 28,000	$ -	$ 28,000	$ -	0.00%
State shared revenue							
State sales tax	$ 4,556,801	$ 4,475,462	$ 4,487,972	$ -	$ 4,487,972	$ -	0.00%
	$ 4,556,801	$ 4,475,462	$ 4,487,972	$ -	$ 4,487,972	$ -	0.00%

City of Muskegon
First Quarter 2008 Budget Reforecast - General Fund

	Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
Other charges for sales and services							
Tax administration fees	$ 219,172	$ 212,530	$ 278,634	$ -	$ 278,634	$ -	0.00%
Utility administration fees	180,000	180,000	180,000	45,000	180,000	-	0.00%
Reimbursement for elections	13,762	22,042	13,000	-	13,000	-	0.00%
Reimbursement for school police officer	20,000	-	19,000	-	19,000	-	0.00%
Indirect cost reimbursement	1,045,539	1,024,932	1,016,979	255,375	1,016,979	-	0.00%
Site-plan review fee	5,650	5,870	4,000	630	4,000	-	0.00%
Sale of cemetery lots	26,390	34,982	25,000	3,092	25,000	-	0.00%
Sale of columbarium niches	800	3,200	2,400	-	2,400	-	0.00%
Police miscellaneous	77,093	120,470	75,000	31,132	75,000	-	0.00%
Police impound fees	49,206	43,234	45,000	11,067	45,000	-	0.00%
Landlord's alert fee	355	220	300	20	300	-	0.00%
Fire protection-state property	121,131	87,601	80,000	-	80,000	-	0.00%
Zoning fees	13,050	10,362	8,000	2,120	8,000	-	0.00%
Clerk fees	3,330	3,115	3,500	1,685	3,500	-	0.00%
Clerk - passport fees	2,520	8,240	10,000	4,515	10,000	-	0.00%
Tax abatement application fees	10,382	16,411	10,000	7,500	10,000	-	0.00%
Treasurer fees	76,030	61,277	90,000	3,704	90,000	-	0.00%
False alarm fees	14,130	12,525	12,000	90	12,000	-	0.00%
Miscellaneous cemetery income	22,772	20,536	22,000	667	22,000	-	0.00%
Senior transit program fees	10,131	9,254	9,000	2,300	9,000	-	0.00%
Fire miscellaneous	3,763	3,494	7,000	297	7,000	-	0.00%
Sanitation stickers	87,263	84,735	75,000	(437)	75,000	-	0.00%
Lot cleanup fees (trash)	74,581	70,987	70,000	-	70,000	-	0.00%
Reimbursements for mowing and demolitions	65,994	55,484	70,000	24,166	70,000	-	0.00%
Special events reimbursements	96,691	92,041	120,000	-	120,000	-	0.00%
Recreation program fees	78,878	41,457	45,000	10,061	45,000	-	0.00%
	$ 2,318,613	$ 2,224,999	$ 2,290,813	$ 402,984	$ 2,290,813	$ -	0.00%
Interest and rental income							
Interest	$ 416,599	$ 456,224	$ 305,000	$ 123,293	$ 305,000	$ -	0.00%
Fire Station Lease - Central Dispatch	-	6,180	35,000	7,965	35,000	-	0.00%
Flea market	20,736	22,064	29,000	-	29,000	-	0.00%
Farmers market	34,719	40,325	32,000	-	32,000	-	0.00%
City right of way rental	4,400	4,400	4,400	4,800	4,400	-	0.00%
Arena revenue	137,977	-	-	-	-	-	0.00%
Advertising revenue	-	-	2,000	-	2,000	-	0.00%
Parking rentals	2,800	2,800	2,500	700	2,500	-	0.00%
McGraft park rentals	44,008	42,114	45,000	1,851	45,000	-	0.00%
Other park rentals	30,403	30,920	29,000	6,266	29,000	-	0.00%
	$ 691,642	$ 605,027	$ 483,900	$ 144,875	$ 483,900	$ -	0.00%

City of Muskegon
First Quarter 2008 Budget Reforecast - General Fund

	Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
Fines and fees							
Income tax - penalty and interest	$ 192,822	$ 240,315	$ 200,000	$ 69,284	$ 200,000	$ -	0.00%
Late fees on current taxes	35,701	38,931	75,000	-	75,000	-	0.00%
Interest on late invoices	258	2,151	2,000	-	2,000	-	0.00%
Parking fines	87,060	113,354	120,000	30,484	120,000	-	0.00%
Court fines	208,061	190,651	175,000	29,597	175,000	-	0.00%
	$ 523,902	$ 585,402	$ 572,000	$ 129,365	$ 572,000	$ -	0.00%
Other revenue							
Sale of land and assets	$ -	$ -	$ 1,000	$ -	$ 1,000	$ -	0.00%
Police sale and auction proceeds	-	-	1,500	-	1,500	-	0.00%
CDBG program reimbursements	233,091	225,149	339,169	4,296	339,169	-	0.00%
Contributions	17,992	50,499	11,000	2,019	11,000	-	0.00%
Contributions - Veteran's Park Maintenance	17,977	18,328	17,250	-	17,250	-	0.00%
Fisherman's Landing Repayment	-	-	10,000	-	10,000	-	0.00%
Muskegon County Community Foundation	11,675	3,000	-	-	1,500	1,500	0.00%
Miscellaneous reimbursements	7,051	-	1,000	-	1,000	-	0.00%
Miscellaneous and sundry	9,469	53,794	15,000	1,792	15,000	-	0.00%
	$ 297,255	$ 350,770	$ 395,919	$ 8,107	$ 397,419	$ 1,500	0.38%
Other financing sources							
Operating transfers in							
Cemetery Perpetual Care	$ 20,970	$ 80,185	$ 45,000	$ 27,242	$ 45,000	$ -	0.00%
DDA for Administration	5,000	-	-	-	-	-	0.00%
RLF for Administration	-	-	-	-	-	-	0.00%
Budget Stabilization Fund	-	-	300,000	-	-	(300,000)	-100.00%
State Grants Fund	-	11,473	-	-	-	-	0.00%
Special Assessment Fund	-	-	-	-	-	-	0.00%
TIFA Fund (Arena Operations)	-	60,000	50,000	-	50,000	-	0.00%
	$ 25,970	$ 151,658	$ 395,000	$ 27,242	$ 95,000	$ (300,000)	-75.95%
Total general fund revenues and other sources	$ 24,669,210	$ 25,031,403	$ 24,705,053	$ 9,583,150	$ 24,706,553	$ 1,500	0.01%

First Quarter 2008 Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
	I. Customer Value Added Activities								
40301	**Police Department**								
5100	Salaries & Benefits	$ 7,170,304	$ 7,141,759	$ 7,349,756	$ 1,655,751	23%	$ 7,349,756	$ -	0.00%
5200	Operating Supplies	115,453	108,679	100,000	14,888	15%	100,000	-	0.00%
5300	Contractual Services	911,044	942,510	933,000	233,812	25%	933,000	-	0.00%
5400	Other Expenses	21,177	24,877	18,000	5,436	30%	18,000	-	0.00%
5700	Capital Outlays	14,514	17,947	12,000	21,069	50%	42,000	30,000	250.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 8,232,492	$ 8,235,772	$ 8,412,756	$ 1,930,956	23%	$ 8,442,756	$ 30,000	0.36%
		$ 8,232,492	$ 8,235,772	$ 8,412,756	$ 1,930,956	23%	$ 8,442,756	$ 30,000	0.36%
50336	**Fire Department**								
5100	Salaries & Benefits	$ 3,310,959	$ 3,285,855	$ 3,139,480	$ 790,783	25%	$ 3,139,480	$ -	0.00%
5200	Operating Supplies	138,151	90,479	104,336	19,298	18%	104,336	-	0.00%
5300	Contractual Services	186,344	216,418	185,000	30,250	16%	185,000	-	0.00%
5400	Other Expenses	9,400	4,757	12,500	1,782	14%	12,500	-	0.00%
5700	Capital Outlays	74,550	55,014	30,000	5,559	19%	30,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 3,719,404	$ 3,652,523	$ 3,471,316	$ 847,672	24%	$ 3,471,316	$ -	0.00%
50387	**Fire Safety Inspections**								
5100	Salaries & Benefits	$ 834,011	$ 830,275	$ 854,699	$ 219,519	26%	$ 854,699	$ -	0.00%
5200	Operating Supplies	12,165	12,157	14,000	2,486	18%	14,000	-	0.00%
5300	Contractual Services	136,785	107,713	131,608	20,399	15%	131,608	-	0.00%
5400	Other Expenses	8,358	11,328	9,000	1,717	19%	9,000	-	0.00%
5700	Capital Outlays	3,254	4,663	2,500	-	0%	2,500	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 994,573	$ 966,136	$ 1,011,807	$ 244,121	24%	$ 1,011,807	$ -	0.00%
		$ 4,713,977	$ 4,618,659	$ 4,483,123	$ 1,091,793	24%	$ 4,483,123	$ -	0.00%
60523	**General Sanitation**								
5100	Salaries & Benefits	$ 67,856	$ 70,782	$ 71,715	$ 17,162	24%	$ 71,715	$ -	0.00%
5200	Operating Supplies	-	1,425	-	-	N/A	-	-	0.00%
5300	Contractual Services	1,556,349	1,551,132	1,581,764	12,943	1%	1,581,754	(10)	0.00%
5400	Other Expenses	-	-	-	10	100%	10	10	0.00%
5700	Capital Outlays	26,149	26,149	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 1,650,354	$ 1,649,488	$ 1,653,479	$ 30,115	2%	$ 1,653,479	$ -	0.00%
60528	**Recycling**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	0.00%
5200	Operating Supplies			-		N/A	-	-	0.00%
5300	Contractual Services	159,751	163,699	168,179	-	0%	168,179	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 159,751	$ 163,699	$ 168,179	$ -	0%	$ 168,179	$ -	0.00%

First Quarter 2008 Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
60550	**Stormwater Management**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	0.00%
5200	Operating Supplies	-	-	-	-	N/A	-	-	0.00%
5300	Contractual Services	16,384	16,991	16,991	4,000	24%	16,991	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 16,384	$ 16,991	$ 16,991	$ 4,000	24%	$ 16,991	$ -	0.00%
60448	**Streetlighting**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	0.00%
5200	Operating Supplies	-	-	-	-	N/A	-	-	0.00%
5300	Contractual Services	563,184	593,486	634,000	55,674	9%	634,000	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 563,184	$ 593,486	$ 634,000	$ 55,674	9%	$ 634,000	$ -	0.00%
60707	**Senior Citizen Transit**								
5100	Salaries & Benefits	$ 40,899	$ 50,164	$ 51,748	$ 10,949	21%	$ 51,748	$ -	0.00%
5200	Operating Supplies	-	-	9,620	-	N/A	-	(9,620)	-100.00%
5300	Contractual Services	10,140	9,660	-	2,220	23%	9,620	9,620	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 51,039	$ 59,824	$ 61,368	$ 13,169	21%	$ 61,368	$ -	0.00%
60446	**Community Event Support**								
5100	Salaries & Benefits	$ 16,543	$ 13,848	$ 17,500	$ 32	0%	$ 17,500	$ -	0.00%
5200	Operating Supplies	816	1,069	1,100	-	0%	1,100	-	0.00%
5300	Contractual Services	8,096	13,920	12,500	-	0%	12,500	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 25,455	$ 28,837	$ 31,100	$ 32	0%	$ 31,100	$ -	0.00%
70751	**Parks Maintenance**								
5100	Salaries & Benefits	$ 422,817	$ 389,710	$ 465,861	$ 87,861	19%	$ 465,861	$ -	0.00%
5200	Operating Supplies	103,127	117,237	128,600	3,831	3%	128,600	-	0.00%
5300	Contractual Services	687,148	822,713	682,202	73,951	11%	682,202	-	0.00%
5400	Other Expenses	107	138	-	-	N/A	-	-	0.00%
5700	Capital Outlays	18,652	11,027	45,000	-	0%	45,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 1,231,851	$ 1,340,825	$ 1,321,663	$ 165,643	13%	$ 1,321,663	$ -	0.00%

