CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 24, 2012

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- **CALL TO ORDER:**
- **PRAYER:**
- **PLEDGE OF ALLEGIANCE:**
- **ROLL CALL:**
- **HONORS AND AWARDS:**

  A. **2011 Outstanding Citizenship Awards.**

- **INTRODUCTIONS/PRESENTATION:**
- **CONSENT AGENDA:**

  A. **Approval of Minutes.** CITY CLERK

  B. **Liquor License Request from AJIT Corporation, 1121 E. Laketon.** CITY CLERK

  C. **Rejection of Environmental Program Mowing and Trash Clean-up Bids.** PLANNING & ECONOMIC DEVELOPMENT

  D. **2012 Water Treatment Chemical Bids.** PUBLIC WORKS

  E. **Approval of Contractor for Lead Abatement and Rehabilitation of House at 1733 Manz.** COMMUNITY & NEIGHBORHOOD SERVICES

  F. **Security Cameras, Public Service Building.** PUBLIC WORKS

  G. **Seaway Industrial Park Property Sale.** CITY MANAGER

  H. **Amendment to City's 457 Plan to Allow for Employee Hardship Loans.** FINANCE

  I. **Movies on the Beach – Request for Extended Hours.** PLANNING & ECONOMIC DEVELOPMENT

  J. **Catamaran Racing Association of Michigan Request for Overnight Camping at PM Park.** PLANNING & ECONOMIC DEVELOPMENT

  K. **Michigan Beach Polo Request to Serve Alcohol at PM Park.** PLANNING & ECONOMIC DEVELOPMENT

L. **Engineering Services Agreement for Traffic Signals Warrants Evaluation at Various Locations.** ENGINEERING

- **PUBLIC HEARINGS:**

A. **Request for an Industrial Facilities Exemption Certificate – AFI Machining.** PLANNING & ECONOMIC DEVELOPMENT

B. **Request for an Industrial Facilities Exemption Certificate – AFI Hole Drill.** PLANNING & ECONOMIC DEVELOPMENT

- **COMMUNICATIONS:**
- **CITY MANAGER'S REPORT:**
- **UNFINISHED BUSINESS:**
- **NEW BUSINESS:**

A. **Approval of Sale of City-owned Home at 1543 Hoyt.** COMMUNITY & NEIGHBORHOOD SERVICES

B. **Ballot Resolution – Civil Service.** CITY MANAGER

C. **Muskegon Lake Shoreline Restoration.** PUBLIC WORKS

D. **Concurrence with the Housing Board of Appeals Notice and Order to Demolish the Following:** PUBLIC SAFETY

557 W. Clay Avenue

28 Delaware Avenue (Area 11)

1469 6th Street (Area 10)

- **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.)

- **CLOSED SESSION:**
- **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: April 24, 2012

To: Honorable Mayor and City Commissioners

From: Ann Marie Cummings, City Clerk

RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the April 9th Commission Worksession Meeting and the April 10th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

City of Muskegon
City Commission Worksession
April 9, 2012
City Commission Chambers
5:30 PM

MINUTES

2012-23
Present: Commissioners Warmington, Gawron, Hood, Wierengo, German, Turnquist, and Spataro.
Absent: None.

Next Michigan – Interlocal Agreement for the West Michigan Economic Development Partnership.

Rick Chapla of The Right Place, Inc. and Ed Garner of Muskegon Area First made a presentation of the proposed project.

The "Interlocal Agreement for the West Michigan Economic Development Partnership" (Muskegon and Kent counties) has been prepared and reviewed by staff and attorneys for all participating jurisdictions. Approval of the "Agreement" by all entities will allow us to apply for a Next Michigan status. The County of Muskegon approved the "Agreement" at their meeting on March 22nd.

This City Commission will consider this item at its April 10, 2012 City Commission Meeting.

Veterans Park Improvements.
Dr. Dennis Cobbler, Muskegon County resident, made a presentation for a grant for improvements at the Veterans Memorial Park.

This is a request to approve funding for a transportation improvement project for Veterans Memorial Park at a cost up to $12,000 from the City. The City of North Muskegon and Muskegon County have also been asked to contribute up to $12,000 each.

The City Commission will consider this item at its April 10, 2012 City Commission Meeting.

Civil Service Vote.
Bryon Mazade, City Manager, gave deadlines to place a question to eliminate Civil Service on the ballot. He recommended that the question be placed on the November ballot.

Any Other Business.
Public comments were received.

Adjournment.
Motion by Commissioner Hood, seconded by Commissioner Spataro to adjourn at 6:10 p.m.

MOTION PASSES

Ann Marie Cummings, MMC
City Clerk

CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 10, 2012

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, MI at 5:30 p.m., Tuesday, April 10, 2012.

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

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

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

2012-24 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the March 27th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Request to Fly the Norwegian Flag. CITY CLERK

SUMMARY OF REQUEST: Sons of Norway are requesting permission to fly the Norwegian Flag at City Hall on Thursday, May 17th in honor of Norway's Constitution Day (Independence Day).

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the request.

C. Memorandum of Understanding – Justice Assistance Grant. PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety requests that the Commission authorize the Director and the City Manager to enter into an agreement with the City of Muskegon Heights and Muskegon County in regards to the disbursement of the FY 2012 Justice Assistance Grant. It if further requested that the Mayor be authorized to sign the Memorandum of Understanding. Note that time is of the essence as this grant requires a 30 day governing body review period before the grant submission and the grant deadline is May 14.

Although the Bureau of Justice Assistance has designated us as being in a disparate funding situation due to the County providing more than 50% of the jail facilities, our proposal is to keep the allocations exactly as they initially came down from the BJA which is as follows: County of Muskegon $0; City of Muskegon $28,513 and City of Muskegon Heights $17,561. Note that BJA uses crime data versus population in making these allocation decisions.

The City of Muskegon portion is planned to be used in continuation of the manner in which the previous year's JAG funding was used which is for the prosecution of city ordinance cases dealing primarily with neighborhood issues. A prosecutor was hired specifically for this under a previous fiscal year JAG Grant.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of this request.

D. <u>Great Lakes Comnet – METRO Act Permit.</u> ENGINEERING

SUMMARY OF REQUEST: Approve the permit for Great Lakes Comnet to install a fiber optic network within the City's right of way and authorize the Mayor and Clerk to sign said permit.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve the permit and sign the documents.

E. <u>MUFD Equipment Request – Turnout Gear.</u> PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety requests that the Commission authorize the amount of $19,048.56 for (12) twelve sets of turnout gear for part time fire fighters who have/will be in-service by June of 2012. The department recently hired (6) six firefighters who are now in fire training, the other (6) six will be activated on/before June 2012. The safety equipment is personalized to each firefighter and will be issued at the time received. The turnout gear per set ($1,587.38), quote thru 04/26/12, sole source vendor (Douglass Safety Systems LLC).

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: Equipment was budgeted for in the 2011/12 budget cycle to support the hire of part time firefighters.

STAFF RECOMMENDATION: Approval of this purchase request.

F. <u>Veterans Memorial Park Transportation Project.</u> CITY MANAGER

SUMMARY OF REQUEST: To approve funding for a transportation improvement project for Veterans Memorial Park.

FINANCIAL IMPACT: Up to $12,000 cost to the City.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approve funding up to $12,000 for the project and authorize the City to act as the fiduciary for the project.

COMMITTEE RECOMMENDATION: The Veterans Memorial Park Committee recommends approval.

G. <u>Next Michigan – Interlocal Agreement for the West Michigan Economic Development Partnership.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The "Interlocal Agreement for the West Michigan Economic Development Partnership" (Muskegon and Kent counties) has been prepared and reviewed by the staff and attorneys for all participating jurisdictions. Approval of the "Agreement" by all entities will allow us to apply for a Next Michigan status. The County of Muskegon approved the "Agreement" at their meeting on March 22.

FINANCIAL IMPACT: None at this time. However, if we are approved for Next Michigan status, board members will be appointed from each jurisdiction. The Board will then develop a budget, with funding coming from each entity.

BUDGET ACTION REQUIRED: None.

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

H. <u>Aggregates, Highway Maintenance Materials and Concrete.</u> PUBLIC WORKS

SUMMARY OF REQUEST: Award bid to supply H1 and H2 limestone chip blend to Verplank Trucking Company

Award bid to supply road slag to Verplank Trucking Company

Award bid to supply Sylvax patching material to Asphalt Paving

Award bid for crack sealant to Sherwin Industries, Inc.

Award bid to supply bituminous asphalt product to Asphalt Paving, Inc.

Award bid to supply screened top soil to Accurate Excavators

Award bid to supply 2NS sand to Jackson-Merkey Contractors, Inc.

Award bid to supply 7-sack mix concrete to Port City Redi-Mix

Award supply of Calcium Chloride 38% (road brine) and 32% (winter salting) to Great Lakes Chloride

FINANCIAL IMPACT: $414,993.50 based on quantities requested in bid at 2012 quotes.

BUDGET ACTION REQUIRED: None, funds appropriated in several budgets.

STAFF RECOMMENDATION: Approval of bids as outlined in Summary of Request.

Motion by Vice Mayor Gawron, second by Commissioner German to approve the Consent Agenda as read.

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

Nays: None

MOTION PASSES

2012-25 PUBLIC HEARINGS:

A. <u>2012 – 2013 Action Plan.</u> COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To conduct a public hearing of the 2012-2013 Action Plan for public comments.

FINANCIAL IMPACT: Action Plan establishes the 2012-2013 Community Development Block Grant and HOME budgets.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To receive comments about the proposed 2012-2013 Action Plan at the public Commission meeting.

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

Motion by Vice Mayor Gawron, second by Commissioner Spataro to close the Public Hearing and receive comments of the proposed 2012-2013 Action Plan.

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

Nays: None

MOTION PASSES

2012-26 NEW BUSINESS:

A. <u>Revolving Loan Fund (RLF) Loan with Great Lakes Die Cast.</u> CITY MANAGER

SUMMARY OF REQUEST: To approve a request to discount a Revolving Loan Fund loan with Great Lakes Die Cast. A loan of $30,000 was made in 2009 and approximately $16,600 is the current balance. Closing out the loan would allow the company to refinance some current debt and enable the City to receive $10,000 as payment-in-full for the remaining City loan, rather than waiting to receive the remaining payments over time.

FINANCIAL IMPACT: Reduction of the remaining balance to $10,000.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To discount the loan to $10,000 as payment-in-full and authorize City staff to execute necessary documents to close out the loan.

Motion by Commissioner Spataro, second by Commissioner Wierengo to discount the loan to Great Lakes Die Cast to $10,000 as payment in full and authorize City staff to execute the necessary documents to close out the loan.

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

Nays: None

MOTION PASSES

B. Master Contract for the Muskegon County Wastewater System. CITY MANAGER

SUMMARY OF REQUEST: To make determinations relative to the Master Contract for the Muskegon County Wastewater System and the billing overpayment issue.

On November 9, 2010, the City Commission took the following action on the proposed Master Contract for the Muskegon County Wastewater System:

> NOW, THEREFORE, BE IT RESOLVED, that the Muskegon City Commission approves the proposed Master Contract for the Muskegon County Wastewater System contingent upon installation and use of the meters for billing purposes and resolution of the overpayment issue, in the City Manager's opinion and after notice to the City Commission, and authorizes the Mayor and Clerk to sign the Master Contract for the Muskegon County Wastewater System after the City Manager informs the City Commission that the meters have been installed and being used for billing purposes and a resolution of the overpayment for wastewater service has been reached.

The installation of the meters has occurred and the meters are in use. However, in the opinion of the City Manager, a resolution of the overpayment issue has not been achieved after more than a year of attempts.

FINANCIAL IMPACT: The City believes it should be reimbursed approximately $802,308.62.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Based on the foregoing, it is recommended that the Muskegon City Commission hereby determines the following:

1. Impasse has been reached in the overpayment for wastewater service issue.
2. The City will not execute the Master Contract for the Muskegon County Wastewater System until the City receives appropriate reimbursement for overpayment for wastewater service.
3. City staff is directed to explore alternate long-term wastewater system options for the City.
4. City staff is directed to convey to Muskegon County the measures the City intends to take.

Motion by Vice Mayor Gawron, second by Commissioner Turnquist to direct City staff to convey to Muskegon County the measures the City intends to take.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:15 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk

Date: April 24, 2012

To: Honorable Mayor and City Commissioners

From: Ann Marie Cummings, City Clerk

RE: Liquor License Request
AJIT Corporation
1121 E. Laketon Avenue

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from AJIT Corporation of 1121 E. Laketon, for a new SDM License, New Sunday Sales Permit (AM) and New Gas Pumps.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.

Muskegon Police Department

Jeffrey Lewis
Director of Public Safety

980 Jefferson
Muskegon, Michigan
49443-0536

www.muskegonpolice.com

Phone: 231-724-6750
FAX: 231-722-5140

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March 22, 2012

To: City Commission through the City Manager

From:

Jeffrey Lewis, Director of Public Safety

Re: Liquor License Investigation – 1121 E. Laketon Ave
Request for New SDM License, New Sunday Sales Permit and New Gas Pumps

The Muskegon Police Department has received a request from the Michigan Liquor Control Commission for a preliminary investigation from applicant AJIT Corporation of 1121 E. Laketon, the Marathon Gas Station, comprised of Surinder S. Ghotra of Jamaica New York, 11432. Mr. Ghotra does have ownership in 1121 E. Laketon but has kept his New York address due to another business that he owns in that state.