First Quarter 2008 Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
70757	**Mc Graft Park Maintenance**								
5100	Salaries & Benefits	$ 6,287	$ 4,928	$ 8,000	$ 770	10%	$ 8,000	$ -	0.00%
5200	Operating Supplies	5,102	1,760	1,600	13	1%	1,600	-	0.00%
5300	Contractual Services	58,010	39,688	45,600	1,730	4%	45,600	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 69,399	$ 46,376	$ 55,200	$ 2,513	5%	$ 55,200	$ -	0.00%
70276	**Cemeteries Maintenance**								
5100	Salaries & Benefits	$ 187,287	$ 187,185	$ 213,321	$ 49,370	23%	$ 213,321	$ -	0.00%
5200	Operating Supplies	8,627	6,839	6,325	70	1%	6,325	-	0.00%
5300	Contractual Services	318,730	340,379	306,550	21,681	7%	306,500	(50)	-0.02%
5400	Other Expenses	-	50	-	23	46%	50	50	0.00%
5700	Capital Outlays	13,801	11,522	1,000	-	0%	1,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 528,445	$ 545,975	$ 527,196	$ 71,144	13%	$ 527,196	$ -	0.00%
70585	**Parking Operations**								
5100	Salaries & Benefits	$ 730	$ 2,637	$ 2,500	$ 1,129	45%	$ 2,500	$ -	0.00%
5200	Operating Supplies	223	-	1,000	-	0%	1,000	-	0.00%
5300	Contractual Services	12,569	3,968	3,769	652	17%	3,769	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 13,522	$ 6,605	$ 7,269	$ 1,781	25%	$ 7,269	$ -	0.00%
70357	**Graffiti Removal**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	0.00%
5200	Operating Supplies	233	823	1,000	-	0%	1,000	-	0.00%
5300	Contractual Services	2,502	2,390	3,644	-	0%	3,644	-	0.00%
5400	Other Expenses	16	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 2,751	$ 3,213	$ 4,644	$ -	0%	$ 4,644	$ -	0.00%
70863	**Farmers' Market & Flea Market**								
5100	Salaries & Benefits	$ 20,093	$ 17,993	$ 22,500	$ 152	1%	$ 22,500	$ -	0.00%
5200	Operating Supplies	1,137	970	800	113	14%	800	-	0.00%
5300	Contractual Services	24,176	24,615	23,200	900	4%	23,100	(100)	-0.43%
5400	Other Expenses	-	-	-	75	75%	100	100	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 45,406	$ 43,578	$ 46,500	$ 1,240	3%	$ 46,500	$ -	0.00%
		$ 4,357,541	$ 4,498,897	$ 4,527,589	$ 345,311	8%	$ 4,527,589	$ -	0.00%

First Quarter 2008 Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
70775	**General Recreation**								
5100	Salaries & Benefits	$ 86,047	$ 88,539	$ 101,748	$ 25,405	25%	$ 101,748	$ -	0.00%
5200	Operating Supplies	24,263	24,170	29,000	1,305	5%	29,000	-	0.00%
5300	Contractual Services	186,107	150,924	135,364	10,543	8%	138,169	2,805	2.07%
5400	Other Expenses	1,861	889	3,500	440	13%	3,500	-	0.00%
5700	Capital Outlays	1,182	-	7,000	1,175	17%	7,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 299,460	$ 264,522	$ 276,612	$ 38,868	14%	$ 279,417	$ 2,805	1.01%
80387	**Environmental Services**								
5100	Salaries & Benefits	$ 116,175	$ 123,848	$ 136,296	$ 30,486	22%	$ 136,296	$ -	0.00%
5200	Operating Supplies	6,520	7,047	6,000	515	9%	6,000	-	0.00%
5300	Contractual Services	202,397	199,019	245,586	6,982	3%	245,586	-	0.00%
5400	Other Expenses	-	-	500	-	0%	500	-	0.00%
5700	Capital Outlays	404	2,852	3,000	-	0%	3,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 325,496	$ 332,766	$ 391,382	$ 37,983	10%	$ 391,382	$ -	0.00%
		$ 624,956	$ 597,288	$ 667,994	$ 76,851	11%	$ 670,799	$ 2,805	
10875	**Other - Contributions to Outside Agencies**								
	Muskegon Area Transit (MATS)	$ 80,164	$ 180,880	$ 80,164	$ 20,041	25%	$ 80,164	-	0.00%
	Neighborhood Association Grants	19,450	-	19,500	19,252	99%	19,500	-	0.00%
	Muskegon Area First	45,568	-	45,660	22,784	50%	45,660	-	0.00%
	Veterans Memorial Day Costs	2,044	-	6,000	-	0%	6,000	-	0.00%
	Neighborhoods of Choice	-	-	-	-	N/A	-	-	0.00%
	Lakeside Business District	2,500	-	2,500	-	0%	2,500	-	0.00%
	211 Service	-	-	2,500	-	0%	2,500	-	0.00%
	Institute for Healing Racism	-	-	1,000	-	0%	1,000	-	0.00%
	MLK Diversity Program	-	-	1,000	1,000	100%	1,000	-	0.00%
	Muskegon Area Labor Management (MALMC)	1,000	-	1,000	-	0%	1,000	-	0.00%
	Muskegon County and Humane Society - Feral Cats	25,287	-	25,000	6,770	27%	25,000	-	0.00%
	Other	-	-	-	-	N/A	-	-	0.00%
	Contributions To Outside Agencies	$ 176,013	$ 180,880	$ 184,324	$ 69,847	38%	$ 184,324	$ -	0.00%
		$ 176,013	$ 180,880	$ 184,324	$ 69,847	38%	$ 184,324	$ -	0.00%
	Total Customer Value Added Activities	$ 18,104,979	$ 18,131,496	$ 18,275,786	$ 3,514,758	19%	$ 18,308,591	$ 32,805	0.18%
	As a Percent of Total General Fund Expenditures	**73.9%**	**73.1%**	**73.8%**	**74.1%**		**73.8%**		

First Quarter 2008 Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

II. Business Value Added Activities

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
10101	**City Commission**								
5100	Salaries & Benefits	$ 62,186	$ 62,251	$ 64,428	$ 15,264	24%	$ 64,428	$ -	0.00%
5200	Operating Supplies	12,925	11,824	12,000	-	0%	12,000	-	0.00%
5300	Contractual Services	3,023	2,335	1,800	228	13%	1,800	-	0.00%
5400	Other Expenses	1,811	3,064	4,000	256	6%	4,000	-	0.00%
5700	Capital Outlays	8,724	988	900	225	25%	900	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 88,669	$ 80,462	$ 83,128	$ 15,973	19%	$ 83,128	$ -	0.00%
10102	**City Promotions & Public Relations**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	0.00%
5200	Operating Supplies	168	985	-	34	34%	100	100	0.00%
5300	Contractual Services	5,235	10,708	10,935	1,829	17%	10,835	(100)	-0.91%
5400	Other Expenses	-	2	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 5,403	$ 11,695	$ 10,935	$ 1,863	17%	$ 10,935	$ -	0.00%
10172	**City Manager**								
5100	Salaries & Benefits	$ 204,228	$ 208,363	$ 212,103	$ 59,868	28%	$ 212,103	$ -	0.00%
5200	Operating Supplies	1,790	1,613	1,800	40	2%	1,800	-	0.00%
5300	Contractual Services	3,035	2,446	2,800	316	11%	2,800	-	0.00%
5400	Other Expenses	639	1,153	1,300	150	12%	1,300	-	0.00%
5700	Capital Outlays	-	272	524	1,520	290%	524	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 209,692	$ 213,847	$ 218,527	$ 61,894	28%	$ 218,527	$ -	0.00%
10145	**City Attorney**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	0.00%
5200	Operating Supplies	-	790	1,338	-	0%	1,338	-	0.00%
5300	Contractual Services	424,117	439,644	425,000	111,765	26%	425,000	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 424,117	$ 440,434	$ 426,338	$ 111,765	26%	$ 426,338	$ -	0.00%
		$ 727,881	$ 746,438	$ 738,928	$ 191,495	26%	$ 738,928	$ -	0.00%
20173	**Administration**								
5100	Salaries & Benefits	$ 150,764	$ 117,263	$ 120,108	$ 8,372	7%	$ 120,108	$ -	0.00%
5200	Operating Supplies	1,511	1,083	1,200	(10)	-1%	1,200	-	0.00%
5300	Contractual Services	6,767	7,782	8,400	135	2%	8,400	-	0.00%
5400	Other Expenses	235	109	500	-	0%	500	-	0.00%
5700	Capital Outlays	564	206	253	-	0%	253	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 159,841	$ 126,443	$ 130,461	$ 8,497	7%	$ 130,461	$ -	0.00%

First Quarter 2008 Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
20228	**Affirmative Action**								
5100	Salaries & Benefits	$ 30,393	$ 68,661	$ 72,247	$ 18,438	26%	$ 72,247	$ -	0.00%
5200	Operating Supplies	219	512	750	103	14%	750	-	0.00%
5300	Contractual Services	1,544	1,533	3,027	144	5%	3,027	-	0.00%
5400	Other Expenses	-	856	1,000	4	0%	1,000	-	0.00%
5700	Capital Outlays	-	163	900	-	0%	1,200	300	33.33%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 32,156	$ 71,725	$ 77,924	$ 18,689	24%	$ 78,224	$ 300	0.38%
20744	**Julia Hackley Internships**								
5100	Salaries & Benefits	$ 4,350	$ 5,374	$ -	$ -	0%	$ 1,000	$ 1,000	0.00%
5200	Operating Supplies	-	-	-	-	0%	877	877	0.00%
5300	Contractual Services	-	-	-	-	N/A	-	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 4,350	$ 5,374	$ -	$ -	0%	$ 1,877	$ 1,877	0.00%
20215	**City Clerk & Elections**								
5100	Salaries & Benefits	$ 241,766	$ 241,725	$ 286,184	$ 64,017	22%	$ 286,184	$ -	0.00%
5200	Operating Supplies	31,892	21,443	26,617	3,519	13%	26,617	-	0.00%
5300	Contractual Services	21,830	11,670	16,750	2,562	15%	16,750	-	0.00%
5400	Other Expenses	1,778	1,383	2,500	308	12%	2,500	-	0.00%
5700	Capital Outlays	275	1,388	1,000	-	0%	1,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 297,541	$ 277,609	$ 333,051	$ 70,406	21%	$ 333,051	$ -	0.00%
20220	**Civil Service**								
5100	Salaries & Benefits	$ 145,934	$ 131,159	$ 152,219	$ 35,200	23%	$ 152,219	$ -	0.00%
5200	Operating Supplies	8,594	5,621	7,000	1,034	15%	7,000	-	0.00%
5300	Contractual Services	18,071	22,713	17,509	2,104	12%	17,509	-	0.00%
5400	Other Expenses	3,300	3,651	3,550	-	0%	2,550	(1,000)	-28.17%
5700	Capital Outlays	-	617	277	848	66%	1,277	1,000	361.01%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 175,899	$ 163,761	$ 180,555	$ 39,186	22%	$ 180,555	$ -	0.00%
		$ 669,787	$ 644,912	$ 721,991	$ 136,778	19%	$ 724,168	$ 2,177	0.30%
30202	**Finance Administration**								
5100	Salaries & Benefits	$ 325,506	$ 331,273	$ 345,455	$ 92,335	27%	$ 345,455	$ -	0.00%
5200	Operating Supplies	6,627	5,488	5,293	925	17%	5,293	-	0.00%
5300	Contractual Services	93,703	78,509	76,100	26,653	35%	76,100	-	0.00%
5400	Other Expenses	303	413	2,750	473	17%	2,750	-	0.00%
5700	Capital Outlays	4,176	7,829	1,500	-	0%	1,500	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 430,315	$ 423,512	$ 431,098	$ 120,386	28%	$ 431,098	$ -	0.00%

First Quarter 2008 Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
30209	**Assessing Services**								
5100	Salaries & Benefits	$ 6,343	$ 6,703	$ 6,366	$ 5,439	85%	$ 6,366	$ -	0.00%
5200	Operating Supplies	-	-	-	-	N/A	-	-	0.00%
5300	Contractual Services	436,274	453,134	425,000	1,320	0%	425,000	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	-	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 442,617	$ 459,837	$ 431,366	$ 6,759	2%	$ 431,366	$ -	0.00%
30805	**Arena Administration**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	0.00%
5200	Operating Supplies	-	-	-	-	N/A	-	-	0.00%
5300	Contractual Services	141,030	267,883	235,000	-	0%	235,000	-	0.00%
5400	Other Expenses	2	129	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	1,422	-	-	N/A	-	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 141,032	$ 269,434	$ 235,000	$ -	0%	$ 235,000	$ -	0.00%
30205	**Income Tax Administration**								
5100	Salaries & Benefits	$ 248,514	$ 287,511	$ 302,472	$ 74,243	25%	$ 302,472	$ -	0.00%
5200	Operating Supplies	16,853	18,228	17,110	4,408	26%	17,110	-	0.00%
5300	Contractual Services	66,912	66,375	59,761	20,393	34%	59,761	-	0.00%
5400	Other Expenses	629	960	600	33	6%	600	-	0.00%
5700	Capital Outlays	2,867	360	500	-	0%	500	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 335,775	$ 373,434	$ 380,443	$ 99,077	26%	$ 380,443	$ -	0.00%
30253	**City Treasurer**								
5100	Salaries & Benefits	$ 273,532	$ 245,360	$ 312,634	$ 61,879	20%	$ 312,634	$ -	0.00%
5200	Operating Supplies	29,099	28,725	34,200	5,640	16%	34,200	-	0.00%
5300	Contractual Services	79,985	66,420	67,822	9,548	14%	67,822	-	0.00%
5400	Other Expenses	568	553	1,500	-	0%	1,500	-	0.00%
5700	Capital Outlays	8,591	-	2,000	600	30%	2,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 391,775	$ 341,058	$ 418,156	$ 77,667	19%	$ 418,156	$ -	0.00%
30248	**Information Systems Administration**								
5100	Salaries & Benefits	$ 241,116	$ 250,554	$ 260,697	$ 70,373	27%	$ 260,697	$ -	0.00%
5200	Operating Supplies	81	170	5,500	52	1%	5,500	-	0.00%
5300	Contractual Services	28,103	50,392	61,759	31,623	51%	61,759	-	0.00%
5400	Other Expenses	6,765	328	11,000	19	0%	11,000	-	0.00%
5700	Capital Outlays	39,001	62,801	19,700	48	0%	19,700	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 315,066	$ 364,245	$ 358,656	$ 102,115	28%	$ 358,656	$ -	0.00%
		$ 2,056,580	$ 2,231,520	$ 2,254,719	$ 406,004	18%	$ 2,254,719	$ -	0.00%