AJIT Corporation requests a New SDM License, New Sunday Sales Permit (AM) and New Gas Pumps (to be issued under MCL 436.1541 (1) $250,000 excluding hardware, apparel sporting goods, ect. And 50" (inside)).

This establishment has not had a liquor license of this type before but the owner is aware of the Muskegon Police Department's position on enforcing local alcohol laws and ordinances

A check of Muskegon Police Department records and criminal history showed no reason to deny this request.

JL/kd

Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
7150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-7505
Toll Free (866) 813-0011 • www.michigan.gov/lcc

Business ID: ______________

Request ID: ______________

(For MLCC use only)

Local Government Approval

(Authorized by MCL 436.1501)

Instructions for Applicants:

- Provide a copy of your Application for New Licenses, Permits, or Transfer of Ownership or Interest in License (form LCC-3011 for Retail or form LCC-3015 for Manufacturers and Wholesalers) to the local unit of government.

Instructions for Local Legislative Body:

- Complete this resolution, or provide a resolution, a letter of certification from the clerk, or minutes from the meeting at which this request was considered.

At a ______________________ meeting of the ______________________________ council/board
(regular or special) (township, city, village)

called to order by ______________________________ on ______________ at ______________
(date) (time)

the following resolution was offered:

Moved by ______________________________ and supported by ______________________

that the application from ____
(name of applicant)

for the following license(s): ____
(e.g. Class C, Tavern, B-Hotel, Micro Brewer)

and the following permits, if applied for: ☐ Dance Permit ☐ Entertainment Permit ☐ Topless Activity Permit

to be located at ____

be considered for ______________________________.
(approval or disapproval)

Approval		**Disapproval**	
Yeas:	________	Yeas:	________
Nays:	________	Nays:	________
Absent:	________	Absent:	________

It is the consensus of this body that it ______________________________ this application be considered for
(recommends/does not recommend)

approval by the Michigan Liquor Control Commission.

I hereby certify that the foregoing is true and is a complete copy of th resolution offered and adopted by the ______________
council/board at a ______________________ meeting held on ______________. (township, city, village)
(regular or special) (date)

Name and title of authorized officer (please print): ______________________________

Signature and date of authorized clerk: ______________________________

Phone number and e-mail of authorized officer: ______________________________

Commission Meeting Date: April 24, 2012

Date: April 16, 2012

To: Honorable Mayor & City Commission

From: Planning & Economic Development Department

RE: Rejection of Environmental Program Mowing and Trash Clean-up Bids

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SUMMARY OF REQUEST:

The contract for mowing of lots and trash clean up of public and private properties previously held by Freelance Enterprises Inc. has expired on March 31, 2012. A request for bids was advertised and four companies placed bids.

FINANCIAL IMPACT:

None - Funds budgeted for this activity.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION:

To formally reject all bids because of deficiencies in the bids and to rebid the contract for the mowing of lots and trash removal on properties located within the city.

COMMITTEE RECOMMENDATION: None

Planning Department

Memo

To: Honorable Mayor and City Commission

From: Hope Mitchell, Code Coordinator

Date: 4/16/2012

Re: Environmental mowing & trash contract bids

Staff requested bids for a possible two or three year contract with an optional contract extension typically set at two years for each. This request for bids resulted in four submissions from area contractors to perform the services needed.

In reviewing the bid documents staff discovered irregularities or defects in all of the bidding documents. The errors ranged from minor errors such as a date area being left blank, to signatures not being notarized. In all bids but one, the contractors simply ignored the bid specifications and submitted bids for equipment or contract terms that were appropriate for themselves. Only one bidder submitted a bid with all the correct types of equipment in their equipment list and accepted our bid documents as we posted them, that contractor was Freelance Enterprises.

During inspections of the bidder's equipment, it became clear to staff that two companies were clearly capable and had the resources necessary to perform the work required. Both companies either had the needed equipment or were capable of providing it upon a successful contract award. Unfortunately, due to a technicality in the bid documents, the bid submitted by Freelance listed the number of units they are currently using while performing the city contract, as opposed to the number of units requested by the city in the bidding documents.

It was an understandable mistake by the contractor since the city previously waived the 4 tractor / mower requirement at the last contract bidding for both successful bidders. This had changed because we awarded the contract to two contractors instead of one contractor so each contractor only needed two tractors with brush hogs or flail type mowers, instead of four.

It is not know why Quality Landscaping did not submit the proper equipment specifications with their bids. Upon inspection of their equipment and site by staff, it became clear that this company was large enough to have this type of mower or were able to purchase them.

Staff recommends rejection of all submitted bids, for reasons indicated on the enclosed documents and since there is interest from more than one qualified contractor, bids will be requested again with the tractor requirement lowered to reflect our current usage patterns with a two contractor system with the capability of more if needed.

Date: April 24, 2012

To: Mayor and City Commission

From: Dept of Public Works - Director

RE: 2012 Water Treatment Chemical Bids

SUMMARY OF REQUEST:

Recommend endorsement of lowest responsible bidder to supply sodium hypochlorite, for the water filtration plant.

FINANCIAL IMPACT:

Annual cost of $52,207 (based on average annual water pumped to mains).

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Staff recommends the Mayor and City Commission endorse the low bid received and enter into contract with KA Steel Chemicals for sodium hypochlorite for one year.

MEMORANDUM

4/16/2012

TO: **M. AL-SHATEL – DPW DIRECTOR**

FROM: **FILTRATION PLANT**

RE: **CHEMICAL BIDS – WATER FILTRATION**

Chemical Bidding

Grand Haven, Grand Rapids, Wyoming, Muskegon Heights and Holland (West Michigan Cooperative Purchasing Group) collectively bid for treatment chemicals. Last year all chemicals used in the treatment required new contracts. The bids were received and approved as follows:

Sodium Hypochlorite: 340 tons for a total cost of $51,000.
Hydrofluorisilicic Acid: 70 tons for a total cost of $49,700.
Aluminum Sulfate: 220 tons for a total cost of $100,000.
Powdered Activated Carbon: 5 tons for a total of $5,000.00.

CHEMICAL BIDDING FOR 2012
The bidding process is performed by the City of Holland (hypochlorite). The results of the bidding are as follows:

Sodium Hypochlorite: 1 Year Contract begins April 16, 2012. Cost per ton:
Rowell Chemical: $154.50
Alexander Chemical: No bid
KA Steel Chemical: $153.55

Current cost: (Alexander Chemical) $160.39.

Chemical costs have been budgeted for 2011/12 as follows:

Sodium Hypochlorite: 340 tons for a total cost of $52,207.
Hydrofluorisilicic Acid: 70 tons for a total cost of $42,560.
Aluminum Sulfate: 440 tons for a total cost of $70,400.
Powdered Activated Carbon: 5 tons for a total of $5,000.00.

It is my recommendation that we request the Mayor and City Commission to approve the lowest cost bids as follows:

Sodium Hypochlorite: K A Steel Chemical for 1 year.

Commission Meeting Date: April 24, 2012

Date: April 17, 2012

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

RE: Approval of Contractor for Lead Abatement and Rehabilitation of House at 1733 Manz

SUMMARY OF REQUEST: To approve the contract with Jeff Fisher, JD Fisher Builders, 123 N 8th Ave, Fruitport, for the lead abatement and rehabilitation of the home located at 1733 Manz for the cost of $89,780.

This project is being financed by Neighborhood Stabilization funds from the Michigan State Housing Development Authority with possible HOME funds from HUD. After the lead abatement and rehabilitation is completed, the home will be marketed to sell to an eligible homebuyer with an annual income less than 120 percent of the area median income. The City obtained the house at 1733 Manz with Neighborhood Stabilization Program funds.

The City received three bids as listed on the attached spreadsheet.

FINANCIAL IMPACT: The project will be covered from the Neighborhood Stabilization Program funds and/or *possible* HOME funds from HUD.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve for the Community and Neighborhood Services office to develop a contract with JD Fisher Builders and direct the Mayor and Clerk to sign the contract.

COMMITTEE RECOMMENDATION: None needed.

1733 MANZ BID RESULTS
Tuesday, March 13, 2012

CONTRACTOR	Bid Amount
Able Construction 12090 Green Lake Rd Middleville 49333 616-291-7665	$91,470
Gray Space 601 Amity Muskegon 49442 955-9701	Bid submitted after deadline. Bid Unopened.
JD Fisher Builders 123 N 8th Ave Fruitport 49415 720-9393	$89,780
Midwest Builders 16850 120th St Nunica 49448 616-837-0000	$93,576

Date: 4/24/12

To: Honorable Mayor and City Commission

From: DPW

RE: Security Cameras, Public Service Building

SUMMARY OF REQUEST: Authorize Staff to purchase 12 security cameras and a hddvr recorder from Lakeshore Security & Electronics which was the low bidder. This will replace the existing system that is not working and is out of date. Attached is the Quote tabulation spreadsheet from the three bidders.

FINANCIAL IMPACT: Total Cost $ 11,959.91

BUDGET ACTION REQUIRED: None. Included in 2011 / 2012 Budget

STAFF RECOMMENDATION: Purchase from low bidder Lakeshore Security & Electronics

Date: **04/18/12**

Requisition: Public Service Building Security Camera

	Name of Bidder	Name of bidder	Name of Bidder
Vendor	Lakeshore Security & E	Novotny Electronics	Monitor closley.com
Telephone	(888)271-5055	(877)323-9253	616.295.3519
Location	Hesperia	Muskegon	Grand Rapids
Quoted by	Brag Geyer	Greg Ericksen	David Keyworth

Quantity	Description	Price	Price	Price
7	1080 IP mega pixel cameras			
5	low light cameras 600 lines of resolution			
1	hdvr recorder with 4 tb hard drive			
	TOTAL BID	$11,959.91	$16,995.00	$17,256.00

Lowest bid **$11,959.91**

Bid Requested by: David Smith Public Utillity Supervisor

AGENDA ITEM NO. ______________

CITY COMMISSION MEETING ____________________

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: April 18, 2012

RE: Seaway Industrial Park Property Sale

SUMMARY OF REQUEST
To approve a sale of property in the Seaway Industrial Park to Eastwood Development, LLC (Wood Trucking).

FINANCIAL IMPACT
The sale price is $20,000.

BUDGET ACTION REQUIRED
None.

STAFF RECOMMENDATION
To approve the Purchase Agreement, authorize the Mayor and Clerk to execute it, and authorize City staff to execute all necessary closing documents.

COMMITTEE RECOMMENDATION
None.

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT is made ________________________, 2012 ("Effective Date"), by and between the **City of Muskegon**, a municipal corporation, with offices at 933 Terrace, Muskegon, Michigan 49440 ("Seller"), and **Eastwood Development, LLC, a Michigan limited liability company**, of 2075 Park Street, Muskegon, Michigan 49444 ("Buyer").

1. **General Agreement and Description of Premises.** Seller agrees to sell, and Buyer agrees to buy, the real estate, and all improvements thereon, with all beneficial easements, and with all of Seller's right and title, located in the City of Muskegon, Muskegon County, Michigan ("Premises"), and specifically described as:

> Part of Block 2 and Part of the vacated alley in said Block 2, Young & Williams Addition as recorded in Liber 3 of Plats, Page 39, Muskegon County Register of Deeds: Commencing at the Southeast corner of the Northwest fractional ¼ of Section 31, Town 10 North, Range 16 West, City of Muskegon, Muskegon County, Michigan, thence North 00 degrees 00 minutes 00 seconds East 795.00 feet along the East line of said Northwest fractional ¼; thence South 89 degrees 40 minutes 00 seconds West 373.44 feet along the North right of way line of Delano Avenue and its extension in said Young and Williams Addition for point of beginning; thence South 89 degrees 40 minutes 00 seconds West 199.00 feet along said right of way line; thence North 00 degrees 00 minutes 00 seconds East 17.00 feet along said right of way line; thence South 89 degrees 40 minutes 00 seconds West 67.00 feet along said right of way line; thence North 00 degrees 00 minutes 00 seconds West 234.40 feet along the East right of way line of Temple Street; thence North 89 degrees 43 minutes 30 seconds East 266.00 feet; thence South 00 degrees 00 minutes 00 seconds East 251.13 feet along the West right of way line of Waalkes Street to point of beginning.

Subject to the reservations, restrictions and easements of record.

2. **Purchase Price and Manner of Payment.** The purchase price for the Premises shall be Twenty Thousand and no/100 Dollars ($20,000), payable in cash at the closing.

3. **Taxes and Assessments.** All taxes and assessments that are due and payable at the time of Closing shall be paid by Seller prior to or at Closing. All taxes and special assessments that become due and payable after Closing shall be the responsibility of Buyer, without pro-ration.

4. **Title Insurance.** Buyer waives any rights to a title insurance policy paid for by the Seller, but understands that it may purchase title insurance at any time in the future at its own expense. Seller makes no representations or warranties related to the title to the Premises.