First Quarter 2008 Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
60265	**City Hall Maintenance**								
5100	Salaries & Benefits	$ 63,507	$ 67,232	$ 66,339	$ 18,923	29%	$ 66,339	$ -	0.00%
5200	Operating Supplies	13,764	10,883	13,375	700	5%	13,375	-	0.00%
5300	Contractual Services	186,976	177,747	180,000	14,917	8%	180,000	-	0.00%
5400	Other Expenses	-	-	-	-	N/A	-	-	0.00%
5700	Capital Outlays	-	719	8,000	-	0%	8,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 264,247	$ 256,581	$ 267,714	$ 34,540	13%	$ 267,714	$ -	0.00%
		$ 264,247	$ 256,581	$ 267,714	$ 34,540	13%	$ 267,714	$ -	0.00%
80400	**Planning, Zoning and Economic Development**								
5100	Salaries & Benefits	$ 397,226	$ 403,843	$ 446,174	$ 112,249	25%	$ 446,174	$ -	0.00%
5200	Operating Supplies	6,381	4,821	5,600	1,435	26%	5,600	-	0.00%
5300	Contractual Services	28,840	44,965	46,500	19,100	41%	46,500	-	0.00%
5400	Other Expenses	2,776	3,391	5,000	358	7%	5,000	-	0.00%
5700	Capital Outlays	2,492	5,093	2,000	-	0%	2,000	-	0.00%
5900	Other Financing Uses	-	-	-	-	N/A	-	-	0.00%
		$ 437,715	$ 462,113	$ 505,274	$ 133,142	26%	$ 505,274	$ -	0.00%
		$ 437,715	$ 462,113	$ 505,274	$ 133,142	26%	$ 505,274	$ -	0.00%
	Total Business Value Added Activities	$ 4,156,210	$ 4,341,564	$ 4,488,626	$ 901,959	20%	$ 4,490,803	$ 2,177	0.05%
	As a Percent of Total General Fund Expenditures	**17.0%**	**17.5%**	**18.1%**	**19.0%**		**18.1%**		

First Quarter 2008 Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
	III. Fixed Budget Items								
30999	**Transfers To Other Funds**								
	Major Street Fund	$ 300,000	$ 200,000	$ -	$ -	N/A	$ -	$ -	0.00%
	Local Street Fund	480,000	480,000	480,000	120,000	25%	480,000	-	0.00%
	Budget Stabilization Fund	150,000	250,000	-	-	N/A	-	-	0.00%
	L.C. Walker Arena Fund (Operating Subsidy)	310,000	-	-	-	N/A	-	-	0.00%
	Arena Improvement Fund	60,000	-	-	-	N/A	-	-	0.00%
	Public Improvement Fund (Fire Equipment Reserve)	150,000	150,000	150,000	37,500	25%	150,000	-	0.00%
	State Grants Fund (Grant Matches)	-	154,880	-	-	N/A	-	-	0.00%
	Marina	40,000	40,000	40,000	-	0%	40,000	-	0.00%
	Sidewalk	150,000	300,000	-	-	N/A	-	-	0.00%
	MOD State Rehab Loan Fund	-	-	-	-	N/A	-	-	0.00%
	LDFA Debt Service Fund (Smartzone)	31,262	100,000	150,000	37,500	25%	150,000	-	0.00%
	General Insurance	-	28,046	28,046	7,011	25%	28,046	-	0.00%
		$ 1,671,262	$ 1,702,926	$ 848,046	$ 202,011	24%	$ 848,046	$ -	0.00%
30851	**General Insurance**	$ 334,748	$ 350,385	$ 368,834	$ -	0%	$ 368,834	$ -	0.00%
30906	**Debt Retirement**	3,336	208,859	264,145	120,501	46%	264,145	-	0.00%
10891	**Contingency and Bad Debt Expense**	222,802	-	400,000	135	0%	400,000	-	0.00%
90000	**Major Capital Improvements**	5,439	65,580	134,000	1,122	1%	134,000	-	0.00%
	Total Fixed-Budget Items	$ 2,237,587	$ 2,327,750	$ 2,015,025	$ 323,769	16%	$ 2,015,025	$ -	0.00%
	As a Percent of Total General Fund Expenditures	**9.1%**	**9.4%**	**8.1%**	**6.8%**		**8.1%**		
	Total General Fund	$ 24,498,776	$ 24,800,810	$ 24,779,437	$ 4,740,486	19%	$ 24,814,419	$ 34,982	0.14%

Recap: Total General Fund By Expenditure Object

		Actual 2006	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008 Original	% Change From 2008 Original
5100	Salaries & Benefits	$ 14,675,373	$ 14,634,795	$ 15,082,550	$ 3,525,969	23%	$ 15,083,550	$ 1,000	0.01%
5200	Operating Supplies	545,721	484,841	535,164	60,399	11%	526,521	(8,643)	-1.62%
5300	Contractual Services	7,318,724	7,434,746	7,700,278	788,356	10%	7,712,443	12,165	0.16%
5400	Other Expenses	59,725	58,031	77,200	11,084	15%	76,360	(840)	-1.09%
5700	Capital Outlays	224,635	276,612	272,054	32,166	11%	303,354	31,300	11.51%
5900	All Other Financing Uses	1,674,598	1,911,785	1,112,191	322,512	29%	1,112,191	-	0.00%
	Total General Fund	$ 24,498,776	$ 24,800,810	$ 24,779,437	$ 4,740,486	19%	$ 24,814,419	$ 34,982	0.14%

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

202 Major Streets and State Trunklines Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Fund Balance - BOY	$ 847,149	$ 708,102	$ 495,031	$ 1,169,135		$ 1,169,135	$ 674,104	
	Means of Financing								
	Special assessments	$ 254,840	$ 272,291	$ 250,000	$ -		$ 250,000	$ -	
	Federal & state grants	1,290,725	2,303,829	1,623,000	23		1,933,000	310,000	
	Shoreline Drive Residual	-	-	-	-		-	-	
	State shared revenue	2,634,633	2,629,710	2,930,818	237,364		2,930,818	-	
	Interest income	123,726	116,227	100,000	8,137		100,000	-	
	Operating transfers in	200,000	200,000	-	-		-	-	
	Other	272,589	370,376	40,000	34,810		40,000	-	
		$ 4,776,513	$ 5,892,433	$ 4,943,818	$ 280,334		$ 5,253,818	$ 310,000	
60900	**Operating Expenditures**								
5100	Salaries & Benefits	$ 693,692	$ 663,738	$ 931,004	$ 254,682	27%	$ 931,004	$ -	
5200	Operating Supplies	196,458	284,582	227,900	145,459	64%	227,900	-	
5300	Contractual Services	935,335	1,093,974	930,000	327,089	35%	930,000	-	
5400	Other Expenses	3,740	1,803	5,000	250	5%	5,000	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	863,710	968,638	396,093	-	0%	396,093	-	TRANSFER TO LOCAL IN 2007 ($1,200,000); DEBT SERVICE 2007 ($668,137) 2008 ($396,093)
		$ 2,692,935	$ 3,012,735	$ 2,489,997	$ 727,480	29%	$ 2,489,997	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	2,222,625	2,418,665	2,621,000	243,815	7%	3,361,000	740,000	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	-	N/A	-	-	
		$ 2,222,625	$ 2,418,665	$ 2,621,000	$ 243,815	7%	$ 3,361,000	$ 740,000	
		$ 4,915,560	$ 5,431,400	$ 5,110,997	$ 971,295	17%	$ 5,850,997		
	Available Fund Balance - EOY	$ 708,102	$ 1,169,135	$ 327,852	$ 478,174		$ 571,956	$ 244,104	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
203	**Local Streets Fund**								
	Available Fund Balance - BOY	$ 561,833	$ 648,231	$ 1,725,028	$ 1,389,910		$ 1,389,910	$ (335,118)	
	Means of Financing								
	Special assessments	$ 182,841	$ 705,740	$ 18,000	$ -		$ 120,000	$ 102,000	
	Federal & state grants	1,981,524	240,000	-	-		-	-	
	Metro act fees	140,645	140,010	140,000	-		140,000	-	
	State shared revenue	662,550	658,387	675,652	51,866		675,652	-	
	Interest income	59,856	243,947	25,000	1,082		25,000	-	
	Operating transfers in	783,219	780,000	480,000	120,000		480,000	-	FROM GENERAL FUND ($480,000)
	Other	247,453	15,747	5,000	475		5,000	-	
		$ 4,058,088	$ 2,783,831	$ 1,343,652	$ 173,423		$ 1,445,652	$ 102,000	
60900	**Operating Expenditures**								
5100	Salaries & Benefits	$ 581,113	$ 607,155	$ 468,253	$ 173,670	37%	$ 468,253	$ -	
5200	Operating Supplies	93,783	110,130	110,000	17,117	16%	110,000	-	
5300	Contractual Services	791,783	863,047	790,378	224,859	28%	790,378	-	
5400	Other Expenses	195	384	1,000	358	36%	1,000	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 1,466,874	$ 1,580,716	$ 1,369,631	$ 416,004	30%	$ 1,369,631	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	2,504,816	461,436	1,410,000	122,709	19%	650,000	(760,000)	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
		$ 2,504,816	$ 461,436	$ 1,410,000	$ 122,709	19%	$ 650,000	$ (760,000)	
		$ 3,971,690	$ 2,042,152	$ 2,779,631	$ 538,713	27%	$ 2,019,631		
	Available Fund Balance - EOY	$ 648,231	$ 1,389,910	$ 289,049	$ 1,024,620		$ 815,931	$ 526,882	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

257 Budget Stabilization Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Fund Balance - BOY	$ 1,350,000	$ 1,500,000	$ 1,350,000	$ 1,750,000		$ 1,750,000	$ 400,000	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	-	-	-	-		-	-	
	Interest income	-	-	-	-		-	-	
	Operating transfers in - General Fund	150,000	250,000	-	-		-	-	
	Operating transfers in - TIFA Fund	-	-	-	-		-	-	
	Operating transfers in - Insurance Fund	-	-	-	-		-	-	
	Other	-	-	-	-		-	-	
		$ 150,000	$ 250,000	$ -	$ -		$ -	$ -	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	300,000	-	N/A	-	(300,000)	TRANSFER TO GENERAL FUND
		$ -	$ -	$ 300,000	$ -	N/A	$ -	$ (300,000)	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ -	$ -	$ 300,000	$ -	N/A	$ -		
	Available Fund Balance - EOY	$ 1,500,000	$ 1,750,000	$ 1,050,000	$ 1,750,000		$ 1,750,000	$ 700,000	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
260	**Farmers' Market Improvement Fund**								
	Available Fund Balance - BOY	$ 24,483	$ 25,465	$ 26,765	$ 26,755		$ 26,755	$ (10)	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	-	-	-	-		-	-	
	Interest income	982	1,290	700	250		700	-	
	Operating transfers in - General Fund	-	-	-	-		-	-	
	Operating transfers in - TIFA Fund	-	-	-	-		-	-	
	Operating transfers in - Insurance Fund	-	-	-	-		-	-	
	Other	-	-	300	-		300	-	
		$ 982	$ 1,290	$ 1,000	$ 250		$ 1,000	$ -	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	25,000	-	0%	25,000	-	
		$ -	$ -	$ 25,000	$ -	0%	$ 25,000	$ -	
		$ -	$ -	$ 25,000	$ -	0%	$ 25,000		
	Available Fund Balance - EOY	$ 25,465	$ 26,755	$ 2,765	$ 27,005		$ 2,755	$ (10)	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

264 Criminal Forfeitures Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Fund Balance - BOY	$ 133,244	$ 157,835	$ 115,835	$ 138,160		$ 138,160	$ 22,325	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	-	-	-	-		-	-	
	Interest income	6,023	7,566	3,000	1,337		3,000	-	
	Operating transfers in - General Fund	-	-	-	-		-	-	
	Operating transfers in - TIFA Fund	-	-	-	-		-	-	
	Operating transfers in - Insurance Fund	-	-	-	-		-	-	
	Other	74,331	21,143	16,000	14,849		16,000	-	
		$ 80,354	$ 28,709	$ 19,000	$ 16,186		$ 19,000	$ -	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	1,644	949	45,000	-	0%	45,000	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	54,119	47,435	18,000	37,494	208%	18,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 55,763	$ 48,384	$ 63,000	$ 37,494	60%	$ 63,000	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 55,763	$ 48,384	$ 63,000	$ 37,494	60%	$ 63,000		
	Available Fund Balance - EOY	$ 157,835	$ 138,160	$ 71,835	$ 116,852		$ 94,160	$ 22,325	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

285 Tree Replacement Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Fund Balance - BOY	$ 13,561	$ 10,210	$ 10,910	$ 9,108		$ 9,108	$ (1,802)	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	3,000	-		3,000	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	-	-	400	545		400	-	
	Interest income	488	522	500	93		500	-	
	Operating transfers in - General Fund	-	-	-	-		-	-	
	Operating transfers in - TIFA Fund	-	-	-	-		-	-	
	Operating transfers in - Insurance Fund	-	-	-	-		-	-	
	Other	-	1,400	-	400		-	-	
		$ 488	$ 1,922	$ 3,900	$ 1,038		$ 3,900	$ -	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	3,839	3,024	3,800	163	4%	3,800	-	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 3,839	$ 3,024	$ 3,800	$ 163	4%	$ 3,800	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 3,839	$ 3,024	$ 3,800	$ 163	4%	$ 3,800		
	Available Fund Balance - EOY	$ 10,210	$ 9,108	$ 11,010	$ 9,983		$ 9,208	$ (1,802)	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
289	**Local Development Finance Authority I Fund - Port City Industrial Park**								
	Available Fund Balance - BOY	$ 312	$ 323	$ 333	$ 335		$ 335	$ 2	
	Means of Financing								
	Property taxes	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	-	-	-	-		-	-	
	Interest income	11	12	10	3		10	-	
	Operating transfers in - General Fund	-	-	-	-		-	-	
	Operating transfers in - TIFA Fund	-	-	-	-		-	-	
	Operating transfers in - Insurance Fund	-	-	-	-		-	-	
	Other	-	-	-	-		-	-	
		$ 11	$ 12	$ 10	$ 3		$ 10	$ -	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ -	$ -	$ -	$ -	N/A	$ -		
	Available Fund Balance - EOY	$ 323	$ 335	$ 343	$ 338		$ 345	$ 2	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

288 Local Development Finance Authority II Fund - Medendorp Industrial Park

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Fund Balance - BOY	$ 22,321	$ 23,216	$ 24,216	$ 24,393		$ 24,393	$ 177	
	Means of Financing								
	Property taxes	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	-	-	-	-		-	-	
	Interest income	895	1,177	1,000	228		1,000	-	
	Operating transfers in - General Fund	-	-	-	-		-	-	
	Operating transfers in - TIFA Fund	-	-	-	-		-	-	
	Operating transfers in - Insurance Fund	-	-	-	-		-	-	
	Other	-	-	-	-		-	-	
		$ 895	$ 1,177	$ 1,000	$ 228		$ 1,000	$ -	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ -	$ -	$ -	$ -	N/A	$ -		
	Available Fund Balance - EOY	$ 23,216	$ 24,393	$ 25,216	$ 24,621		$ 25,393	$ 177	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

290 Local Development Finance Authority III Fund - Edison Landing (Smartzone)

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Fund Balance - BOY	$ 282,397	$ 104,991	$ 26,344	$ 27,275		$ 27,275	$ 931	
	Means of Financing								
	Property taxes	$ 17,908	$ 28,901	$ 38,000	$ -		$ 38,000	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	-	-	-	-		-	-	
	Interest income	10,183	4,881	1,500	749		1,500	-	
	Operating transfers in - General Fund	-	100,000	150,000	37,500		150,000	-	
	Other	-	75,000	75,000	-		75,000	-	COMMUNITY FOUNDATION CONTRIBUTION
		$ 28,091	$ 208,782	$ 264,500	$ 38,249		$ 264,500	$ -	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	350	1,000	1,000	-	0%	1,000	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	205,147	285,498	282,547	102,573	36%	282,547	-	
		$ 205,497	$ 286,498	$ 283,547	$ 102,573	36%	$ 283,547	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 205,497	$ 286,498	$ 283,547	$ 102,573	36%	$ 283,547		
	Available Fund Balance - EOY	$ 104,991	$ 27,275	$ 7,297	$ (37,049)		$ 8,228	$ 931	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
305	**Tax Increment Finance Authority Fund**								
	Available Fund Balance - BOY	$ 3,355	$ 8,758	$ 5,893	$ 6,352		$ 6,352	$ 459	
	Means of Financing								
	Property taxes	$ 58,740	$ 56,835	$ 47,000	$ -		$ 47,000	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	-	-	-	-		-	-	
	Interest income	663	759	200	72		200	-	
	Operating transfers in - General Fund	-	-	-	-		-	-	
	Operating transfers in - TIFA Fund	-	-	-	-		-	-	
	Operating transfers in - Insurance Fund	-	-	-	-		-	-	
	Other	-	-	-	-		-	-	
		$ 59,403	$ 57,594	$ 47,200	$ 72		$ 47,200	$ -	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	54,000	60,000	50,000	-	0%	50,000	-	TO GENERAL FUND FOR ARENA
		$ 54,000	$ 60,000	$ 50,000	$ -	0%	$ 50,000	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 54,000	$ 60,000	$ 50,000	$ -	0%	$ 50,000		
	Available Fund Balance - EOY	$ 8,758	$ 6,352	$ 3,093	$ 6,424		$ 3,552	$ 459	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
394	**Downtown Development Authority Fund**								
	Available Fund Balance - BOY	$ 50,072	$ (103,996)	$ 26,472	$ (58,608)		$ (58,608)	$ (85,080)	
	Means of Financing								
	Property taxes	$ 350,401	$ 476,460	$ 456,000	$ -		$ 456,000	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State proposal A reimbursement revenue	499,537	-	-	-		-	-	
	Charges for services	-	-	-	-		-	-	
	Interest income	3,664	-	1,500	-		1,500	-	
	Operating transfers in - General Fund	-	-	-	-		-	-	
	Operating transfers in - TIFA Fund	-	-	-	-		-	-	
	Operating transfers in - Insurance Fund	-	-	-	-		-	-	
	Other	-	-	-	-		-	-	
		$ 853,602	$ 476,460	$ 457,500	$ -		$ 457,500	$ -	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	661,927	83,330	-	-	N/A	-	-	
5400	Other Expenses	-	-	10,000	10,000	100%	10,000	-	MAIN STREET PROGRAM
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	345,743	347,742	439,292	-	0%	439,292	-	DEBT SERVICE ($339,292 BONDS; $100,000 ULA)
		$ 1,007,670	$ 431,072	$ 449,292	$ 10,000	2%	$ 449,292	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 1,007,670	$ 431,072	$ 449,292	$ 10,000	2%	$ 449,292		
	Available Fund Balance - EOY	$ (103,996)	$ (58,608)	$ 34,680	$ (68,608)		$ (50,400)	$ (85,080)	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

408 Arena Improvement Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Fund Balance - BOY	$ -	$ 79,386	$ 76,486	$ 76,724		$ 76,724	$ 238	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	11,978	37,363	40,000	17,937		40,000	-	
	Interest income	395	3,603	2,000	826		2,000	-	
	Operating transfers in	74,743	-	-	-		-	-	
	Other	-	-	-	-		-	-	
		$ 87,116	$ 40,966	$ 42,000	$ 18,763		$ 42,000	$ -	
30906	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-		-	0%		-	
5300	Contractual Services	7,730	43,628	25,000	5,850	N/A	25,000	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 7,730	$ 43,628	$ 25,000	$ 5,850	23%	$ 25,000	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 7,730	$ 43,628	$ 25,000	$ 5,850	23%	$ 25,000		
	Available Fund Balance - EOY	$ 79,386	$ 76,724	$ 93,486	$ 89,637		$ 93,724	$ 238	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

403 Sidewalk Improvement Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Fund Balance - BOY	$ 919,113	$ 902,104	$ 751,276	$ 1,017,584		$ 1,017,584	$ 266,308	
	Means of Financing								
	Special assessments	$ 196,684	$ 142,505	$ 150,000	$ -		$ 150,000	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	-	-	-	-		-	-	
	Interest income	77,177	69,753	65,000	7,777		65,000	-	
	Operating transfers in	150,000	300,000	-	-		-	-	
	Other	-	-	-	-		-	-	
		$ 423,861	$ 512,258	$ 215,000	$ 7,777		$ 215,000	$ -	
30906	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	950	950	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	433,175	395,828	344,285	188,973	55%	344,285	-	DEBT SERVICE ON SIDEWALK ASSESSMENT BONDS
		$ 434,125	$ 396,778	$ 344,285	$ 188,973	55%	$ 344,285	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	6,745	-	-	-	N/A	-	-	
5400	Other Expenses	-	-		-	N/A		-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 6,745	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 440,870	$ 396,778	$ 344,285	$ 188,973	55%	$ 344,285		
	Available Fund Balance - EOY	$ 902,104	$ 1,017,584	$ 621,991	$ 836,388		$ 868,299	$ 266,308	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

404 Public Improvement Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Fund Balance - BOY	$ 1,755,346	$ 4,842,311	$ 1,805,088	$ 2,151,037		$ 2,151,037	$ 345,949	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Property taxes	-	-	-	-		-	-	
	Federal & state grants	-	-	-	-		-	-	
	Contributions	-	-	-	-		-	-	
	Fisherman's Landing Repayment	-	-	-	-		-	-	
	Sales of Property	557,066	126,736	150,000	15		150,000	-	
	Interest income	97,956	198,398	60,000	34,780		60,000	-	
	Operating transfers in	262,965	154,047	250,000	37,500		250,000	-	GENERAL FUND TRANSFER - FIRE EQUIPMENT RESERVE ($150,000); FROM DDA FOR ULA ($100,000)
	Other	5,463,335	40,592	-	-		-	-	
		$ 6,381,322	$ 519,773	$ 460,000	$ 72,295		$ 460,000	$ -	
30936	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	-	-	5,000	-	0%	5,000	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	1,360,797	292,223	442,419	-	0%	442,419	-	DEBT SERVICE ($292,419); TRANSFER TO STATE GRANTS FOR SMITH-RYERSON ($150,000)
		$ 1,360,797	$ 292,223	$ 447,419	$ -	0%	$ 447,419	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	1,933,560	2,918,824	65,000	74,828	35%	215,000	150,000	
		$ 1,933,560	$ 2,918,824	$ 65,000	$ 74,828	35%	$ 215,000	$ 150,000	
		$ 3,294,357	$ 3,211,047	$ 512,419	$ 74,828	11%	$ 662,419		
	Available Fund Balance - EOY	$ 4,842,311	$ 2,151,037	$ 1,752,669	$ 2,148,504		$ 1,948,618	$ 195,949	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
482	**State Grants Fund**								
	Available Fund Balance - BOY	$ 102	$ 77,048	$ 48	$ 150,102		$ 150,102	$ 150,054	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	1,538,744	386,535	727,000	263,001		1,197,000	470,000	
	Sales of Property	-	-	-	-		-	-	
	Interest income	-	-	-	-		-	-	
	Operating transfers in	500,673	150,833	150,000	-		30,000	(120,000)	FROM PUBLIC IMPROVEMENT FUND
	Other	5,000	10,000	-	10,000		-	-	
		$ 2,044,417	$ 547,368	$ 877,000	$ 273,001		$ 1,227,000	$ 350,000	
30936	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	9,276	11,473	-	-	N/A	-	-	
		$ 9,276	$ 11,473	$ -	$ -	N/A	$ -	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5700	Capital Outlays	1,958,195	462,841	877,000	43,927	3%	1,377,000	500,000	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
		$ 1,958,195	$ 462,841	$ 877,000	$ 43,927	3%	$ 1,377,000	$ 500,000	
		$ 1,967,471	$ 474,314	$ 877,000	$ 43,927	3%	$ 1,377,000		
	Available Fund Balance - EOY	$ 77,048	$ 150,102	$ 48	$ 379,176		$ 102	$ 54	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