5. **Survey.** Buyer at its own expense may obtain a survey of the Premises, and Buyer or its surveyor or other agents may enter the Premises for that purpose prior to Closing. If no survey is obtained, Buyer agrees that Buyer is relying solely upon Buyer's own judgment as to

the location, boundaries and area of the Premises and improvements thereon without regard to any representations that may have been made by Seller or any other person. In the event that a survey by a registered land surveyor made prior to closing discloses an encroachment or substantial variation from the presumed land boundaries or area, Seller shall have the option of effecting a remedy within thirty (30) days after disclosure, or terminate this Purchase Agreement. Buyer may elect to purchase the Premises subject to said encroachment or variation.

6. **Condition of Premises and Examination by Buyer.** No implied warranties of habitability, quality, condition, fitness for a particular purpose, or any other implied warranties shall operate between seller and buyer, and buyer expressly waives any and all such implied warranties. Buyer understands and agrees that the premises are taken **"As Is,"** subject to the express covenants, conditions and/or express warranties contained in this purchase agreement. Buyer further says that he has personally inspected the premises and is satisfied with the condition of the land and improvements thereon, and that the property is being purchased as a result of such inspection and investigation and not due to any representations made by or on behalf of seller. Buyer waives any claim against seller that an investigation of Premises may have revealed.

7. **Closing.** The closing date of this sale shall be on or before 90 days after the Effective Date ("Closing"). The Closing shall be conducted at the offices of Parmenter O'Toole, 601 Terrace Street, Muskegon, MI 49440. If necessary, the parties shall execute an IRS closing report at the Closing.

8. **Delivery of Deed.** Seller shall execute and deliver a quit claim deed to Buyer at Closing for the Premises.

9. **Date of Possession.** Possession of Premises is to be delivered to Buyer by Seller on the date of Closing.

10. **Costs.** Seller shall be responsible to pay the Michigan transfer tax, if any, in the amount required by law, the cost of recording the deed to be delivered at Closing, and the Closing Fee.

11. **General Provisions.**

a. **Paragraph Headings.** The paragraph headings are inserted in this Agreement only for convenience.

b. **Pronouns.** When applicable, pronouns and relative words shall be read as plural, feminine or neuter.

c. **Merger.** It is understood and agreed that all understandings and agreements previously made between Buyer and Seller are merged into this Agreement, which alone fully and completely expresses the agreement of the parties.

d. **Governing Law.** This Agreement shall be interpreted and enforced pursuant to the laws of the State of Michigan.

e. **Successors.** All terms and conditions of this Agreement shall be binding upon the parties, their successors and assigns.

f. **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision(s) had never been contained herein.

g. **Survival of Representations and Warranties.** The representations, warranties, covenants and agreements contained in this Agreement and in any instrument provided for herein shall survive the Closing and continue in full force and effect after the consummation of this purchase and sale.

h. **Modification of the Agreement.** This Agreement shall not be amended except by a writing signed by Seller and Buyer.

The remainder of this page is intentional left blank.

The parties have executed this Real Estate Purchase Agreement on the date written below their names, to be effective as of the day and year first above written.

WITNESSES:

SELLER: City of Muskegon

____

By:____________________________________
Stephen J. Warmington, Mayor
Date: __________________

____

By:____________________________________
Ann Marie Cummings, City Clerk
Date: __________________

BUYER: Eastwood Development, LLC

____

By:____________________________________
Name: Michael T. Hylland
Its: _____________________________
Date: __________________

____

QUIT-CLAIM DEED

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

QUIT CLAIMS to **Eastwood Development, LLC, a Michigan limited liability company**, of 2075 Park Street, Muskegon, Michigan 49444,

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

See Attached Exhibit A

for the sum of Twenty Thousand and no/100 Dollars ($20,000.00)

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

Dated this ______ day of __________________, 2012.

City of Muskegon

By:_________________________________
Stephen J. Warmington, Its Mayor

By:_________________________________
Ann Marie Cummings, City Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

Signed and sworn to before me in Muskegon County, Michigan, on ______________, 2012, by **Stephen J. Warmington** and **Ann Marie Cummings** the Mayor and City Clerk, respectively, of the **City of Muskegon**, a municipal corporation, on behalf of the City.

____
__________________________, Notary Public
Acting in the County of _____________________
________________________County, Michigan
My commission expires ______________________

PREPARED BY: John C. Schrier
Parmenter O'Toole
601 Terrace Street/P.O. Box 786
Muskegon, MI 49443-0786
Telephone: 231/722-1621

WHEN RECORDED RETURN TO: Grantee
SEND SUBSEQUENT TAX BILLS TO: Grantee

EXHIBIT A

Part of Block 2 and Part of the vacated alley in said Block 2, Young & Williams Addition as recorded in Liber 3 of Plats, Page 39, Muskegon County Register of Deeds: Commencing at the Southeast corner of the Northwest fractional ¼ of Section 31, Town 10 North, Range 16 West, City of Muskegon, Muskegon County, Michigan, thence North 00 degrees 00 minutes 00 seconds East 795.00 feet along the East line of said Northwest fractional ¼; thence South 89 degrees 40 minutes 00 seconds West 373.44 feet along the North right of way line of Delano Avenue and its extension in said Young and Williams Addition for point of beginning; thence South 89 degrees 40 minutes 00 seconds West 199.00 feet along said right of way line; thence North 00 degrees 00 minutes 00 seconds East 17.00 feet along said right of way line; thence South 89 degrees 40 minutes 00 seconds West 67.00 feet along said right of way line; thence North 00 degrees 00 minutes 00 seconds West 234.40 feet along the East right of way line of Temple Street; thence North 89 degrees 43 minutes 30 seconds East 266.00 feet; thence South 00 degrees 00 minutes 00 seconds East 251.13 feet along the West right of way line of Waalkes Street to point of beginning.

Date: April 24, 2012

To: Honorable Mayor and City Commissioners

From: Finance

RE: Amendment to City's 457 Plan to Allow for Employee Hardship Loans

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SUMMARY OF REQUEST: The City has long offered full-time employees the opportunity to save for retirement through voluntary contributions to a "457" deferred compensation plan. 457 plans are similar to 401(k) plans in the private sector. The 457 plan is completely separate from the City's defined benefit and defined contribution retirement programs.

Once an employee contributes money to the 457 plan, it can be withdrawn only when the employee separates service or in cases of *extreme* financial hardship. The City has received numerous hardship withdrawal requests and inquiries in recent years. Although employee needs are legitimate, almost all requests are rejected because of the stringent IRS regulations governing these withdrawals.

457 loan provisions are less restrictive allowing for needs such as home purchase, unreimbursed medical expenses and college education for dependents. Staff believes implementing the hardship loan provision will provide employees a way to access to their money for legitimate financial needs.

FINANCIAL IMPACT: There is no financial impact on the City. Administration of the program will be done primarily by the City's 457 plan administrators (ICMA and The Hartford)

Financial terms of loans to employees allowed under this recommendation are as follows:

- Participants may receive only one loan per year and only one outstanding at any time;
- Minimum loan $1,000; Maximum is the lesser of $50,000 or ½ of the participant's plan balance;
- Length of loan: 5 years; 10 years if used for purchase of principal residence;
- Interest rate: Prime rate + 0.5% (currently 3.75%);
- Collateral: Portion of the employee's remaining account balance equal to the amount of the loan.

BUDGET ACTION REQUIRED: This action does not have a budget impact on the City.

STAFF RECOMMENDATION: Adoption of the attached resolution and approval of the loan guidelines as described.

COMMITTEE RECOMMENDATION: None.

SUGGESTED RESOLUTION

ICMARC
Building Retirement Security

SUGGESTED RESOLUTION FOR A LEGISLATIVE BODY RELATING TO AMENDING A RETIREMENT PLAN TO PERMIT LOANS

Section 401 Money Purchase Plan or
Section 401 Profit-Sharing Plan
ICMA-RC Plan # 10 ____________

Section 457 Deferred Compensation Plan
ICMA-RC Plan # 30 0304

Name of Employer: City of Muskegon State: Michigan

Resolution of the above named Employer ("Employer")

WHEREAS, the Employer has employees rendering valuable services; and

WHEREAS, the Employer has established a retirement plan (the "Plan") for such employees which serves the interest of the Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that permitting participants in the retirement plan to take loans from the Plan will serve these objectives;

NOW THEREFORE BE IT RESOLVED that the Plan will permit loans.

I, Ann Marie Cummings, Clerk of the (City, County, etc.) of Muskegon, do hereby certify that the foregoing resolution, proposed by (Council Member, Trustee, etc.) ____________, was duly passed and adopted in the (Council, Board, etc.) of the (City, County, etc.) of ____________ at a regular meeting thereof assembled this ____________ day of ____________, 20____, by the following vote:

AYES:

NAYS:

ABSENT:

(seal)

Ann Marie Cummings

Clerk of the (City, County, etc.)

This resolution should be returned to:

New Business Analyst
ICMA Retirement Corporation
777 N. Capitol St., NE
Washington, DC 20002-4240
Phone 800-326-7272

LOAN GUIDELINES AGREEMENT FOR A RETIREMENT PLAN

ICMARC
Building Retirement Security

Name of Plan (please state the Employer's complete name, including state): City of Muskegon, Michigan

Plan Type: ☐ 401(a) Money Purchase Plan ☐ 401 Profit-Sharing Plan ☑ 457 Deferred Compensation Plan

ICMA-RC Plan Number: 300304

I. Purpose

The purpose of these guidelines is to establish the terms and conditions under which the Employer will grant loans to participants. This is the only official Loan Provision Document of the above named Plan.

II. Eligibility

Loans are available to all active employees. Loans will not be granted to participants who have an existing loan in default.
Loans will be pro-rated among all the funds in which the participant is invested at the time the loan is made.

For 401 plans only:

Loans are available from the following sources: [select one or both]

☐ Employer Contribution Account (vested balances only)

☐ Participant Contribution Accounts (pre- and post-tax, if applicable, including Employee Mandatory, Employee Voluntary, Employer Rollover, and Portable Benefits Accounts, but excluding the Deductible Employee Contribution/Qualified Voluntary Employee Contribution Account)

For Roth 401(k) plans only:

A participant's Designated Roth Account balance can be used to secure a participant loan.

Designated Roth Account balances [select one]

☐ will not (default option) be available as a source for loans under the Plan.

☐ will be available as a source for loans under the Plan. **(Note: Using the Roth source for loans may have negative tax consequences for participants.)**

For all plan types:

III. Loan Purpose

Loans are available for the following purposes and must be requested in the corresponding method (select one):

☐ **All purposes**

Online and Loans by Call Center: All loans must be requested either online by employees through ICMA-RC's Account Access site at www.icmarc.org or directly over the phone with an Investor Services associate (via the Loans by Call Center service), both of which require preauthorization by the Employer as outlined in italics under Section IV. Application Process.

☑ **Hardship Only:**

Loans shall only be granted in the event of a participant's hardship or for the purpose of enabling a participant to meet certain specified financial situations. The employer shall approve the participant's loan application after determining, based on all relevant facts and circumstances, that the amount of the loan is not in excess of the amount required to relieve the financial need. For this purpose, financial need shall include, but not be limited to: unreimbursed medical expenses of the participant or members of the participant's immediate family, establishing or substantially rehabilitating the principal residence of the participant, or paying for a college education (including graduate studies) for the participant or his/her dependents. **(Note: Online or Loans by Call Center not applicable with this option. Participant must complete the loan application for employer approval.)**

IV. Application Process

If an employee is married at the time of the application and your plan has elected the Qualified Joint and Survivor Annuity Option, spousal consent is required for the loan. The employee's spouse must consent, in writing, to the loan and the consent must be witnessed by a plan representative or notary public. Such consent must be received in writing by ICMA-RC no more than ninety (90) days before the loan request is submitted through Account Access. In the case of the Direct Loan Application, spousal consent should be sent along with the application.

The promissory note, truth-in-lending rescission notice, and disclosure statement are mailed to the employee along with the issued loan check. The employee confirms receipt and acceptance of these documents and terms at the time the endorsed check is presented for payment.

The Employer hereby authorizes all future loans requested through the online process via Account Access, as well as any requests that employees submit on paper forms, pending review of the application by ICMA-RC. Notice of loan issuance will be provided to the Employer via reports posted on the EZLink site.

The loan amount will generally be redeemed from the employee's account on the same day as either ICMA-RC receipt of loan application (complete and in good order), the completion of a loan request via telephone with an Investor Services representative, or the employee's successful submission of the loan request through Account Access, if it is submitted prior to 4:00 p.m. ET on a business day. If not, the loan amount will be redeemed on the next business day following submission. The loan check is generally issued on the next business day following redemption, and will be mailed directly to the employee. The employee's presentment of the loan check for payment constitutes an acknowledgment that the employee has received and read the loan disclosure information provided by ICMA-RC and agrees to the terms therein.

Loan repayment will begin as soon as practicable following the employee's presentment of the loan check for payment.

V. Frequency of loans [select one]

☑ Participants may receive one loan per calendar year. Moreover, participants may have only one (1) outstanding loan at a time.