594 Marina & Launch Ramp Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Cash Balance - BOY	$ (13,384)	$ (39,617)	$ (4,943)	$ 20,509		$ 20,509	$ 25,452	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	534,220	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	267,104	281,679	260,000	75,849		260,000	-	
	Interest income	-	38	-	73		-	-	
	Operating transfers in	540,000	40,000	40,000	-		40,000	-	$40,000 GENERAL FUND OPERATING SUBSIDY
	Other	307	-	-	-		-	-	
		$ 1,341,631	$ 321,717	$ 300,000	$ 75,922		$ 300,000	$ -	
70756	**Operating Expenditures - Marina**								
5100	Salaries & Benefits	$ 109,507	$ 121,489	$ 118,082	$ 10,923	9%	$ 118,082	$ -	
5200	Operating Supplies	6,838	10,338	9,900	650	7%	9,900	-	
5300	Contractual Services	135,350	130,462	135,000	13,806	10%	135,000	-	
5400	Other Expenses	100	510	-	43	N/A	-	-	
5700	Capital Outlays	3,836	1,641	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
	Other Cash Uses (e.g. Debt Principal)	-	(2,849)	-	-	N/A	-	-	
		$ 255,631	$ 261,591	$ 262,982	$ 25,422	10%	$ 262,982	$ -	
70759	**Operating Expenditures - Ramps**								
5100	Salaries & Benefits	$ -	$ -	$ 15,000	$ -	0%	$ 15,000	$ -	
5200	Operating Supplies	-	-	2,000	-	0%	2,000	-	
5300	Contractual Services	-	-	5,000	923	18%	5,000	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
	Other Cash Uses (e.g. Debt Principal)	43,794	-	-	-	N/A	-	-	
		$ 43,794	$ -	$ 22,000	$ 923	4%	$ 22,000	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5700	Capital Outlays	1,068,439	-	-	-	N/A	-	-	
		$ 1,068,439	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 1,367,864	$ 261,591	$ 284,982	$ 26,345	9%	$ 284,982		
	Available Cash Balance - EOY	$ (39,617)	$ 20,509	$ 10,075	$ 70,086		$ 35,527	$ 25,452	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

661 Equipment Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Cash Balance - BOY	$ 1,493,873	$ 1,614,451	$ 1,956,058	$ 2,004,577		$ 2,004,577	$ 48,519	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	2,190,015	2,520,803	2,300,000	726,708		2,300,000	-	INTERDEPARTMENTAL CHARGES
	Interest income	59,520	85,618	60,000	17,602		60,000	-	
	Operating transfers in	-	-	-	-		-	-	
	Other	136,297	80,000	100,000	16,848		100,000	-	OUTSIDE SALES OF FUEL, ETC.
		$ 2,385,832	$ 2,686,421	$ 2,460,000	$ 761,158		$ 2,460,000	$ -	
60932	**Operating Expenditures**								
5100	Salaries & Benefits	$ 601,358	$ 515,579	$ 565,047	$ 148,798	26%	$ 565,047	$ -	
5200	Operating Supplies	817,482	844,914	649,500	205,790	32%	649,500	-	
5300	Contractual Services	487,678	494,272	490,370	78,516	16%	490,370	-	
5400	Other Expenses	4,129	1,351	5,000	46	1%	5,000	-	
5700	Capital Outlays	595,851	445,596	817,750	89,699	11%	814,370	(3,380)	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
	Other Cash Uses (e.g. Debt Principal)	(141,244)	(5,417)	-	-	N/A	-	-	
		$ 2,265,254	$ 2,296,295	$ 2,527,667	$ 522,849	21%	$ 2,524,287	$ (3,380)	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 2,265,254	$ 2,296,295	$ 2,527,667	$ 522,849	21%	$ 2,524,287		
	Available Cash Balance - EOY	$ 1,614,451	$ 2,004,577	$ 1,888,391	$ 2,242,886		$ 1,940,290	$ 51,899	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
642	**Public Service Building Fund**								
	Available Cash Balance - BOY	$ 176,596	$ 270,889	$ 296,143	$ 375,313		$ 375,313	$ 79,170	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	581,270	581,270	581,270	143,517		581,270	-	INTERDEPARTMENTAL CHARGES
	Interest income	7,755	14,061	9,000	3,132		9,000	-	
	Operating transfers in	-	-	-	-		-	-	
	Other	-	100	-	100		-	-	
		$ 589,025	$ 595,431	$ 590,270	$ 146,749		$ 590,270	$ -	
60442	**Operating Expenditures**								
5100	Salaries & Benefits	$ 209,305	$ 214,017	$ 212,047	$ 53,297	25%	$ 212,047	$ -	
5200	Operating Supplies	26,685	18,609	31,400	2,219	7%	31,400	-	
5300	Contractual Services	245,699	241,077	278,965	38,473	14%	278,965	-	
5400	Other Expenses	5,334	2,056	500	(82)	-16%	500	-	
5700	Capital Outlays	11,514	23,229	38,400	41	0%	38,400	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	(3,805)	(7,981)	-	-	N/A	-	-	
		$ 494,732	$ 491,007	$ 561,312	$ 93,948	17%	$ 561,312	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 494,732	$ 491,007	$ 561,312	$ 93,948	17%	$ 561,312		
	Available Cash Balance - EOY	$ 270,889	$ 375,313	$ 325,101	$ 428,114		$ 404,271	$ 79,170	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

643 Engineering Services Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Cash Balance - BOY	$ 145,183	$ 149,528	$ 147,231	$ 96,427		$ 96,427	$ (50,804)	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	514,467	513,556	640,000	90,896		640,000	-	INTERDEPARTMENTAL CHARGES
	Interest income	4,878	6,361	5,000	1,383		5,000	-	
	Operating transfers in	-	-	-	-		-	-	
	Other	-	-	25,000	-		25,000	-	
		$ 519,345	$ 519,917	$ 670,000	$ 92,279		$ 670,000	$ -	
60447	**Operating Expenditures**								
5100	Salaries & Benefits	$ 398,181	$ 321,641	$ 450,474	$ 70,284	16%	$ 450,474	$ -	
5200	Operating Supplies	16,090	16,894	19,180	7,345	38%	19,180	-	
5300	Contractual Services	121,761	126,832	127,915	30,381	24%	127,915	-	
5400	Other Expenses	1,158	532	2,500	558	22%	2,500	-	
5700	Capital Outlays	7,377	17,093	42,000	886	2%	42,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	(36,401)	82,557	-	-	N/A	-	-	
		$ 508,166	$ 565,549	$ 642,069	$ 109,454	17%	$ 642,069	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	6,834	7,469	25,000	-	0%	25,000	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
		$ 6,834	$ 7,469	$ 25,000	$ -	0%	$ 25,000	$ -	
		$ 515,000	$ 573,018	$ 667,069	$ 109,454	16%	$ 667,069		
	Available Cash Balance - EOY	$ 149,528	$ 96,427	$ 150,162	$ 79,252		$ 99,358	$ (50,804)	
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
677	**General Insurance Fund**								
	Available Cash Balance - BOY	$ 745,060	$ 841,326	$ 1,064,372	$ 1,206,249		$ 1,206,249	$ 141,877	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	2,945,466	4,551,973	3,185,868	927,657		3,185,868	-	INTERDEPARTMENTAL CHARGES
	Interest income	20,374	39,250	25,000	9,861		25,000	-	
	MERS Retireee Health Reimbursement	-	-	1,500,000	-		1,500,000	-	
	Medicare Part D Rx Reimbursement	-	-	35,000	-		35,000	-	
	Repayment of DDA Advance	-	-	-	-		-	-	
	Operating transfers in	1,157,522	28,045	28,046	7,011		28,046	-	LOAN REPAYMENT - ARENA IMPROVEMENTS
	Other	3,248	-	20,000	-		20,000	-	
		$ 4,126,610	$ 4,619,268	$ 4,793,914	$ 944,529		$ 4,793,914	$ 4,773,914	
30851	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ 27,640	$ 6,711	24%	$ 27,640	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	4,014,747	4,062,168	4,685,868	884,802	19%	4,685,868	-	
5400	Other Expenses	-	-	1,500	-	0%	1,500	-	
5700	Capital Outlays	956	250	1,500	-	0%	1,500	-	
5900	Other Financing Uses	-	31,189	-	-	N/A	-	-	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	14,641	160,738	-	-	N/A	-	-	
		$ 4,030,344	$ 4,254,345	$ 4,716,508	$ 891,513	19%	$ 4,716,508	$ 4,716,508	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	
		$ 4,030,344	$ 4,254,345	$ 4,716,508	$ 891,513	19%	$ 4,716,508		
	Available Cash Balance - EOY	$ 841,326	$ 1,206,249	$ 1,141,778	$ 1,259,265		$ 1,283,655		
			x						

City of Muskegon

First Quarter 2008 Budget Reforecast - Other Funds

590 Sewer Fund

		Actual 2005	Actual 2007	Original Budget Estimate 2008	Actual Through March 2008	Actual As % of Revised	Revised Estimate 2008	Change From 2008Original	Comments
	Available Cash Balance - BOY	$ 1,270,352	$ 895,306	$ 1,144,190	$ 767,541		$ 767,541	$ (376,649)	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	
	Federal & state grants	-	-	-	-		-	-	
	State shared revenue	-	-	-	-		-	-	
	Charges for services	4,739,774	5,033,881	5,439,669	777,349		5,439,669	-	
	Interest income	39,199	34,046	30,000	6,168		30,000	-	
	Repayment of DDA advance	-	-	-	-		-	-	
	Operating transfers in	107,356	-	-	-		-	-	
	Other	63,928	145,213	80,000	3,657		80,000	-	
		$ 4,950,257	$ 5,213,140	$ 5,549,669	$ 787,174		$ 5,549,669	$ -	
30548	**Operating Expenditures Administration**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	8	-	8	N/A	-	-	
5300	Contractual Services	393,064	296,385	325,199	61,827	19%	325,199	-	INSURANCE/INDIRECT COSTS/ADMINISTRATION FEE
5400	Other Expenses	5,939	(70)	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	63,233	25,221	37,771	-	0%	37,771	-	INTEREST ON SEWER BONDS
	Other Cash Uses and Adjustments (e.g.	645,041	598,586	523,520	-	0%	523,520	-	PRINCIPAL ON SEWER BONDS
		$ 1,107,277	$ 920,130	$ 886,490	$ 61,835	7%	$ 886,490	$ -	
60559	**Operating Expenditures Maintenance**								
5100	Salaries & Benefits	$ 767,901	$ 881,660	$ 953,069	$ 204,960	22%	$ 953,069	$ -	
5200	Operating Supplies	71,508	57,366	66,650	1,705	3%	66,650	-	
5300	Contractual Services	3,024,363	3,192,714	2,972,105	628,990	21%	2,972,105	-	
5400	Other Expenses	717	222	1,350	400	30%	1,350	-	
5700	Capital Outlays	6,804	6,925	11,950	269	2%	11,950	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 3,871,293	$ 4,138,887	$ 4,005,124	$ 836,324	21%	$ 4,005,124	$ -	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5300	Contractual Services	346,733	281,888	820,000	7,312	1%	839,000	19,000	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	-	N/A	-	-	
		$ 346,733	$ 281,888	$ 820,000	$ 7,312	1%	$ 839,000	$ 19,000	
		$ 5,325,303	$ 5,340,905	$ 5,711,614	$ 905,471	16%	$ 5,730,614		
	Available Cash Balance - EOY	$ 895,306	$ 767,541	$ 982,245	$ 649,244		$ 586,596		
			x						