☐ Participants may receive one loan per calendar year. Moreover, no participant may have more than five (5) loans outstanding at one time.

VI. Loan amount

The minimum loan amount is $1,000.

The maximum amount of all loans to the participant from the plan and all other plans sponsored by the Employer that are qualified employer plans under section 72(p)(4) of the Code is the ***lesser*** of:

(1) $50,000, reduced by the highest outstanding balance of all loans from any 401 or 457 plans for that participant during the one-year period ending on the day before the date a loan is to be made, or

(2) one half of the participant's vested account balance, reduced by the current outstanding balance of all 401 and 457 loans from all plans for that participant.

If a participant has any loans outstanding at the time a new loan is requested, the new loan will be limited to the maximum amount calculated above reduced by the total of the outstanding loans.

A loan cannot be issued for more than the above amount. The participant's requested loan amount is subject to downward adjustment without notice due to market fluctuation between the time of application and the time the loan is made.

VII. Length of loan

A loan must be repaid in substantially equal installments of principal and interest, at least monthly, over a period that does not exceed five (5) years.

Loans for a principal residence must be repaid in substantially equal installments of principal and interest, at least monthly, over a period that does not exceed ten __________ [state number of years] years (maximum 30 years).

VIII. Loan repayment process

Loan repayments for active employees must be through:

- ☐ Payroll deduction only.
  PL642(2) = 2
- ☑ ACH debit only.*
  PL642(2) = 0
- ☐ Employee may choose either payroll deduction or ACH debit.*
  PL642(2) = 1

* Please note a $20 processing fee will be assessed to a participant's ICMA-RC account when a scheduled loan repayment(s) via ACH is rejected due to insufficient funds, invalid bank account information, or account closure in the participant's designated payment account.

If payroll deduction repayment is allowed, and the employee wishes to use this method, the employee must notify the Employer so that the Employer can ensure that repayment will begin as soon as practicable on a date determined by the Employer's payroll cycle. Failure to begin payroll deduction in a timely way could lead to the employee's loan entering delinquency status. Payroll deduction should begin within two payroll cycles following the employee's receipt of the loan.

Repayments through payroll deduction will be sent via check or wire by the Employer to ICMA-RC on the following cycle (choose one):

- ☐ Weekly (52 per year)
- ☐ Bi-weekly (26 per year)
- ☐ Semi-monthly (24 per year)
- ☐ Monthly (12 per year)

If ACH debit repayment is allowed, debits from the employee's designated bank account will begin approximately one month following the date the employee's signed ACH authorization form is received and processed by ICMA-RC, or, in the case of online loans, approximately one month following the date the loan check has been cleared for payment. Debits will normally be made on a monthly basis.

Loans outstanding for former employees or employees on a leave of absence must be repaid on the same schedule as if payroll deductions were still being made unless they reamortize their loans and establish a new repayment schedule that provides that substantially equal payments are made at least monthly over the remaining period of the loan.

Loan payments, including loan payments from former employees, are allocated to the participant's current election of investment options on file with ICMA-RC.

The participant may pay off all or a portion of the principal and interest early without penalty or additional fee. Extra payments are applied forward to both principal and interest as specified in the original repayment schedule, unless the additional payment is for the balance due.

IX. Loan interest rate

The rate of interest for loans of five (5) years or less will be based on prime plus 0.5%.

The rate of interest for loans for a principal residence will be based on the FHA/VA rate.

Interest rates are determined on the last business day of the month preceding the month the loan is disbursed. The interest rate is locked in at the time a loan is approved and remains constant throughout the life of the loan.

The prime interest rate is determined on the last business day of each month using www.nfsn.com as the source. The FHA/VA interest rate is also determined on the last business day of each month using www.bankofamerica.com as the source.
Loan interest rates for new loans taken in different months may fluctuate upward or downward monthly, depending on the movement of the prime and FHA/VA interest rates.

The employer may modify the manner in which loan interest rates will be determined, but only with respect to future loans.

X. Security/Collateral

That portion of a participant's account balance that is equal to the amount of the loan is used as collateral for the loan. The collateral amount may not exceed 50 percent of the participant's account balance at the time the loan is taken. Only the portion of the account-balance that corresponds to the amount of the outstanding loan balance is used as collateral.

XI. Acceleration [select one]

☑ All loans are due and payable in full upon separation from service.

☐ All loans are due and payable when a participant receives a distribution of **all** of his/her account balance after separation from service. The amount of the outstanding loan balance will be reported as a distribution in addition to the amount of cash distributed from the plan.

☐ All loans are due and payable when a participant receives a distribution of **part** of his/her account balance after separation from service. The amount of the outstanding loan balance will be reported as a distribution in addition to the amount of cash distributed from the plan.

XII. Reamortization

Any outstanding loan may be reamortized. Reamortization means changing the terms of a loan, such as length of repayment period, interest rate, and frequency of repayments. A loan may not be reamortized to extend the length of the loan repayment period to more than five (5) years from the date the loan was originally made, or in the case of a loan to secure a principal residence, beyond the number of years specified by the employer in Section V above.

A participant must request the reamortization of a loan in writing on a reamortization application acceptable to the plan administrator. Upon processing the request, a new disclosure statement will be sent to the employer for endorsement by the participant and approval by the employer. The executed disclosure statement must be returned to the plan administrator within 10 calendar days from the date it is signed. The new disclosure statement is considered an amendment to the original promissory note; therefore a new promissory note will not be required.

A reamortization will not be considered a new loan for purposes of calculating the number of loans outstanding or the one loan per calendar year limit.

XIII. Refinancing existing loans

If a participant has one outstanding loan, that loan may be refinanced. If a participant has more than one outstanding loan, no loans may be refinanced. Refinancing means concurrently repaying an existing loan and borrowing an additional amount through a new loan. Refinancing includes any situation in which one loan replaces another loan and the term of the replacement loan does not exceed the latest permissable term of the replaced loan.

The request must be made at a time when the participant is eligible to obtain a loan as defined by the employer in Section III above. The amount of the additional loan amount requested for the purpose of refinancing is subject to the loan limits specified in Section IV above.

Because a refinancing is considered a new loan, only active employees may refinance an outstanding loan. Residential loans are not eligible for refinance.

XIV. Reduction of Loan

If a participant dies prior to full repayment of the outstanding loan(s), the outstanding loan balance(s) will be deducted from the account prior to distribution to the beneficiary(ies). The unpaid loan amount is a taxable distribution and may be subject to early withdrawal penalties. The participant's estate is responsible for taxes or penalties on the unpaid loan amount, if any. A beneficiary is responsible for taxes due on the amount he or she receives. A Form 1099 will be issued to both the beneficiary and the estate for these purposes.

XV. Deemed Distribution

Loan repayments must be made in accordance with the plan document, plan loan guidelines, and as reflected in the promissory note signed by the participant. If a scheduled payment is not paid within 30, 60, and/or 90 days of the due date, a notice will be sent to both the employee and the employer.

A loan will be deemed distributed when a scheduled payment is still unpaid at the end of the calendar quarter following the calendar quarter in which the payment was due. If the total amount of any delinquent payment is not received by ICMA-RC by the end of the calendar quarter following the calendar quarter in which they payment was due, the loan is considered a taxable distribution, and the principal balance, in addition to any accrued interest, is reported as a distribution to the IRS. However, no money is paid in this distribution, because the participant already has the loan proceeds.

The loan is deemed distributed for tax purposes, but it is not an actual distribution and therefore remains an asset of the participant's account. Interest continues to accrue. The outstanding loan balance and accrued interest are reported on the participant's account statement.

Repayment of a deemed distribution will not change or reverse the taxable event.

The loan continues to be outstanding, and to accrue interest, until it is repaid or offset using the participant's account balance. An offset can occur only if the participant is eligible to receive a distribution from the plan as outlined in the plan document. Participants are required to repay any outstanding loan which has been deemed distributed before they can be eligible for a new loan. The deemed distribution and any interest accrued since the date it became a taxable event is taken into account when determining the maximum amount available for a new loan. New loans must be repaid through payroll deduction.

The employer is obligated by federal regulation to comply with the loan guideline requirements applicable to participant loans, and to ensure against deemed distribution by monitoring loan repayments, regardless of the method of repayment, and by advising employees if loans are in danger of being deemed distributed. The tax-qualified status or eligibility of the entire plan may be revoked in cases of frequent repayment delinquency or deemed distribution.

XVI. Fees

Fees may be charged for various services associated with the application for and issuance of loans. All applicable fees will be debited from the participant's account balance and/or from the participant's loan repayments prior to crediting the repayment of principal and interest to the participant's account. A schedule of fees applicable to this plan is specified in ICMA-RC's current publication of *Making Sound Investment Decisions: A Retirement Investment Guide.*

XVII. Other

The employer has the right to set other terms and conditions as it deems necessary for loans from the plan in order to comply with any legal requirements. All terms and conditions will be administered in a uniform and non-discriminatory manner.

In Witness Whereof, the employer hereby caused these Guidelines to be executed this ______________________________ day

of __________________________, 20 ___________.

EMPLOYER

By: ____

Title: ____

Attest: _______________________________________

Accepted: ICMA RETIREMENT CORPORATION

By: ____

Title: ____

Attest: _______________________________________

CITY COMMISSION MEETING DATE

April 24, 2012

Date: **April 17, 2012**

To: **Honorable Mayor and City Commissioners**

From: **Cathy Brubaker-Clarke, Director of Community & Economic Development**

Re: **Special Event Request – Movies on the Beach**
Request to extend the 11:00 p.m. park closing time at Pere Marquette Park to accommodate the Movies on the Beach event

SUMMARY OF REQUEST: Kerry Halloran is requesting that Pere Marquette Park be allowed to remain open past 11:00 p.m. on Friday, June 15, and possibly for future dates this summer if the Movies project is successful. Kerry's project is one of the winners of the Community Foundation's "Love Notes" contest. Because we have such a late sunset in the summer and the movie will start around dusk, it is likely that the movie will not be over by the 11:00 park closing time.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request allowing Pere Marquette Park to remain open past 11:00 p.m. on movie nights.

COMMITTEE RECOMMENDATION:

CITY COMMISSION MEETING DATE

April 24, 2012

Date: **April 11, 2012**

To: **Honorable Mayor and City Commissioners**

From: **Cathy Brubaker-Clarke, Director of Community & Economic Development**

Re: **Special Event Request – Catamaran Racing Association of Michigan (CRAM)**
Request to hold a Catamaran sailing regatta with overnight camping at Pere Marquette Park (fifth-year event)

SUMMARY OF REQUEST: CRAM is requesting permission to hold a Catamaran sailing regatta at Pere Marquette Park, August 23 through 26, 2012. They would like to use the City-owned lot that is currently being leased by Captain Jack's for overnight RV camping on August 23, 24, and 25, 2012. They are requesting to add the additional night of camping this year (Aug 23), starting on Thursday night instead of Friday. This is because they'd like to add sailing events on Friday, which they did not do last year. They expect only 6 to 10 RV's in the lot overnight. This is the event's fifth year of operation. They have provided proof of liability insurance and a letter from Captain Jack's indicating their support of the event.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request for overnight camping at Pere Marquette for this event on August 23, 24, and 25, 2012.

COMMITTEE RECOMMENDATION: This request was recommended for approval by the City's Special Event Approval staff.

CITY COMMISSION MEETING DATE

April 24, 2012

Date: **April 17, 2012**

To: **Honorable Mayor and City Commissioners**

From: **Cathy Brubaker-Clarke, Director of Community & Economic Development**

Re: **Special Event Request – Michigan Beach Polo**
Request to serve beer & wine during beach polo event at Pere Marquette Park (first-time event)

SUMMARY OF REQUEST: The organizers of the Michigan Beach Polo event are requesting to serve beer and wine, with an emphasis on local beers, during their beach polo event at Pere Marquette Park on June 9, 2012. They are partnering with the Helen DeVos Children's Hospital Foundation.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the sale of beer and wine at Pere Marquette Park on June 9, 2012 during the beach polo game.

COMMITTEE RECOMMENDATION: This request was recommended for approval by the City's Special Event Approval staff.

Date: April 24, 2012

To: Honorable Mayor and City Commissioners

From: Engineering

RE: Engineering Services Agreement for Traffic Signals Warrants Evaluation @ Various Locations

---

SUMMARY OF REQUEST:

Authorize staff to enter into an engineering services agreement with URS Corporation out of Grand Rapids for a not-to-exceed cost of $31,350 to perform traffic signal warrants evaluation at various locations throughout, mainly, the downtown area. The reason behind this request is to eliminate unnecessary stoppage thus saving fuel and enhancing the traffic movements. Staff feels the study is warranted at this time due to the modified traffic patterns within the proposed study area due to the construction of Shoreline Dr. and the conversion of Muskegon & Webster.

The approach at this time is to strictly evaluate the need for signals at the various locations and the result will presented to the City Commission for further action at a later date.

FINANCIAL IMPACT:

$31,350.00 for the evaluation and preparation of specifications.

BUDGET ACTION REQUIRED:

None at this time since this project was budgeted for in 2011/2012.

STAFF RECOMMENDATION:

Authorize staff to enter into an agreement with URS Corporation. This recommendation was arrived to after reviewing two other proposals from Wade Trim ($75,000) & from Progressive ($38,796).