City of Muskegon
Quarterly Budget Reforecast and 2008 Proposed Budget

		Responsibility	Original Budget	Associated Grant	1st Quarter Budget Reforecast	2nd Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
	2008 PROJECTS							
101	**General Fund**							
	City Hall - New Roof Over Police Department		$ 27,500	$ -	$ 33,000	$ -	$ -	
	Police Departement - Men's Locker Room Remodeling		10,000	-	4,500	-	-	Design/Engineering
			37,500	-	37,500	-	-	
202	**Major Streets**							
99118	Bridges Maintenance and Repairs Per Evaluation	Al-Shatel	35,000	-	35,000			Preventative Maintenance
97125	Clay Street, Third to Terrace	Al-Shatel	450,000	400,000	400,000			Whitetopping and Water Main/Services Work - STP & LJT Grant Funds
90019	Division Street, Laketon to Southern	Al-Shatel	516,000	316,000	516,000			Reconstruction With All New Utilities (Mains/Services) - STP & LJT Grant Funds
97120	McGraft, Glen to Addison	Al-Shatel	325,000	247,000	325,000			Reconstruction - STP & LJT Grant Funds
94045	Pine Street, Apple to Western (2000')	Al-Shatel	325,000	-	400,000			Reconstruct With New 2000' of Watermain and Services Along, Minor Storm Sewer Work -
94025	Sherman/Henry Intersection	Al-Shatel	300,000	270,000	325,000			Whitetoping/Resurfacing, Sidewalk Along Northside From Barclay to Plaza - Safety Grant
98117	Quarterline, Apple to Stebbins	Al-Shatel	440,000	700,000	715,000			Milling and Resurface, HPP/LJT Grant Funding of $700,000 - Joint Project With MCRC
98115	State Job (US-31BR) at Sherman and Hackley)	Al-Shatel	10,000	-	10,000			11.25% of State's Share
	Lakeshore Drive, Laketon to Michigan	Al-Shatel	-	-	55,000			Microsurfacing, Approv'd By Commission 4/22/08
	Beidler, Laketon to Southern	Al-Shatel	-	-	395,000			Reconstruction, Approv'd By Commission 2/12/08
	Lakeshore Drive Trail, McCracken to Cottage Grove	Al-Shatel	-	-	100,000			On-Street/Off-Street Bike Path, Approv'd By Commission 4/22/08
98116	West Branch of Ruddiman Creek - Culvert Replacement	Al-Shatel	220,000	-	85,000	-	-	Based on FTCH's Report - Reflects City's Share of Cost Only ($550,000 Total Cost)
			2,621,000	1,933,000	3,361,000	-	-	
203	**Local Streets**							
98101	Harbor Towne Circle (5000')	Al-Shatel	490,000		5,000			Petition Withdrawn, Project Removed
98102	Isabella, Terrace to Ambrosia (1400')	Al-Shatel	225,000		135,000			Reconstruct and Replace Watermain and Sanitary Sewer
98103	Dale, Peck to Sanford	Al-Shatel	65,000		65,000			Reconstruction
98104	Roblane, Quarterline to Marlane (550')	Al-Shatel	80,000		100,000			Reconstruction, Storm Sewer
98105	Seventh Street, Muskegon to Webster	Al-Shatel	85,000		85,000			Reconstruction
98106	Estes Street, Lakeshore Drive to Fair	Al-Shatel	135,000		15,000			Failed Special Assessment
96103	Vincent/Park, Barclay to North End (1200')	Al-Shatel	165,000		20,000			Failed Special Assessment
98107	Jiroch, Southern to Irwin, Reconstruction (1000')	Al-Shatel	165,000	-	225,000	-	-	Reconstruction - Water - Sewer & Services
			1,410,000	-	650,000	-	-	
260	**Farmers' Market Improvement Fund**							
	Farmers market upgrades		25,000	-	25,000	-	-	
404	**Public Improvement Fund**							
	Richard's Park Building Demolition		65,000	-	65,000			
	City Hall Generator	Al-Shatel	-	-	150,000	-	-	Emergency Generator from 2007
			65,000	-	215,000	-	-	
482	**State Grants Fund**							
98114	Smith-Ryerson Improvements	Al-Shatel	577,000	427,000	577,000			$150,000 Local Match from GF Made in 2007
94013	CMI Site Assessment Projects (General)	Brubaker-Clarke	50,000	50,000	50,000			No Match
97105	Musketawa Trail Connection	Al-Shatel	-	220,000	250,000			$30,000 Local Match from Public Improvement Fund
98114	CMI Site Assessment Projects (Edison Landing)	Brubaker-Clarke	250,000	250,000	500,000	-	-	SZ and Betten Loans ($250,000 each)
			877,000	947,000	1,377,000	-	-	
590	**Sewer**							
98109	Clay Hill Area Sewer Lining/Repairs at Various Locations	Al-Shatel	75,000	-	95,000			
90019	Division Street, Laketon to Southern	Al-Shatel	280,000	-	260,000			Reconstruction With All New Utilities (Mains/Services) - STP & LJT Grant Funds
98102	Isabella, Terrace to Ambrosia (1400')	Al-Shatel	165,000	-	85,000			Reconstruct and Replace Watermain and Sanitary Sewer
98107	Jiroch, Southern to Irwin, Reconstruction (1000')	Al-Shatel	180,000	-	150,000			

		Responsibility	Original Budget	Associated Grant	1st Quarter Budget Reforecast	2nd Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
City of Muskegon								
Quarterly Budget Reforecast and 2008 Proposed Budget								
				2008 PROJECTS				
94045	Pine Street, Apple to Western (2000')	Al-Shatel	20,000	-	155,000			Reconstruct With New 2000' of Watermain and Services Along, Minor Storm Sewer Work -
	Beidler, Laketon to Southern	Al-Shatel	-	-	40,000			Waer Main and Services, Approv'd By Commission 2/12/08
	Grand, Alley East of Hoyt to Terrace	Al-Shatel	-	-	9,000			
	Lift Station - Clay Hill Area, Design Only	Al-Shatel	-	-	20,000			Carryover From 2007
	Sewer Rehabilitation Project (Spring @ Apple)	Al-Shatel	100,000	-	25,000	-	-	Remove Obstruction
			820,000	-	839,000	-	-	
591	**Water**							
97113	36" Transmission Main Mag Meter	Al-Shatel	80,000	-	270,000			Carryover From 2007
98108	Ada, Wood to Maple, 1200' of 4"	Al-Shatel	165,000	-	165,000			
97125	Clay Street, Third to Terrace	Al-Shatel	60,000	-	60,000			Whitetopping and Water Main/Services Work - STP & LJT Grant Funds
90019	Division Street, Laketon to Southern	Al-Shatel	300,000	-	250,000			Reconstruction With All New Utilities (Mains/Services) - STP & LJT Grant Funds
98110	Hudson, Barney to Wilson	Al-Shatel	155,000	-	155,000			Watermain Replacement
98111	Ireland, Hudson to Franklin	Al-Shatel	75,000	-	75,000			Watermain Replacement
98102	Isabella, Terrace to Ambrosia (1400')	Al-Shatel	115,000	-	150,000			Reconstruct and Replace Watermain and Sanitary Sewer
98107	Jiroch, Southern to Irwin, Reconstruction (1000')	Al-Shatel	190,000	-	175,000			
94045	Pine Street, Apple to Western (2000')	Al-Shatel	220,000	-	185,000			Reconstruct With New 2000' of Watermain and Services Along, Minor Storm Sewer Work -
97114	Clear Well Valve Replacement (1937 portion)	Al-Shatel	50,000	-	-			Carryover From 2007
98112	Monroe, Third to Sanford	Al-Shatel	150,000	-	-			
98113	Sanitary Survey for Distribution System	Al-Shatel	50,000	-	50,000			
	Beidler, Laketon to Southern	Al-Shatel	-	-	260,000			Sewer Main repairs, Approv'd By Commission 2/12/08
98117	Quarterline, Apple to Stebbins	Al-Shatel	440,000	-	75,000			Watermain Work North of Marquette to Raise Elevation
	Grand, Alley East of Hoyt to Terrace	Al-Shatel	-	-	65,000			Relocate Watermain From Sewer Manhole
97115	Water Main Replacement 2" and 4" Mains	Al-Shatel	100,000	-	-	-	-	
			2,150,000	-	1,935,000	-	-	
643	**Engineering Services**							
99012	GIS Update and Maintenance	Al-Shatel	25,000		25,000			
661	**Equipment Fund**							
	Non-Vehicular Equipment:							
2	Riding mowers	Kuhn	35,000		35,000			
2	Turf Truck	Kuhn	16,000		16,000			
1	Holder	Kuhn	75,000		75,000			
1	Backhoe	Kuhn	67,500		67,500			
1	Salt box	Kuhn	8,000		8,000			
1	Semi Trailer	Kuhn	40,000		40,000			
5	DPW Radios	Kuhn	3,500		3,500			
20	Police in car radios	Kuhn	38,000		38,000			
10	GPS Receivers	Kuhn	10,000		10,000			
3	Telemetery Stations	Kuhn	3,600		3,600			
6	MPD portable	Kuhn	3,900		3,900			
5	DPW portable	Kuhn	3,250		3,250			
1	Crack Sealing Machine	Kuhn	-		13,000			
	Property Purchase	Kuhn	-		25,000			
	Vehicles:	Kuhn						
6	Police Patrol Cars	Kuhn	138,000		124,200			Replacements for 2004 Cruisers
3	I ton dump	Kuhn	90,000		90,000			Replacements for 1995 Vehicles

City of Muskegon								
Quarterly Budget Reforecast and 2008 Proposed Budget								
		Responsibility	Original Budget	Associated Grant	1st Quarter Budget Reforecast	2nd Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
2008 PROJECTS								
2	3/4 ton Pickup	Kuhn	66,000		52,772			Replacements for 2000 Vehicles
3	Sedans	Kuhn	60,000		45,648			Replacements for 2000 Malibus
1	Plow Truck	Kuhn	90,000		90,000			Replacement for 1993 Vehicle
2	4x4 Trucks for Fire Department	Kuhn	50,000		50,000			Replacements
1	Parking Checker Vehicle	Kuhn	20,000	-	20,000	-	-	
			817,750	-	814,370	-	-	
			$ 8,848,250	$ 2,880,000	$ 9,278,870	$ -	$ -	

Commission Meeting Date: May 13, 2008

Date: **May 2, 2008**

To: **Honorable Mayor & City Commission**

From: **Planning & Economic Development Department** CBC

RE: **Brownfield Development & Reimbursement Agreement- Betten**

SUMMARY OF REQUEST: As part of the Brownfield Plan and Tax Increment Finance (TIF) capture for the Betten project, it is necessary to have a Development Agreement in place. In addition, the document includes a Reimbursement Agreement for the Site Assessment Loan, in the amount of $250,000.

FINANCIAL IMPACT: The Agreement will insure that the taxes are captured and Betten is reimbursed for the agreed upon eligible expenses. In addition, the Site Assessment Loan will be repaid through the TIF capture in a timely manner.

BUDGET ACTION REQUIRED: None.

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

COMMITTEE RECOMMENDATION: The Brownfield Redevelopment Authority will review the Agreement and make a recommendation to the City Commission at their May 13, 2008 meeting.

2008-44(c)

RESOLUTION APPROVING THE BETTEN BROWNFIELD PROJECT

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

City of Muskegon

County of Muskegon, Michigan

Minutes of a Regular Meeting of the City Commission of the City of Muskegon, County of Muskegon, Michigan (the "City"), held in the City Commission Chambers, on the 13th of May, 2008, at 5:30 o'clock p.m., prevailing Eastern Time.

PRESENT: Members

Gawron, Shepherd, Spataro, Warmington, Wierengo, and

Carter

ABSENT: Members

Wisneski

The following preamble and resolution were offered by Member Gawron and supported by Member Wierengo:

WHEREAS, in accordance with the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381"), the City of Muskegon Brownfield Redevelopment Authority (the "Authority") has prepared and approved a Brownfield Plan Amendment to include the Betten Auto Dealerships Project (Betten Brownfield Plan Amendment); and

WHEREAS, the City Commission has approved and adopted the Betten Brownfield Plan Amendment; and

WHEREAS, a Development and Reimbursement Agreement has been negotiated between the City and Betten to provide for reimbursement of "eligible expenses" through tax increment financing as provided by the Betten Brownfield Plan Amendment.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Development and Reimbursement Agreement between the City and Betten for the Betten Auto Dealerships Brownfield Plan Amendment is necessary to facilitate the implementation of the Brownfield Plan,

2. The Betten Brownfield Project Development and Reimbursement Agreement, as submitted by the Authority, is hereby approved.

3. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members

Carter, Gawron, Shepherd, Spataro, Warmington, and Wierengo

NAYS: Members

None

RESOLUTION DECLARED ADOPTED.

Ann Marie Becker, City Clerk

Stephen J. Warmington, Mayor

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held May 13, 2008, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Ann Marie Becker, City Clerk

2008-44(c)

BROWNFIELD DEVELOPMENT AND REIMBURSEMENT AGREEMENT

THIS AGREEMENT, made this 13 day of May, 2008, (the "**Agreement**") by and among:

the **CITY OF MUSKEGON**
of 933 Terrace Street, Muskegon, Michigan 49440 (the "**City**");

the **BROWNFIELD REDEVELOPMENT AUTHORITY OF THE CITY OF MUSKEGON**, an authority established pursuant to Act 381 of the Public Acts of 1996, as amended ("**Act 381**"), of 933 Terrace Street, Muskegon, Michigan 49440 (the "**Authority**");

and

BETTEN CHEVROLET, INC., a Michigan corporation, of 2474 South Henry Street, Muskegon, Michigan 49441; and

BETTEN AUTOMOTIVE GROUP, INC., a Michigan corporation, of 2474 South Henry Street, Muskegon, Michigan 49441

(both collectively the "**Developer**"),

with reference to the following facts and circumstances:

RECITALS

A. Pursuant to Act 381, the Authority has prepared a Brownfield Plan which was duly approved by the Commissioners of the City, and an Amendment thereto which incorporates the Betten Automotive Dealerships project; which Amendment was duly approved by the Authority on April 1, 2008, then approved by the Authority as revised on May 13, 2008, and approved as revised by the Commissioners of the City on May 13, 2008 (the "**Brownfield Plan**").

B. The Developer leases those parcels of real property commonly known as 2410, 2474, 2477 and 2501 South Henry Street, Muskegon, Michigan, from other entities which the Developer controls. Notwithstanding, with reference to 2477 South Henry Street, as of the date of this Agreement, an entity which the Developer controls has an agreement with the owner of the 2477 South Henry Street parcel to purchase that parcel. Collectively, these four (4) parcels are referred to herein as the "**Property**", and are legally described on the attached **Exhibit A**. The Property is included in the Brownfield Plan as a "facility" and "eligible property" due to the presence on the Property of certain hazardous substances as described in the Brownfield Plan, and it is therefore commonly referred to as a "**brownfield**."