COMMITTEE RECOMMENDATION:

Commission Meeting Date: June 24, 2012

Date: April 18, 2012

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Public Hearing - Request for an Industrial Facilities Exemption Certificate – AFI Machining

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SUMMARY OF REQUEST:

Pursuant to Public Act 198 of 1974, as amended, AFI Machining, 1920 Port City Blvd., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be $1,120,000 in personal property and will create two jobs. This qualifies them for a tax abatement of six years.

FINANCIAL IMPACT:

The City will capture certain additional property taxes generated by the expansion (see attached Summary Sheet).

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval of the attached resolution granting an Industrial Facilities Exemption Certificate for a term of six (6) years for personal property.

COMMITTEE RECOMMENDATION:

None

Resolution No. _______

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING APPLICATION FOR ISSUANCE
OF INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
AFI MACHINING.

WHEREAS, pursuant to P.A. 198 of 1974 as amended, after duly noticed public hearing held on July 26, 1983, this Commission by resolution established an Industrial Development District as requested by the City of Muskegon for Port City Industrial Park, including the property leased by AFI Machining, 1920 Port City Blvd., Muskegon, Michigan 49442; and

WHEREAS, AFI Machining has filed an application for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to new machinery and equipment has been installed within said Industrial Development District ; and

WHEREAS, said application was filed no later than six months after project completion and the Muskegon City Commission held a public hearing on June 24, 2012, at the Muskegon City Hall in Muskegon, Michigan at 5:30 p.m. at which hearing the applicant, the assessor and representatives of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, the installation of machinery and equipment is calculated to and will have the reasonable likelihood to retain, create, or prevent the loss of employment in Muskegon, Michigan; and

WHEREAS, the aggregate SEV of real property exempt from ad valorem taxes within the City of Muskegon, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED by the Muskegon City Commission of the City of Muskegon, Michigan that:

1) The Muskegon City Commission finds and determines that the Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Act of 1974 as amended and Act No. 255 of the Public Acts of 1978 as amended shall not have the effect of substantially impeding the operation of the City of Muskegon or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Muskegon.

2) The application of AFI Machining , for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to the installation of new machinery and equipment on the following described parcel of real property situated within the City of Muskegon to wit:

   CITY OF MUSKEGON PORT CITY INDUSTRIAL CENTER LOTS 4-6 EXC SLY 45 FT LOT 6 ALSO EXC N 66 FT LOT 4 DESC AS FOLS COM @ NW COR SD LOT FOR POB TH S 1D 12M 30S W ALG W LN SD LOT 66.33 FT TH S 89D 42M 48S E 300 FT TO E LN SD LOT TH N 1D 12M 30S E ALG SD E LN 66.29 FT TO NW COR SD LOT TH N 89D 42M 20S W ALG SD N LN 300 FT TO POB

3) The Industrial Facilities Tax Exemption Certificate is issued and shall be and remain in force and effect for a period of _______ years on personal property.

Adopted this 24th Day of June 2012.

Ayes:

Nays:

Absent:

BY: ______________________________

Stephen J. Warmington
Mayor

ATTEST: ______________________________

Ann Cummings
Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission, County of Muskegon, Michigan, at a regular meeting held on June 24, 2012.

____

Ann Cummings
Clerk

CITY OF MUSKEGON

CONTRACT FOR TAX ABATEMENT
Act 198 Public Acts of 1974

AGREEMENT between CITY OF MUSKEGON, a municipal corporation of 933 Terrace Street, Muskegon, Michigan 49441, ("City") and AFI Machining ("Company").

Recitals:

A. The Company has applied to City for the establishment of an industrial development district or industrial rehabilitation district pursuant to the provisions of Act 198 of the Public Acts of 1974, as amended, which act requires a contract between the City and the Company to be agreed and submitted with the Company's subsequent anticipated application for an industrial facilities exemption certificate.

B. That in addition to the statutory requirement, the City has determined that it is in the best interests of the taxpayers, property owners and residents of the City that this Agreement be approved and executed prior to the establishment of the requested district, and the City deems this Contract, together with the conditions set forth in the said Act to constitute a necessary element in the City's determination whether or not to create the district.

C. The Company intends to install the project set forth in its application ("project") which it believes qualifies for the process of establishing the district and the application for industrial facilities exemption certificate.

D. The City, provided this Agreement is executed, will determine whether to create the district based upon the potential for the production of permanent jobs, the continuation or increase of economic activity, planning and zoning considerations and the City's general plan and intentions regarding economic development. In addition to the City policy considerations and predictions that the Company's proposed district and certificate benefit the community in those ways, the City has further determined that the contractual commitments made by the Company to thereby assist the community shall be binding on the Company and necessary to continue the tax exemption made possible by the certificate.

NOW THEREFORE THE PARTIES AGREE:

1. **COMPANY AGREEMENT**. The Company irrevocably commits to the investment, job retention and job creation promises made in its application, a copy of which is attached hereto and incorporated herein. In particular the Company agrees:

1.1 That 100% of the jobs shall be filled and in existence with full-time employees by a date no later than two (2) years from the date of the granting of the certificate by the State Tax Commission.

1.2 The Company shall meet the affirmative action goal included in the application or in any documents supplied by the City and utilized by the Company, including any additional representations made to the City Commission on or before the date two (2) years after the granting of the certificate by the State Tax Commission. It shall maintain the said levels of employment diversity during the period of the certificate, subject to the provisions of section 3.4 of this agreement.

1.3 The Company, by the end of two (2) years from the date of the grant of the certificate by the State Tax Commission shall have completed the investment of $1,120,000 in the equipment and improvements as shown in the application, subject to the provisions of section 3.4 of this agreement.

1.4 That the improvements and equipment to receive the tax abatement treatment shall be completed on or before the date two (2) years from the date of granting of the certificate by the State Tax Commission.

1.5 The Company shall pay its specific taxes required by the act in a timely manner, and shall not delay payments so as to incur any penalties or interest.

1.6 The Company shall fully cooperate with the City representatives in supplying all requested and required documentation regarding jobs, investment, the meeting of all goals and the timely installation and utilization of equipment and improvements. The City shall be entitled to inspect at reasonable hours the Company's premises where the said improvements and equipment have been installed and where the said jobs are performed.

1.7 The Company shall maintain, during the entire period for which the tax abatement is granted, the level of jobs, affirmative action goals, production and utilization of the improvements and equipment at the site where the district has been created and for which the tax exemption has been granted.

1.8 The Company shall not cause or fail to cure the release of any hazardous substance, or the violation of any environmental law on its premises in the City. It shall report any releases to the appropriate governmental authority in a timely and complete manner, and provide copies of said report documentation to the City. It shall comply with all orders and actions of any governmental agency having authority.

1.9 The Company shall maintain the equipment and improvements so as to minimize physical or functional obsolescence.

1.10 The Company shall continue to operate its business location in the City, containing the same number of and type of jobs, for the term of the certificate, subject to the provisions of section 3.4 of this agreement.

2. **AGREEMENT BY THE CITY**. Provided this contract has been executed and further provided all applications to create the district and achieve the industrial facility exemption certificate have been properly filed, the City shall, in a timely manner, determine in a public meeting to create the district and receive, process, and approve thereafter the Company's application for an industrial facilities exemption certificate. The City may consider this contract in a meeting separate from and prior to the meeting in which the City considers the creation of the district and approval of the application for certificate. Further, the City shall require the submission of this contract signed by the Company together with its applications, before creating the district.

3. **EVENTS OF DEFAULT**. The following actions or failures to comply shall be considered events of default by the Company:

3.1 Failure to meet any of the commitments set forth above.

3.2 The closing of the Company's facilities in the City. Closing shall mean for purpose of this Agreement, the removal, without transfer to another site within the City of substantially all of the production facilities, and the elimination of substantially all the jobs created or retained thereby, which are set forth in the Company's application.

3.3 Failure to afford to the City the documentation and reporting required.

3.4 The failure to create or retain jobs, meet affirmative action goals or expend the funds on equipment and improvements as represented in the application within the times required hereby, **unless the company can show that there has been a loss of revenue and employment due to circumstances beyond the control of the company. In order to make that showing the company shall have the burden of supplying, to the City's satisfaction, complete and convincing documentation supporting and justifying reductions in investment, failures to attain affirmative action goals or job losses, such as, without limitation, written evidence of lost contracts, accounting information showing reduced revenues due to the loss of business, (not due to diversion of production to affiliate companies or divisions of the company), production records showing reduced quantities over significant periods of time, and such other information required by the City to support the Company's claim that the failure to invest, failure to achieve affirmative action goals, or loss of jobs should not form the basis for a finding of default.**

3.5 The bankruptcy or insolvency of the Company.

3.6 The failure to pay any and all taxes and assessments levied on the Company's property or any other taxes, local, state or federal, including but not limited to City income taxes and the withholding of said City income taxes from employees as required by the City Income Tax Ordinance.

3.7 The performance or omission of any act which would lead to revocation under MCLA 207.565, being §15 of the Act.

3.8 The violation of any provisions, promises, commitments, considerations or covenants of this Agreement.

4. **REMEDIES ON DEFAULT.** In the event of any of the above defaults the City shall have the following remedies which it may invoke without notice, except as may be reasonably required by the Company's rights to due process:

4.1 In the event of closing as determined after investigation of the facts and a public hearing, the Company shall be immediately liable for penalties to be paid forthwith to the city as determined as follows:

4.1.1 The Company shall pay to the City for prorata distribution to the taxing units experiencing the abatement, an amount equal to the difference between the industrial facilities tax which it has paid, and the total property taxes to the relevant taxing units which it would have paid, given its installations of improvements and equipment, during the years for which the certificate was in effect.

4.1.2 Immediate Revocation. The Company hereby consents to revocation to the IFT certificate before the State Tax Commission, without hearing, and the City shall submit a copy of this Agreement to the State Tax Commission in connection with its revocation procedure, giving notice that the default has occurred and immediate revocation should occur.

4.2 In the event the improvements and equipment have not been installed before the two (2) year period, in addition to the revocation procedures before the State Tax Commission, the abatement should immediately be reduced by the City proportionately, and any installations which have not been finished at the end of said two (2) year period shall not be eligible for the abatement thereafter and shall be placed on the regular tax roll.

4.3 Failure to Expend the Funds Represented. In the event, (whether or not the installations have been completed), the Company has not expended the funds it has represented on its application that it would invest for the installation of equipment, the abatement shall be reduced prorata, and any remaining value of equipment shall be placed on the regular tax roll.

4.4 Job Creation and Retention. In the event the promised number of jobs have not been created or retained at the end of the two (2) years after the grant of the certificate by the State Tax Commission, the abatement shall be proportionately reduced.

4.5 Affirmative Action Goals. In the event, after one (1) year from the grant of the certificate by the State Tax Commission, the affirmative action goals of the City for additional jobs have not been met on a prorata basis, the abatement shall be revoked.

4.6 For other violations of this Agreement or for actions or omissions by the Company amounting to grounds for revocation by statue, the City shall recommend to the State Tax Commission immediate revocation of the certificate.

4.7 Special Assessment. For any amount due to be paid to the City, under this Section 4, the Company consents that the City shall have a personal action against the Company for the said amount, and in addition, cumulatively, and not by election, the City shall have a special assessment lien on all the property of the Company personal and real, located in the City, for the collection of the amounts due as and in the manner of property taxes and in such case the collection of the said special assessment shall be accomplished by addition by the City to the Company's property tax statement regularly rendered.

5. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan applicable to contracts made and to be performed within the State of Michigan.

6. Counterparts. This Agreement may be executed in one or more counterparts. Notwithstanding such execution all such counterparts shall constitute one and the same Agreement.

7. Benefit. This Agreement shall be binding upon and inure to the benefit of the respective parties, their successors and personal representatives.

8. Effective Date. This Agreement shall be effective on the date the State of Michigan Tax Commission grants the company at Industrial Facilities Exemption Certificate.

CITY OF MUSKEGON

By ____________________________
Steve Warmington, Mayor

Date ____________________________

and______________________________
Ann Cummings, Clerk

Date ___________________________

By Steph Kutl
Its President

Date 4/17/12

MUSKEGON

West Michigan's Shoreline City

City of Muskegon
Industrial Facilities Exemption Application
Summary Sheet

Project Summary:

AFI Machining, located at 1920 Port City Blvd., Muskegon, Michigan, will be installing $1,120,000 in new machinery at its location. This investment qualifies them for a six (6) year abatement on personal property.