C. The Developer plans to redevelop and utilize the Property for commercial purposes as full service automobile dealerships. The project has and will require one or more baseline environmental assessments ("**BEAs**") and due care plans as well as due care activities, including the placement of fill and/or other barrier(s) to protect the public from direct contact with contaminated soils and/or groundwater, and additional response activities to properly dispose of contaminated soil and/or groundwater encountered. Completion of the project will provide protection to workers and visitors from direct contact with the existing soil contamination and will provide an engineering control to distinguish future releases from existing contamination.

D. Act 381 permits the use of the real and personal property tax revenues generated from the increase in value to brownfield sites constituting "eligible property" under Act 381 resulting from their redevelopment to pay or reimburse the payment of costs (including interest) of conducting activities that meet the requirements under Act 381 of "eligible activities" (hereinafter "**Eligible Costs**") and, unless the property owner or developer is a "liable party" for the site contamination, permits the reimbursement to the property owner or developer of such Eligible Costs incurred by the property owner or developer.

E. In order to make the improvements on the Property, the Developer has incurred and will incur Eligible Costs in connection with certain Eligible Activities, which may include, but are not limited to, the preparation of one or more BEAs and due care plans, certain due care activities, including the placement of fill and/or other barrier(s) to protect against direct human contact with contaminated soil and/or groundwater, and additional activities that are not response activities such as demolition of structures, infrastructure improvements, lead or asbestos abatement, and site preparation, all of which will require the services of various contractors, engineers, environmental consultants, attorneys and other professionals.

F. In accordance with Act 381 and the Brownfield Plan, the parties desire to use the property tax revenues from all taxing jurisdictions (local & State) that are generated from an increase in the tax value of the Property resulting from its development ("**Tax Increment Revenues**") to reimburse the Developer for Eligible Costs it incurs in redeveloping the Property; to reimburse the City for Eligible Costs it incurs in making infrastructure improvements that will directly benefit the project, and to fund a local site remediation revolving fund pursuant to Act 381 (the "**Revolving Fund**").

G. The parties are entering into this Agreement to establish the procedure for such reimbursement from Tax Increment Revenues.

NOW, THEREFORE, the parties agree with each other as follows:

1. Definitions

"**Additional Response Activities**" are defined by Section 2(a) of Act 381;

"**Baseline Environmental Assessment Activities**" is defined by Section 2(d) of Act 381;

"**Brownfield Redevelopment Financing Act**" means Act No. 381 of the Public Acts of 1996, as amended, MCLA 125.2651 et seq.;

"**Brownfield Plan or Plans**" is defined by Section 2(g) of Act 381;

"**Due Care Activities**" is defined by Section 2(k) of Act 381;

"**Eligible Activities**" is defined by Section 2(m) of Act 381;

"**Eligible Property or Property**" is defined by Section 2(n) of Act 381;

"**Eligible Party**" is defined by Section 2(m) of Act 381;

"**Tax Increment Revenues**" is defined by Section 2(ee) of Act 381.

2. <u>The Plan</u>

The Betten Auto Dealerships Brownfield Redevelopment Plan approved by the Authority and the City Commission is attached hereto as **Exhibit B** and incorporated herein (the "**Plan**").

3. <u>Term of Agreement</u>

Pursuant to the Plan, the Authority shall capture 100% of the Tax Increment Revenues (local & State) from the real and personal property taxes assessed by all taxing jurisdictions on the Eligible Property for all tax years from 2008 through 2030.

(a) The Eligible Costs reimbursable to the Developer under this Agreement shall be those Eligible Costs which are paid by or the responsibility of the Developer, including interest as provided in paragraph 10(c).

(b) Reimbursement to Developer for its Eligible Costs shall be limited to the earliest or least of the following: (1) reimbursement of all Eligible Costs under this Agreement; (2) reimbursement of the Eligible Costs other than the City's cost for the Henry Street Resurfacing, together with the City's cost for the Henry Street Resurfacing (as described in Section 7) in an amount not to exceed Three Hundred Thousand and No/100 Dollars ($300,000), in the total maximum amount of Three Million and No/100 Dollars ($3,000,000) (the "**3,000,000 Cap**"); or (3) in recognition that the build-out of the project will likely not be substantially complete and available for Developer's productive use until after the effective date for the 2009 tax year assessment, and in recognition of the City's desire to cap the reimbursement to the Developer for Developer's Eligible Costs after sixteen (16) years from the substantial completion of the project, after reimbursement to Developer for Developer's Eligible Costs in the total amount of all Tax Increment Revenues billed and eligible for capture under the Plan and this Agreement from the date of this Agreement through December 31, 2025 (the "**16 Year Cap**").

4. Eligible Activities

The Authority and the City recognize that prior to the date of this Agreement, Developer may have initiated Eligible Activities, the cost of which may be submitted with a Request for Cost Reimbursement for Eligible Activities. The Developer will be reimbursed for Eligible Costs which were incurred by it prior to this Agreement only if permitted under Act 381. The Developer shall diligently pursue completion of the Eligible Activities set forth in the Plan. No activities completed after January 1, 2030 shall be considered Eligible Activities. This deadline may be extended at the discretion of the Authority. Such extension to be effective shall be in writing.

5. East Sewer Line Relocation and West Sewer Line Work

(a) The Developer and the City agree that Developer shall undertake and complete to the City's reasonable satisfaction the relocation of a sanitary sewer line located in the east side of the project. Notwithstanding any other provision of this Agreement, reimbursement to the Developer for up to Seventy-Five Thousand and NO/100 Dollars ($75,000) of its costs for this sewer line relocation shall, for accounting purposes only, not be considered in calculation of the $3,000,000 Cap or the 16 Year Cap, insofar as reimbursement for such Eligible Costs would limit reimbursement to Developer of its other Eligible Costs per the terms of this Agreement; in such case, reimbursement for the Eligible Costs would continue if and as necessary to reach the

$3,000,000 Cap or the 16 Year Cap, whichever comes first. The Developer's costs for this sewer line relocation in excess of Seventy-Five Thousand and No/100 Dollars ($75,000) shall be considered part of Developer's Eligible Costs and included in and applied against the $3,000,000 Cap and/or the 16 Year Cap, and subject to reimbursement to the Developer as such as otherwise provided under this Agreement.

(b) The Developer shall use a "sewer camera" to investigate the condition of the existing sewer line located in the West side of the Project, and shall undertake reasonably necessary cleaning and repairs to the portion of that sewer line within the Project site, at a cost to Developer not to exceed One Hundred Fifty Thousand and No/100 Dollars ($150,000). The costs associated with televising, cleaning, and/or repairing this West side sewer line shall be Eligible Costs. Notwithstanding, if the foregoing costs exceed One Hundred Fifty Thousand and NO/100 Dollars ($150,000), such excess amounts will be paid by the City but may, at the City's option, only be reimbursed to the City from the captured Tax Increment Revenues at any time after the earliest of the fulfillment of the 16 Year Cap, the $3,000,000 Cap, or reimbursement of all of Developer's Eligible Costs under this Agreement.

6. MDEQ Brownfield Loan

The Developer and City agree that the City shall utilize its Michigan Department of Environmental Quality ("**MDEQ**") Brownfield Loan; and thereunder shall loan to Developer the amount of Two Hundred Fifty Thousand and No/100 Dollars ($250,000) to pay the first Two Hundred Fifty Thousand and No/100 Dollars ($250,000) of the environmental response activity costs incurred by the Developer in this project, to the extent authorized by law and/or the MDEQ. The terms for repayment of this MDEQ loan shall be consistent with the loan contract between the MDEQ and the City ("**MDEQ Loan Contract**"). To the extent not inconsistent with the MDEQ Loan Contract, the principle amount of this loan and any interest thereon shall be repaid to the City by the Developer pursuant to the terms of a promissory note or other agreement between the parties ("**Promissory Note**"). This Promissory Note shall provide that no interest shall accrue on the principle balance of this loan until March 18, 2010, with interest thereafter at two percent (2%) per annum, and repayment over a ten (10) year period commencing with a principal payment of Twenty-Five Thousand and No/100 Dollars ($25,000) due on March 18, 2010, then nine equal annual installments of Twenty-Seven Thousand Five Hundred Ninety and 23/100 Dollars ($27,590.23) due on the eighteenth day of March each year from 2011 through 2019. Developer shall provide a mortgage subordinated to the security interests of its primary lenders for the project, or such other subordinated security for this loan as may be agreed by the parties. Developer's principle and interest payments for this loan reimbursement shall be considered part of Developer's Eligible Costs, and subject to reimbursement as otherwise provided under this Agreement.

7. Henry Street Resurfacing

The parties agree that the City shall undertake and pay for a certain additional public infrastructure improvement that directly benefits the project, as described herein.

(a) The City shall undertake and pay for milling and resurfacing Henry Street between Sherman Street and Hackley Street (the "**Henry Street Resurfacing**"), if Developer provides written notice to the City requesting the City to proceed with the Henry Street Resurfacing. Provided that if Developer does not provide such written notice before January 1, 2013, such request shall be deemed made on January 1, 2013, even if Developer does not provide any such written notice, and the City shall proceed with the Henry Street Resurfacing.

The costs for this work shall be considered part of the Eligible Costs, and subject to reimbursement as specifically provided in this Agreement.

(b) The City's costs for the Henry Street Resurfacing, up to a maximum of Three Hundred Thousand and NO/100 Dollars ($300,000), shall be reimbursable to the City over a period of years from the captured Tax Increment Revenues. The amount of such reimbursement in any year shall be determined by multiplying the total dollar amount incurred and paid by the City for the Henry Street Resurfacing as of December 31 of the then most recent past calendar year by ten percent (10%), provided that the amount of such reimbursement in any year shall not exceed Thirty Thousand and No/100 Dollars ($30,000). Reimbursement under this formula shall continue until all such costs incurred and paid by the City for the Henry Street Resurfacing (to the maximum amount of Three Hundred Thousand and NO/100 Dollars ($300,000)) have been paid in full. All such reimbursement(s) to the City in a total amount not to exceed Three Hundred Thousand and No/100 ($300,000) shall be included in and applied against the 16 Year Cap and the $3,000,000 Cap, and shall be paid in full by the time the earlier of the 16 Year Cap or the $3,000,000 Cap is reached. Notwithstanding any other provision of this Section 7(b), if in the year that the $3,000,000 Cap or the 16 Year Cap is reached, the City has not yet been fully reimbursed for the lesser of all of its Eligible Costs or Three Hundred Thousand and No/100 Dollars ($300,000) for the Henry Street Resurfacing, the City may be reimbursed in that year in an amount which exceeds Thirty Thousand and No/100 Dollars ($30,000).

(c) The City shall not be paid or reimbursed for any interest from the Captured Tax Increment Revenues or by the Developer on the City's cost for the Henry Street Resurfacing.

(d) If the City incurs and pays more than for Three Hundred Thousand and NO/100 Dollars ($300,000) for the Henry Street Resurfacing during the term of this Agreement, such excess amount may, at the City's option, be reimbursed to the City from the captured Tax Increment Revenues at any time after the earliest of the fulfillment of the 16 Year Cap, the $3,000,000 Cap, or reimbursement of all of Developer's Eligible Costs under this Agreement.

8. Reimbursement Source

During the term of this Agreement, the Developer shall be reimbursed for its Eligible Costs from 100% of the Tax Increment Revenues (except amounts paid to or retained by the Authority for the Authority Fee and reimbursed to the City for the Henry Street Resurfacing) collected from all taxing jurisdictions (local & State) as to real and personal property taxes on the Eligible Property, in the order provided in section 10(d) of this Agreement.

9. Administration Fee to Authority

From the Tax Increment Revenues collected during the term of this Agreement, the Authority shall be paid the sum of Ten Thousand and No/100 Dollars ($10,000) per calendar year for its administration of the Plan (the "**Authority Fee**"), provided that if the total Tax Increment Revenues captured (or, if Developer fails to timely pay its property taxes on the project, the amount capturable if such taxes were timely paid) in any calendar year are insufficient to pay the Authority Fee under the Payment Priority Schedule in that year, the unpaid amount of the Authority Fee for that year shall accrue and be paid according to the Payment Priority Schedule in the next year in which sufficient captured Tax Increment Revenues are available. Notwithstanding anything to the contrary in this Agreement, the Authority Fee shall not be considered as part of or applied to the calculation of the 16 Year Cap or the $3,000,000 Cap (as is the case for the $75,000 of the sewer costs detailed in section 5 of this Agreement), and for accounting purposes shall be deemed to be collected and paid after the Developer has been repaid the entirety of its Eligible Costs per the terms of this Agreement.

10. <u>Reimbursement Process</u>

(a) On a quarterly basis beginning with the period ending June 30, 2008, the Developer shall submit to the Authority a Request for Cost Reimbursement for Eligible Activities paid by the Developer during the prior period within thirty (30) days after the end of any such quarter for Eligible Costs paid by Developer. For Eligible Costs incurred prior to April 1, 2008, such request may be submitted by May 31, 2008. Notwithstanding the foregoing, if Developer fails to submit a request or documentation for any Eligible Costs in the thirty (30) day period after the quarter in which such costs were paid by Developer, such request or documentation may be submitted in a later quarter. The request for reimbursement shall be in the form attached hereto as **Exhibit C** ("**Petition**"). Documentation of the costs incurred shall be included with the Petition including invoices for the costs incurred sufficient to determine whether the costs incurred were for Eligible Activities. The Petition shall be signed by a duly authorized representative of Developer.