Employment Information: **34 employees**

Racial Characteristics:

White	32
Minority	2
Total	34

Gender Characteristics:

Male	30
Female	4
Total	34

Total No. of Anticipated New Jobs: 2

Investment Information:

Real Property:	$0
Personal Property	$1,120,000
Total:	$1,120,000

Property Tax Information: (Annual)	All Jurisdictions	City Only
Total New Taxes Generated	$ 18,573	$ 6,200
Value of Abatement	$ 9,287	$ 3,100
Total New Taxes Collected	$ 9,287	$ 3,100

Income Tax Information: (Annual)

Total Additional Income Tax Generated: $ 320

Company Requirements:

Adopted Affirmative Action Policy	Yes ✓	No
Meeting w/ City Affirmative Action Director	Yes ✓	No
Signed Tax Abatement Contract	Yes ✓	No
Taxes Paid In Full	Yes ✓	No
Zoning Conflicts	Yes	No ✓

Mike Franzak
Planner III

Dwana Thompson

Dwana Thompson
Affirmative Action Director

Commission Meeting Date: April 24, 2012

Date: April 18, 2012

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Public Hearing - Request for an Industrial Facilities Exemption Certificate – AFI Hole Drill

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SUMMARY OF REQUEST:

Pursuant to Public Act 198 of 1974, as amended, AFI Hole Drill, 1920 Port City Blvd., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be $599,800 in personal property and will create two jobs. This qualifies them for a tax abatement of six years under the current City policy.

FINANCIAL IMPACT:

The City will capture certain additional property taxes generated by the expansion (see attached Summary Sheet).

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval of the attached resolution granting an Industrial Facilities Exemption Certificate for a term of six (6) years for personal property.

COMMITTEE RECOMMENDATION:

None

Resolution No. _______

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING APPLICATION FOR ISSUANCE
OF INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
AFI Hole Drill

WHEREAS, pursuant to P.A. 198 of 1974 as amended, after duly noticed public hearing held on July 26, 1983, this Commission by resolution established an Industrial Development District as requested by the City of Muskegon for Port City Industrial Park, including the property leases by AFI Hole Drill, 1920 Port City Blvd., Muskegon, Michigan 49442; and

WHEREAS, AFI Hole Drill has filed an application for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to new machinery and equipment has been installed within said Industrial Development District ; and

WHEREAS, said application was filed no later than six months after project completion and the Muskegon City Commission held a public hearing on June 24, 2012, at the Muskegon City Hall in Muskegon, Michigan at 5:30 p.m. at which hearing the applicant, the assessor and representatives of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, the installation of machinery and equipment is calculated to and will have the reasonable likelihood to retain, create, or prevent the loss of employment in Muskegon, Michigan; and

WHEREAS, the aggregate SEV of real property exempt from ad valorem taxes within the City of Muskegon, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED by the Muskegon City Commission of the City of Muskegon, Michigan that:

1) The Muskegon City Commission finds and determines that the Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Act of 1974 as amended and Act No. 255 of the Public Acts of 1978 as amended shall not have the effect of substantially impeding the operation of the City of Muskegon or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Muskegon.

2) The application of AFI Hole Drill, for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to the installation of new machinery and equipment on the following described parcel of real property situated within the City of Muskegon to wit:

CITY OF MUSKEGON PORT CITY INDUSTRIAL CENTER LOTS 4-6 EXC SLY 45 FT LOT 6 ALSO EXC N 66 FT LOT 4 DESC AS FOLS COM @ NW COR SD LOT FOR POB TH S 1D 12M 30S W ALG W LN SD LOT 66.33 FT TH S 89D 42M 48S E 300 FT TO E LN SD LOT TH N 1D 12M 30S E ALG SD E LN 66.29 FT TO NW COR SD LOT TH N 89D 42M 20S W ALG SD N LN 300 FT TO POB

3) The Industrial Facilities Tax Exemption Certificate is issued and shall be and remain in force and effect for a period of _______ years on personal property.

Adopted this 24th Day of June 2012.

Ayes:

Nays:

Absent:

BY: ______________________________
Stephen J. Warmington
Mayor

ATTEST: ______________________________
Ann Cummings
Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission, County of Muskegon, Michigan, at a regular meeting held on June 24, 2012.

____
Ann Cummings
Clerk

CITY OF MUSKEGON

CONTRACT FOR TAX ABATEMENT
Act 198 Public Acts of 1974

AGREEMENT between CITY OF MUSKEGON, a municipal corporation of 933 Terrace Street, Muskegon, Michigan 49441, ("City") and AFI Hole Drill ("Company").

Recitals:

A. The Company has applied to City for the establishment of an industrial development district or industrial rehabilitation district pursuant to the provisions of Act 198 of the Public Acts of 1974, as amended, which act requires a contract between the City and the Company to be agreed and submitted with the Company's subsequent anticipated application for an industrial facilities exemption certificate.

B. That in addition to the statutory requirement, the City has determined that it is in the best interests of the taxpayers, property owners and residents of the City that this Agreement be approved and executed prior to the establishment of the requested district, and the City deems this Contract, together with the conditions set forth in the said Act to constitute a necessary element in the City's determination whether or not to create the district.

C. The Company intends to install the project set forth in its application ("project") which it believes qualifies for the process of establishing the district and the application for industrial facilities exemption certificate.

D. The City, provided this Agreement is executed, will determine whether to create the district based upon the potential for the production of permanent jobs, the continuation or increase of economic activity, planning and zoning considerations and the City's general plan and intentions regarding economic development. In addition to the City policy considerations and predictions that the Company's proposed district and certificate benefit the community in those ways, the City has further determined that the contractual commitments made by the Company to thereby assist the community shall be binding on the Company and necessary to continue the tax exemption made possible by the certificate.

NOW THEREFORE THE PARTIES AGREE:

1. **COMPANY AGREEMENT**. The Company irrevocably commits to the investment, job retention and job creation promises made in its application, a copy of which is attached hereto and incorporated herein. In particular the Company agrees:

1.1 That 100% of the jobs shall be filled and in existence with full-time employees by a date no later than two (2) years from the date of the granting of the certificate by the State Tax Commission.

1.2 The Company shall meet the affirmative action goal included in the application or in any documents supplied by the City and utilized by the Company, including any additional representations made to the City Commission on or before the date two (2) years after the granting of the certificate by the State Tax Commission. It shall maintain the said levels of employment diversity during the period of the certificate, subject to the provisions of section 3.4 of this agreement.

1.3 The Company, by the end of two (2) years from the date of the grant of the certificate by the State Tax Commission shall have completed the investment of $599,800 in the equipment and improvements as shown in the application, subject to the provisions of section 3.4 of this agreement.

1.4 That the improvements and equipment to receive the tax abatement treatment shall be completed on or before the date two (2) years from the date of granting of the certificate by the State Tax Commission.

1.5 The Company shall pay its specific taxes required by the act in a timely manner, and shall not delay payments so as to incur any penalties or interest.

1.6 The Company shall fully cooperate with the City representatives in supplying all requested and required documentation regarding jobs, investment, the meeting of all goals and the timely installation and utilization of equipment and improvements. The City shall be entitled to inspect at reasonable hours the Company's premises where the said improvements and equipment have been installed and where the said jobs are performed.

1.7 The Company shall maintain, during the entire period for which the tax abatement is granted, the level of jobs, affirmative action goals, production and utilization of the improvements and equipment at the site where the district has been created and for which the tax exemption has been granted.

1.8 The Company shall not cause or fail to cure the release of any hazardous substance, or the violation of any environmental law on its premises in the City. It shall report any releases to the appropriate governmental authority in a timely and complete manner, and provide copies of said report documentation to the City. It shall comply with all orders and actions of any governmental agency having authority.

1.9 The Company shall maintain the equipment and improvements so as to minimize physical or functional obsolescence.

1.10 The Company shall continue to operate its business location in the City, containing the same number of and type of jobs, for the term of the certificate, subject to the provisions of section 3.4 of this agreement.

2. **AGREEMENT BY THE CITY**. Provided this contract has been executed and further provided all applications to create the district and achieve the industrial facility exemption certificate have been properly filed, the City shall, in a timely manner, determine in a public meeting to create the district and receive, process, and approve thereafter the Company's application for an industrial facilities exemption certificate. The City may consider this contract in a meeting separate from and prior to the meeting in which the City considers the creation of the district and approval of the application for certificate. Further, the City shall require the submission of this contract signed by the Company together with its applications, before creating the district.

3. **EVENTS OF DEFAULT**. The following actions or failures to comply shall be considered events of default by the Company:

3.1 Failure to meet any of the commitments set forth above.

3.2 The closing of the Company's facilities in the City. Closing shall mean for purpose of this Agreement, the removal, without transfer to another site within the City of substantially all of the production facilities, and the elimination of substantially all the jobs created or retained thereby, which are set forth in the Company's application.

3.3 Failure to afford to the City the documentation and reporting required.

3.4 The failure to create or retain jobs, meet affirmative action goals or expend the funds on equipment and improvements as represented in the application within the times required hereby, **unless the company can show that there has been a loss of revenue and employment due to circumstances beyond the control of the company. In order to make that showing the company shall have the burden of supplying, to the City's satisfaction, complete and convincing documentation supporting and justifying reductions in investment, failures to attain affirmative action goals or job losses, such as, without limitation, written evidence of lost contracts, accounting information showing reduced revenues due to the loss of business, (not due to diversion of production to affiliate companies or divisions of the company), production records showing reduced quantities over significant periods of time, and such other information required by the City to support the Company's claim that the failure to invest, failure to achieve affirmative action goals, or loss of jobs should not form the basis for a finding of default.**

3.5 The bankruptcy or insolvency of the Company.

3.6 The failure to pay any and all taxes and assessments levied on the Company's property or any other taxes, local, state or federal, including but not limited to City income taxes and the withholding of said City income taxes from employees as required by the City Income Tax Ordinance.

3.7 The performance or omission of any act which would lead to revocation under MCLA 207.565, being §15 of the Act.

3.8 The violation of any provisions, promises, commitments, considerations or covenants of this Agreement.

4. **REMEDIES ON DEFAULT.** In the event of any of the above defaults the City shall have the following remedies which it may invoke without notice, except as may be reasonably required by the Company's rights to due process:

4.1 In the event of closing as determined after investigation of the facts and a public hearing, the Company shall be immediately liable for penalties to be paid forthwith to the city as determined as follows:

4.1.1 The Company shall pay to the City for prorata distribution to the taxing units experiencing the abatement, an amount equal to the difference between the industrial facilities tax which it has paid, and the total property taxes to the relevant taxing units which it would have paid, given its installations of improvements and equipment, during the years for which the certificate was in effect.

4.1.2 Immediate Revocation. The Company hereby consents to revocation to the IFT certificate before the State Tax Commission, without hearing, and the City shall submit a copy of this Agreement to the State Tax Commission in connection with its revocation procedure, giving notice that the default has occurred and immediate revocation should occur.

4.2 In the event the improvements and equipment have not been installed before the two (2) year period, in addition to the revocation procedures before the State Tax Commission, the abatement should immediately be reduced by the City proportionately, and any installations which have not been finished at the end of said two (2) year period shall not be eligible for the abatement thereafter and shall be placed on the regular tax roll.

4.3 Failure to Expend the Funds Represented. In the event, (whether or not the installations have been completed), the Company has not expended the funds it has represented on its application that it would invest for the installation of equipment, the abatement shall be reduced prorata, and any remaining value of equipment shall be placed on the regular tax roll.

4.4 Job Creation and Retention. In the event the promised number of jobs have not been created or retained at the end of the two (2) years after the grant of the certificate by the State Tax Commission, the abatement shall be proportionately reduced.

4.5 Affirmative Action Goals. In the event, after one (1) year from the grant of the certificate by the State Tax Commission, the affirmative action goals of the City for additional jobs have not been met on a prorata basis, the abatement shall be revoked.

4.6 For other violations of this Agreement or for actions or omissions by the Company amounting to grounds for revocation by statue, the City shall recommend to the State Tax Commission immediate revocation of the certificate.

4.7 Special Assessment. For any amount due to be paid to the City, under this Section 4, the Company consents that the City shall have a personal action against the Company for the said amount, and in addition, cumulatively, and not by election, the City shall have a special assessment lien on all the property of the Company personal and real, located in the City, for the collection of the amounts due as and in the manner of property taxes and in such case the collection of the said special assessment shall be accomplished by addition by the City to the Company's property tax statement regularly rendered.

5. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan applicable to contracts made and to be performed within the State of Michigan.

6. Counterparts. This Agreement may be executed in one or more counterparts. Notwithstanding such execution all such counterparts shall constitute one and the same Agreement.

7. Benefit. This Agreement shall be binding upon and inure to the benefit of the respective parties, their successors and personal representatives.

8. Effective Date. This Agreement shall be effective on the date the State of Michigan Tax Commission grants the company at Industrial Facilities Exemption Certificate.

CITY OF MUSKEGON

By ___________________________

Steve Warmington, Mayor

Date ___________________________

and__________________________
Ann Cummings, Clerk

Date __________________________

By Steph Kutit

Its President

Date 4/17/12

MUSKEGON

West Michigan's Shoreline City

City of Muskegon
Industrial Facilities Exemption Application
Summary Sheet

Project Summary:

AFI Hole Drill, located at 1920 Port City Blvd., Muskegon, Michigan, will be installing $599,800 in new machinery and will create two (2) new jobs. This investment qualifies them for a six (6) year abatement on personal property.

Employment Information: **0 employees**

Racial Characteristics:

White	0
Minority	0
Total	0

Gender Characteristics:

Male	0
Female	0
Total	0

Total No. of Anticipated New Jobs: 2

Investment Information:

Real Property:	$0
Personal Property	$599,800
Total:	$599,800

Property Tax Information: (Annual)	All Jurisdictions	City Only
Total New Taxes Generated	$ 9,946	$ 3,200
Value of Abatement	$ 9,973	$ 1,600
Total New Taxes Collected	$ 4,973	$ 1,600

Income Tax Information: (Annual)
Total Additional Income Tax Generated: $ 320

Company Requirements:

Adopted Affirmative Action Policy	Yes ✓	No
Meeting w/ City Affirmative Action Director	Yes ✓	No
Signed Tax Abatement Contract	Yes ✓	No
Taxes Paid In Full	Yes ✓	No
Zoning Conflicts	Yes	No ✓

Mike Franzak
Planner III

Dwana Thompson
Dwana Thompson
Affirmative Action Director

Commission Meeting Date: April 24, 2012

Date: April 17, 2012

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

RE: Approval of Sale of City-owned home at 1543 Hoyt

SUMMARY OF REQUEST: To approve the attached resolution and instruct the Community and Neighborhood Services department to complete the sales transaction between Mr. Kedon Lamphere for the newly constructed home at 1543 Hoyt Street, which is part of the City's Neighborhood Stabilization Program (NSP) through the Michigan State Housing Development Authority Office of Community Development. Mr. Lamphere's purchase price is $71,000.

The previous house was foreclosed and demolished. We now have a beautiful 4-bedroom, 3-1/2 bath home with a 2-car detached garage.

FINANCIAL IMPACT: The proceeds from the sale will be used to complete the remaining two NSP projects.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution and direct the CNS staff to complete the sale.

COMMITTEE RECOMMENDATION: None.

MUSKEGON CITY COMMISSION

RESOLUTION TO APPROVE THE PURCHASE OF
CURRENTLY CITY-OWNED PROPERTY AT 1543 HOYT STREET

WHEREAS, the City of Muskegon is dedicated to the redevelopment of its neighborhoods and;

WHEREAS, the City of Muskegon is dedicated to promoting high quality affordable single-family housing in the community and;

WHEREAS, the City of Muskegon is dedicated to promoting homeownership throughout its neighborhoods;

NOW THEREFORE, BE IT RESOLVED that the City Commission hereby approves the sale of 1543 Hoyt Street to Mr. Kedon Lamphere of 1544 Elk Street, Franklin, PA. Mr. Lamphere will purchase the house as an owner-occupied structure.

Adopted this 24th day of April, 2012.

Ayes:

Nays:

By ______________________________
Stephen J. Warmington, Mayor

By ______________________________
Ann Marie Cummings, MMC City Clerk

AM_Resolution

AGENDA ITEM NO. ___________________

CITY COMMISSION MEETING **April 24, 2012**

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: April 18, 2012

RE: Ballot Resolution - Civil Service

SUMMARY OF REQUEST:
To approve a resolution to place a question on the November, 2012, election ballot to eliminate Civil Service from the City Charter.

FINANCIAL IMPACT:
None.

BUDGET ACTION REQUIRED:
None.

STAFF RECOMMENDATION:
To approve the resolution.

COMMITTEE RECOMMENDATION:
None.

CITY OF MUSKEGON

Resolution No. ___________

A Resolution of the Muskegon City Commission to propose for adoption by the voters of the City of Muskegon to repeal Chapter XV of the City Charter concerning the City's Civil Service System.

The City Commission of the City of Muskegon resolves that the following amendment to the City Charter shall, upon approval of the Governor, be submitted to the Electors of the City in accordance with the Home Rule Cities Act of the State of Michigan:

Proposed Charter Amendment

City of Muskegon

Be It Resolved to Repeal Chapter XV of the Charter in its entirety, which presently provides as follows:

CHAPTER XV. CIVIL SERVICE

Section 1. Board of civil service commissioners; appointment, term, filling vacancies, compensation.

The Mayor by and with the consent and advice of the City Commission shall appoint three persons, citizens and residents of said City, who shall constitute and be known as the board of civil service commissioners of such City, and shall designate one of the persons so appointed to serve for a term of two years, one for a term of four years and one for a term of six years from the first day of January in the year of their appointment and until their respective successors are appointed and qualified. Each alternate year thereafter the Mayor with the advice and consent of the City Commission shall appoint one person as the successor of the member whose term shall expire to serve for six years. Any vacancy shall be filled by the Mayor with the advice and consent of the City Commission for the unexpired term. No member shall hold any other lucrative office or employment, except notaries public, under the United States, the State of Michigan, or any municipal corporation or political division thereof, and each Commissioner shall before entering upon the discharge of the duties of his office and within ten days after receiving notice of his appointment, take and subscribe the oath of office prescribed by the Constitution of this State, and file the same, duly certified by the officer administering it with the Clerk of the City. The Commission shall at a meeting in January of each alternate year following the appointment of the commissioner to be appointed at each alternate year, elect one member to act as president and one member to act as vice president, each for a term of two years, and until successor is duly elected. Two commissioners shall constitute a quorum necessary for the transaction of business. The Mayor with the advice and consent of the City Commission may remove a commissioner during a term of office only upon stating in writing the reasons for removal and allowing him an opportunity to be heard in public in his own defense and to be represented by counsel at any and all hearings on proceedings of removal from office. The Commission shall serve without salary.

Section 2. Powers and duties.

The Commission shall classify all the offices of employment; shall make rules for the examination and selection of persons to fill the offices and positions in the classified service; shall supervise the administration of the civil service rules, hold examinations thereunder from time to time, giving due notice thereof, prepare and keep an eligible list of persons passing such examinations, and certifying the names of persons thereon to appointing officers of the several departments; shall by itself or otherwise investigate the enforcement of the provisions of this chapter of the Charter, of its own rules and of the action of appointees in the classified service; provided however, that the rules made by the Commission and the system in marking examinations thereunder shall not be changed for a period of thirty days prior to or after such examinations and such systems of marking shall be published in advance of such examinations and copies furnished to all applicants. No credit shall be allowed for experience until the applicant taking the examination has at least attained the percentage fixed as the minimum.

Section 3. Classified service; applicants, examination required.

All applicants for office or positions in said classified service, except those otherwise specified, shall pass an examination. All persons desiring to appear for examination shall file with the Commission a statement in relation to their name, residence and post office address; their citizenship; their age, place of birth, health and physical capacity for the public service; previous employment in the public service; business or employment and residence for the previous five years and their education.

Section 4. Eligible lists, grades; leaves, transfers, resignations.

For [From] the returns of the examinations held by the Commission, it shall prepare an eligible list for each grade or class of position in the competitive classified service of the City. The Commission shall strike off the names of candidates from the eligible list after they have remained thereon one year, provided however, that any list may be extended by the Commission for a period of not exceeding one year. The Commission may upon the written request of any person who has previously been in the classified service for a continuous period of not less than three years grant upon request to such person a leave of absence to engage in other work of a governmental nature or character provided that the reasons for the requesting and granting of such leave of absence are at the time of such request and permission made a part of the minutes of the proceedings of the Commission. The Commission may grant leaves of absence for reasons of health or for service in defense of country and upon the expiration of the term of leave as fixed by the

Commission or extended by it upon further application for an extension, reinstate said person in the service in the same kind and grade of work he was performing at the time of his request for leave of absence. The Commission may upon written request of any person who has previously been in the classified service for a continuous period of not less than three years and who shall not have been out of the service for more than one year, and who shall have resigned from the service in good standing, reinstate said person in the service by placing him at the foot of the eligible list applicable to such kind and grade of service.

Section 5. Filling positions, procedure.

The head of any department in which a position is to be filled shall notify the Commission of that fact and in the event the position is to be filled by promotion from one grade of service to another, then the Commission shall certify to the appointing officer the name and address of the person standing highest on the eligible list for promotion, but in the event that the position to be filled is one for which a vacancy exists, then the Commission shall certify to the appointing officer the names and addresses of the three persons standing highest on the eligible list. At or before the expiration of the period of probation the head of the department or office in which a candidate is employed may, with the consent of said Commission, based upon the written reasons submitted to it, discharge him, or the Commission may transfer him to another department with the consent of the head of such department, but if not discharged prior to the expiration of the period of probation, as hereinafter fixed, his appointment shall be deemed complete.

Section 6. Promotions; regulations authorized.

The Commission shall provide the rides for promotion to all offices in the classified service, based upon merit, efficiency, character, conduct and seniority.

Section 7. Appointive officers; civil service regulations inapplicable.

The following officers and employees shall not be affected by the provisions of the civil service: Officers appointed by the City Commission; directors of the several City departments as in this Charter defined.

Section 8. Temporary appointments; procedure.

To prevent the delay of special business or to meet extraordinary exigencies, the appointing officer of each department with the approval of the Civil Service Commission, may make temporary appointments to remain in force not exceeding sixty days, and only until legal appointments under the provisions of this chapter can be made, provided, however, that no person who does not possess the minimum requirements for such position as may be prescribed by the rules of the Civil Service Commission shall be permitted to serve in such temporary positions. No person shall receive more than one temporary appointment in any one fiscal year. In case of an emergency or in the event of the necessity for filling such positions created by an emergency, an appointment may be made of not to exceed thirty days duration, which appointment shall be immediately reported to the Civil Service Commission.

An appointment or promotion shall not be deemed complete until a period of probation of not to exceed six months has elapsed and a probationer may be discharged or reduced at any time within said period of probation upon written recommendation of the department head with the advice and consent of the Civil Service Commission.

If at any time it shall be deemed necessary by the Municipal Government or any division thereof to reduce the personnel of any department such reduction shall be had by suspending in numerical order, commencing with the probationers, if any, then the last appointee and continuing until such reduction in personnel as may be required by the particular exigencies of the time, shall have been made. Any increase of personnel of such department to the status or number existing prior to said reduction shall be by reinstating the last employee so suspended and continuing in numerical order until all such reinstatements shall have been made.

Section 9. Classified service, unclassified service; composition.

The Civil Service of the City is hereby divided into classified and unclassified service. The unclassified service shall include the several officers and positions hereinbefore described to be excepted from the provisions of this chapter. The classified service shall comprise all positions not specifically included in this Charter in the unclassified service. There shall be in the classified service three classes to be known as the competitive class, noncompetitive class and labor class. The competitive class shall include all positions and employment for which it is practical to determine the merit of applicants by competitive examination. The noncompetitive class shall consist of all positions requiring peculiar and exceptional qualifications of a scientific, managerial, professional or educational character as may be determined by the rules of the Civil Service Commission. The labor class shall include ordinary unskilled labor.

Section 10. Classified service; discharge, suspension, reduction in rank, compensation; hearing required.

No employee under the classified service shall be discharged or reduced in rank or compensation until he has been presented with the reasons for such discharge or reduction specifically stated in writing, and has been given an opportunity to be heard in his own defense and any counsel retained by him may present his cause to the Civil Service Commission. The reasons for such discharge or reduction and any report in writing thereunder by such employee shall be filed with the Civil Service Commission. Any employee of any department in the classified service who is suspended, reduced in rank or dismissed, may appeal to the Civil Service Commission which shall designate the manner, time and place by and at which such appeal shall be heard. All hearings before the said Civil Service Commission shall at all times be open to the public. In the event that the Civil Service Commission shall not sustain the charges made against such employee, the said employee shall thereupon be entitled to resume his position and to receive compensation for the time lost.

Section 11. Civil Service Commission; members, gifts, compensation, etc.; prohibited.

No member of the Civil Service Commission shall receive any money or other valuable consideration from any candidate for appointment, for examination or from any other person for or on account of said candidate, nor shall any officer or employee of the City be permitted to give either directly or indirectly to any person any money or other valuable consideration whatsoever for, or on account of his promotion.

Section 12. Personnel director; appointment authorized; compensation, restriction.

The Civil Service Commission may appoint a personnel director who shall act and serve under the direction of said Commission and at the pleasure of such Commission, and such personnel director may be an employee in the municipal service. The salary of such personnel director, if he is taken from other than a municipal service, shall be fixed by the Commission, but if taken from the municipal service, he shall fill the duties of personnel director without other compensation than that paid him in his other employment.

Section 13. Present employees; appointments, eligibility; examinations waived.

All persons in the employ of the City holding positions in the classified service at the time of the going into effect of the Chapter as such services are defined by this Chapter of the Charter, are hereby declared eligible for permanent appointment without examination or other act on their part.

Section 14. Political, religious, etc., beliefs; discrimination prohibited.

No discrimination shall be exercised, threatened or promised to any person coming under the provisions of this chapter of the Charter because of his political or religious opinions, beliefs or affiliations.

Section 15. Department payrolls; delivery to Commission.

The Commission shall be furnished by each department under its jurisdiction with a copy in duplicate of each payroll on the day designated by the Commission, and the Commission shall examine such copies to determine if all the names and no other names are on said payroll than those on the active list and that they have been properly certified by the Commission.

Section 16. City Commission; civil service, maintenance; annual appropriation required.

The City Commission shall appropriate each year a sufficient sum to carry out the several provisions of the chapter of the Charter.

Section 17. Conflicting provisions repealed.

Any provisions of any chapter or section thereof of the Charter of the City of Muskegon which may be found to be in conflict with any of the provisions of this chapter and the several sections thereof or inconsistent therewith are hereby repealed.

Be It Further Resolved that the following language shall be placed upon the ballot at the election in accordance with the Home Rule Cities Act:

CITY BALLOT PROPOSAL ____

The ballot proposal would eliminate the Muskegon Civil Service System by repealing Muskegon City Charter Chapter XV. Presently, the City Charter provides for a Civil Service System, including the establishment of a Civil Service Commission and the hiring, promotion and discipline process. The amendment would eliminate the Civil Service System and permit the City Commission to establish a personnel system. Shall the Muskegon City Charter be amended to provide that the Muskegon Civil Service System be eliminated?

Be It Further Resolved that the proposed charter amendment, as adopted by the City Commission, shall be published in the Muskegon Chronicle, and a reasonable number of copies be made available before the election.

THIS RESOLUTION ADOPTED:

AYES:

NAYES:

CITY OF MUSKEGON

By: ____________________________

Ann Marie Cummings, City Clerk

CERTIFICATE

STATE OF MICHIGAN
COUNTY OF MUSKEGON

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a meeting of the City Commissioners of the City of Muskegon, Michigan, held on the ___th day of ____________, 2012, and that the minutes of the meeting are on file in the office of the City Clerk and are available to the public. Public notice of the meeting was given pursuant to and in compliance with Act 267, Public Acts of Michigan, 1976.

____
Ann Marie Becker, City Clerk

Date: April 24, 2012

To: Honorable Mayor and City Commissioners

From: DPW

RE: Muskegon Lake Shoreline Restoration

SUMMARY OF REQUEST:

Consider the West Michigan Shoreline Regional Development Commission's request to restore another section of the Muskegon Lake Shoreline as per the attached letter and map.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approve the request since the proposed work includes the cleanup of the area adjacent to the bike path from all debris.

COMMITTEE RECOMMENDATION:

To: City of Muskegon Commissioners

From: Kathy Evans, West Michigan Shoreline Regional Development Commission

Subject: Muskegon Lake Shoreline Restoration

Date: April 11, 2012

The West Michigan Shoreline Regional Development Commission is requesting the City of Muskegon's approval to restore additional fish and wildlife habitat along the stretch of Muskegon Lake shoreline that is shown in the attached aerial image.

Funding for this restoration will be through the existing WMSRDC/National Oceanic and Atmospheric Administration (NOAA) grant. No funds are being requested from the City. We ask that city staff give input and guidance throughout the engineering design and construction phases, as has been the practice at other restoration locations.

The project will help meet the Muskegon Lake Watershed Partnership's goal to restore fish and wildlife habitat, and to ultimately de-list the Muskegon Lake Area of Concern (AOC). It will also improve aesthetics, scenic views, and fish and wildlife habitat along the Lakeshore Trail.

The restoration proposed for the Lakeshore Trail location will involve:

- Removal of non-native woody and herbaceous plants
- Removal of miscellaneous debris that has filled the wetland, including chunks of broken concrete, wood and rubble
- Re-planting the shoreline area with native wetland plants, native shrubs and native trees
- Creation of habitat structure for fish and wildlife

SOURCE: http://www.bing.com/maps

SOURCE: http://www.mapquest.com/

Site Vicinity Map

BEFORE YOU DIG CALL MISS DIG
CALL 3 FULL WORKING DAYS 811 OR 1-800-482-7171

MLWP Muskegon Lake Watershed Partnership

WMSRDC WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMMISSION

Great Lakes Commission des Grands Lacs

MUSKEGON CONSERVATION DISTRICT

Cardno JFNew
Corporate/Northern Indiana
708 Roosevelt Road
Walkerton, Indiana 46574
574-586-3400

Western Michigan
11181 Marwill Avenue
West Olive, Michigan 49460
616-847-1680

West Michigan Shoreline Regional Development Commission and the Muskegon Lake Watershed Partnership

Proposed Restoration Project
Lakeshore Trail

DATE: March, 2012

DATE: 04/16/2012

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN110049

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **557 W CLAY AVE** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN110049 - 557 W CLAY AVE

Location and ownership: This structure is located on Clay Ave. between 6th and 7th Streets and is owned by SIERADZKI STANLEY.

Staff Correspondence: A dangerous building inspection was conducted on 03/01/11 as result of police report. The Notice and Order to Repair was issued on 03/16/11. On 09/1/11 the HBA declared the structure substandard and dangerous. A Certificate of Appropriateness from HDC was issued 03/06/12.

Owner Contact: Mr. Sieradzki was present for the HBA meeting dated 09/01/11 stating he would like the option to demolish himself and had obtained 2 bids. Mr. Sieradzki mentioned idea of preserving back half of structure. No permits have been issued and no inspections scheduled.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $31,400 (Entire property)

Estimated cost to repair: $100,000

Staff Recommendation: To concur with the Housing Board of Appeals decision to demolish.

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Wednesday, March 16, 2011

Enforcement # EN110049 **Property Address** 557 W CLAY AVE
Parcel #24-205-323-0003-00 **Owner** SIERADZKI STANLEY

Inspector: Henry Faltinowski

Date completed: 03/01/2011

DEFICENCIES:

1. Home was being occupied by homeless person. Building has no Certificate of Occupancy.
2. Interior is completely stripped out - no insulation or drywall.
3. Framing in home is in need of large repair. Cut joists (floor) ceiling joist not meeting spans.
4. Broken sewer lines.
5. Incomplete plumbing.
6. Numerous extension cords.
7. No smoke alarms.
8. No floor coverings.
9. No bath facilities or heat.

Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

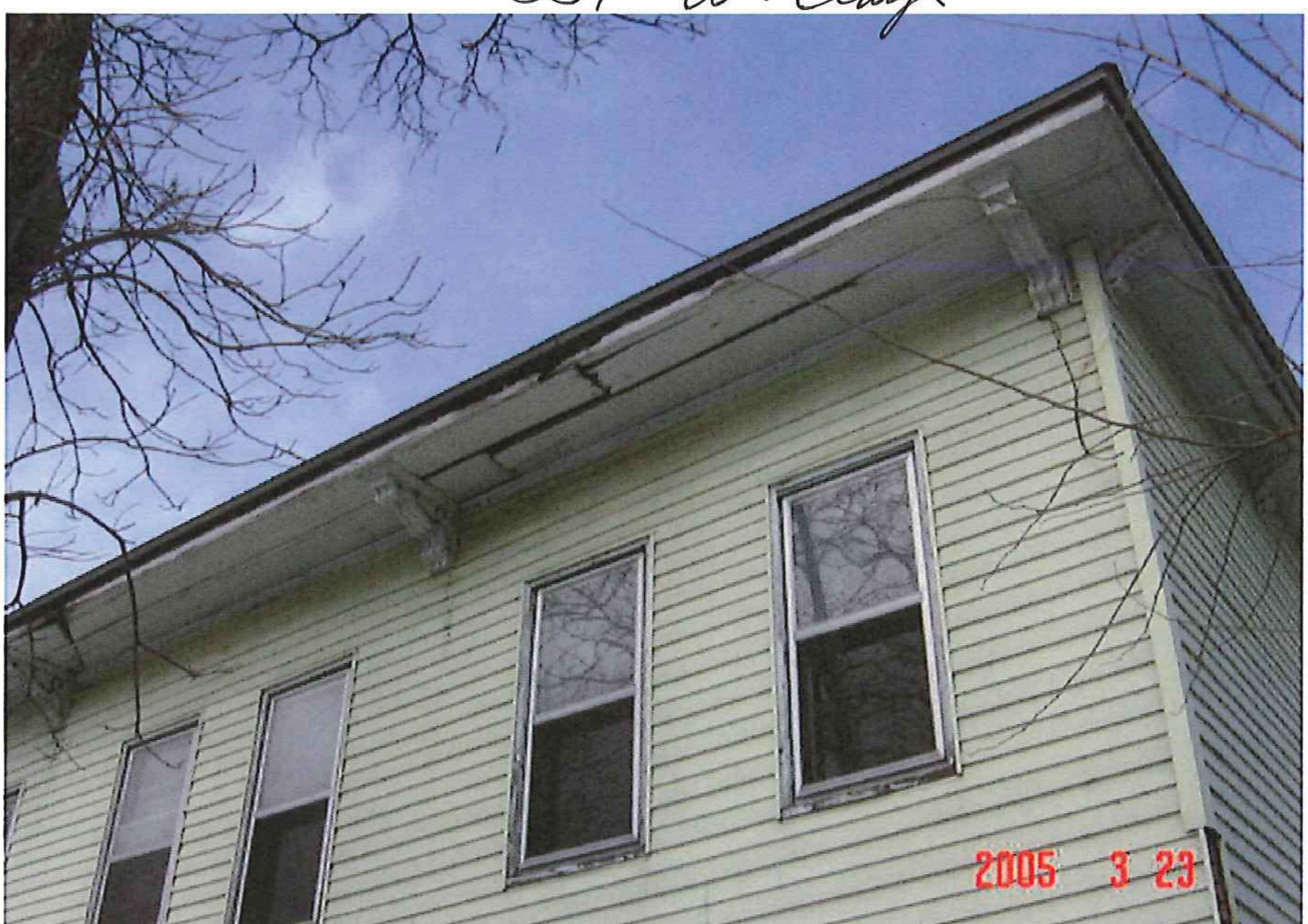
Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

Henry Faltinowski, Building Inspector Date

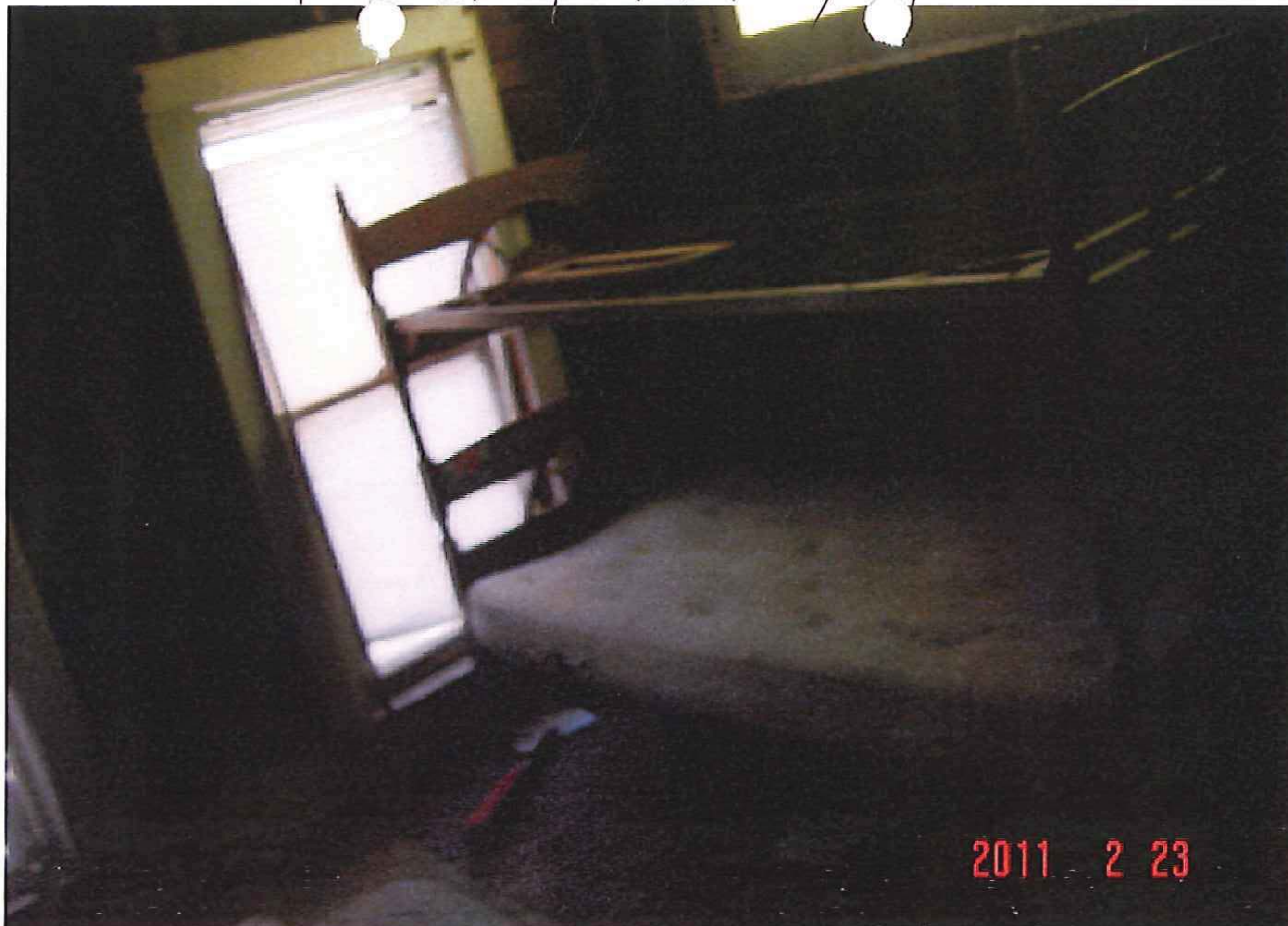
557 W. Clay

557 W. Clay