(b) Twice a year, after the summer and winter taxes are billed and collected on the Property, from such taxes the Authority shall pay the reimbursement to Developer for Developer's Eligible Costs within forty-five (45) days from the date such taxes are collected, in the amount determined by application of the Payment Priority Schedule described below. Notwithstanding the foregoing, if any such taxes are collected during the first thirty (30) days after a summer tax bill is issued, such taxes shall be deemed collected on the thirtieth day after such tax bill is issued, and if any such taxes are collected during December in any year, such taxes shall be deemed collected on December 31 of that year for purposes of calculating the forty-five (45) day period by which the Authority shall pay the reimbursement to the Developer.

Each such collection and reimbursement cycle shall be herein referred to as a "**Reimbursement Period.**"

(c) Interest shall accrue on the Developer's costs for Eligible Activities at the rate of six and one-half percent (6.5%) per annum. Such interest shall be included in the Eligible Costs for purposes of this Agreement. Interest shall begin to accrue on any such costs on the date that Developer submits to the Authority evidence of its payment of such Eligible Costs and shall continue to accrue on all unreimbursed costs for Eligible Activities submitted by Developer until the earlier of the 16 Year Cap or upon payment of all Eligible Costs up to the $3,000,000 Cap.

(d) All captured Tax Increment Revenues shall be paid or applied pursuant to the following schedule ("**Payment Priority Schedule**"):

(i) First, the Developer shall be reimbursed in the amount of all principle and interest due and owing by Developer to the City under the Promissory Note in that Reimbursement Period and any principal and interest accrued but unreimbursed from prior Reimbursement Period(s).

(ii) Second, provided that additional captured Tax Increment Revenues are available, they shall then be used to pay the Authority Fee for that calendar year and any Authority Fee(s) accrued but unpaid from prior year(s).

(iii) Third, provided that additional captured Tax Increment Revenues are available, they shall then be used to pay the annual installment for the Henry Street Resurfacing as determined pursuant to Section 7(b).

(iv) Fourth, provided that additional captured Tax Increment Revenues are available, they shall then be used to reimburse the Developer for its Eligible Costs associated with the East sewer line relocation.

(v) Fifth, provided that additional captured Tax Increment Revenues are available, they shall be used to reimburse the other Eligible Costs.

(e) In the event there are no funds available in any Reimbursement Period from taxes captured from the sources identified in this Paragraph 10 for Developer, then there shall be no repayment obligation in that Reimbursement Period to Developer or City, or payment obligation to the Authority for the Authority Fee.

(f) The City or the Authority shall provide, upon Developer's request, an accounting of its (their) calculations apportioning any reimbursement or payment under this Agreement.

(g) Reimbursement of Eligible Costs shall be effectuated to Developer with:

Checks payable to:	BETTEN CHEVROLET, INC.
Delivered to the following address:	2474 South Henry Street Muskegon, Michigan 49441
	By first class mail.

11. Legislative Authorization

This Agreement is governed by and subject to the restrictions set forth in the Act. In the event that there is legislation enacted in the future which alters or affects the amount of Tax Increment Revenues subject to capture, Eligible Properties, or Eligible Activities, then the Developer's rights and the Authority's obligations under this Agreement may be modified accordingly by agreement of the parties.

12. Freedom of Information Act

Developer stipulates that all Petitions and documentation submitted by Developer shall be open to the public under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976, being Sections 15.23 to 15.24 of the Michigan Compiled Laws and no claim of trade secrets or other privilege or exception to the Freedom of Information Act will be claimed by Petitioners as it relates to this Agreement, Petitions for Reimbursement and supporting documentation.

13. Plan Modification

The Plan and this Agreement may be modified to the extent allowed under the Act by mutual agreement of the Parties affected by the modification. This Agreement is subject to the MDEQ and Michigan Economic Development Corporation approvals of the Act 381 Work Plan for Eligible Activities which are not materially inconsistent with the provisions of this Agreement.

14. Notices

All notices shall be given by registered or certified mail addressed to the parties at their respective addresses as shown above. Either party may change the address by written notice sent by registered or certified mail to the other party.

15. Assignment

The interest of each party under this Agreement shall not be assignable without the other party's written consent, which shall not be unreasonably withheld.

16. Entire Agreement

This Agreement, together with all instruments and agreements referred to in this Agreement, supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between them.

17. Non-waiver

No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

18. <u>Headings</u>

Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

19. <u>Governing Law</u>

This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

20. <u>Counterparts</u>

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

21. <u>Binding Effect</u>

The provisions of this Agreement shall be binding upon and inure to the benefit of each of the parties and their respective heirs, legal representatives, successors, and assigns.

[SIGNATURE PAGE TO FOLLOW]

The parties have executed this Agreement in duplicate original on the date set forth above.

THE CITY OF MUSKEGON

By: ______________________________
Stephen J. Warmington
Its: Mayor

BROWNFIELD REDEVELOPMENT AUTHORITY OF THE CITY OF MUSKEGON

By: ______________________________

Its: ______________________________

BETTEN CHEVROLET, INC.,
a Michigan corporation

By: ______________________________
Bryan Betten
Its: President

BETTEN AUTOMOTIVE GROUP, INC.,
a Michigan corporation

By: ______________________________
Bryan Betten
Its: President

EXHIBIT A

PROPERTY DESCRIPTIONS

Property Address: **2410 South Henry Street**
Muskegon, Michigan 49441

Tax Parcel No.: 61-24-131-300-0035-00

Legal Description:

Commencing on the North line, 33 feet East of the Northwest corner of the Southwest fractional ¼ of the Southwest fractional ¼ of Section 31, Town 10 North, Range 16 West; thence South, parallel to the West line of said Section, 303 feet; thence East, parallel with the North line, 456.76 feet; thence North 303 feet; thence West 456.76 feet to the point of beginning;

Property Address: **2474 South Henry Street**
Muskegon, Michigan 49441

Tax Parcel No.: 61-24-131-300-00-37

Legal Description:

PARCEL I:
That part of the North 22 rods of the Southwest fractional quarter of the Southwest fractional quarter of Section 31, Town 10 North, Range 16 West, described as follows: Commence 33 feet East and 333 feet South of the Northwest corner of said Southwest fractional quarter of Southwest fractional quarter; thence East parallel to the north line of said Southwest fractional quarter of Southwest fractional quarter 456.16 feet, more or less, to a point 250 feet West of the West right of way line of the Norton-Glade Express Highway; thence South parallel to the West lien of said Highway 30 feet; thence East parallel to the north line of said Southwest fractional quarter of Southwest fractional quarter, a distance of 250 feet to the West right of way line of the Norton-Glade Express Highway; thence North along the West right of way line of said Highway 200 feet; thence West parallel to the north line of said Southwest fractional quarter of Southwest fractional quarter 250 feet; thence South parallel with the West right of way line of the Norton-Glade Express Highway, 140 feet; thence West parallel to the north line of said Southwest fractional quarter of Southwest fractional quarter 456.16 feet, more or less, to a point 33 feet East of the West line of said Section 31; thence South 30 feet to the place of beginning.

PARCEL II:

All that part of the South 250 feet of the North 613 feet of the Southwest fractional quarter of the southwest quarter of Section 31, Town 10 North, Range 16 West, City of Muskegon, Muskegon County, Michigan, which lies West of a line 100 feet West of, measured at right angles and parallel to the construction centerline of Highway US-16 and US-31. The construction centerline of Highway US-31 and US-16 is described as: Beginning at a point 474.31 feet South of the North quarter corner of Section 7, Town 9 North, Range 16 West, Norton Township, now known as City of Norton Shores, Muskegon County, Michigan; thence North 88°54' West 319.11 feet to the point of curve of a 5°45' curve to the right; thence Northwesterly along the arc of the curve 1572.17 feet to the point of tangent; thence North 1°30' East 4927.39 feet to a point of deflection; thence 1°06'50" East 2600 feet to the point of ending.

PARCEL III:

Part of the North 22 rods of the Southwest fractional quarter of the Southwest fractional quarter of Section 31, Town 10 North, Range 16 West, Muskegon County, Michigan, described as follows: Commence 33 feet East and 363 feet South of the Northwest corner of said Southwest fractional quarter of the Southwest fractional quarter; thence East parallel to the North line of said Southwest fractional quarter of the Southwest fractional quarter a distance of 456.16 feet more or less to a point 250 feet West of the West right of way line of the Norton-Glade Express Highway; thence Northerly parallel to said West right of way line of said Highway 30 feet; thence West parallel to the North line of said southwest fractional quarter of the Southwest fractional quarter, 456.16 feet to a point 33 feet East of the West line of said Section 31; thence South 30 feet to place of beginning.

Property Address: **2477 South Henry Street**
Muskegon, Michigan 49441

Tax Parcel No.: 61-24-036-400-0027-00

Legal Description:

That part of the Southeast 1/4 of the Southeast 1/4 of Section 36, Town 10 North, Range 17 West, described as follows: Commence at the Southeast corner of the North 10 acres of said Southeast 1/4 of Southeast 1/4 thence West along the South line of said North 10 acres, 672.04 feet to the West line of the East 1/2 of said Southeast 1/4 of Southeast 1/4, thence South along said West line of said East 1/2 of Southeast 1/4 of Southeast 1/4150 feet, thence East parallel to the South line of said North 10 acres 671.83 feet to the East line of said Section 36, thence North along the East line of said Section 36,150 feet to the place of beginning, except the East 33 feet thereof which are reserved for highway purposes.

Property Address: **2501 South Henry Street**
Muskegon, Michigan 49441

Tax Parcel No.: 61-24-036-400-0029-00

Legal Description:

That part of the Southeast 1/4 of the Southeast 1/4 of Section 36, Town 10 North. Range 17 West, described as follows: Commencing at a point on the East line of said Section 36, 150 feet South of the Southeast corner of the North 10 acres of said Southeast 1/4 of the Southeast 1/4; thence West parallel to the South line of the North 10 acres of said Southeast 1/4 of the Southeast 1/4, 671.83 feet to the West line of the East 1/2 of said Southeast 1/4 of the Southeast 1/4; thence South along said West line of the East 1/2 of the Southeast 1/4 of the Southeast 1/4, 400 feet thence East parallel to the South line of the North 10 acres of said Southeast 1/4 of the Southeast 1/4 to the East line of Section 36; thence North along the East line of Section 36, 400 feet to the point of beginning.

EXHIBIT B

THE PLAN

EXHIBIT C

BROWNFIELD REQUEST FOR COST REIMBURSEMENT FOR ELIGIBLE ACTIVITIES

Date: ______________________

	Reimbursement Cost Item	**Eligible Cost**
1.		
2.		
3.		
4.		
5.		
6.		
7.		

I certify that the information submitted on and with this Request for Cost Reimbursement is accurate and is an eligible cost described in the Brownfield Plan for this project approved by the Township Board.

Developer: ______________________

Signature: ______________________

Title: ______________________

Address: ______________________

____

____

Each reimbursement cost item must have documentation that is attached to this request form. This documentation shall include detailed invoices.

DATE: 05/06/2008

TO: Honorable Mayor and Commissioners

FROM: Mark Kincaid, Deputy Director of Public Safety

RE: Dangerous Building Case #: EN030170 Bids for Demolition

SUMMARY OF REQUEST: The Inspections department requests that the City Commission award a bid for demolition of the property located at 593 W. Western to the lowest responsible bidder.

593 W. Western Ave (Commercial)- To execute a contract for demolition with the lowest responsible bidder.

Press LLC $55,450.00* | Franklins Contractors $18, 400 | Griffelle $33, 999*
*(Includes engineer study)

Case# & Project Address: # EN030170 – 593 W. Western

Location and ownership: This structure is located on Western Ave. and is owned by Muskegon Hotel LLC, 15877 Lake Ave, Grand Haven, MI 49417.

Staff Correspondence: A dangerous building inspection was conducted on 11/10/03. The Notice and Order to Repair was issued on 11/10/03. On 01/08/04 the HBA declared the structure substandard and dangerous. On 03/02/04 the HDC concurred with their decision. The City Commission concurred with the findings of the Housing Board of Appeals on May 25, 2004.

An inspection conducted in April 8, 2008 revealed continuing deterioration of the building. In the opinion of inspection staff the structure presents a danger the public. The director of public safety has determined that the structure needs to be demolished prior to the start of the summer events season.

The current owner has obtained a demolition permit and has been given until June 10' 2008 to complete demolition of the structure. Should he fail to do so, the City needs to be prepared to begin demolition on June 11, 2008.

Owner Contact:

Financial Impact: General Funds

Budget action required: None

Staff Recommendation: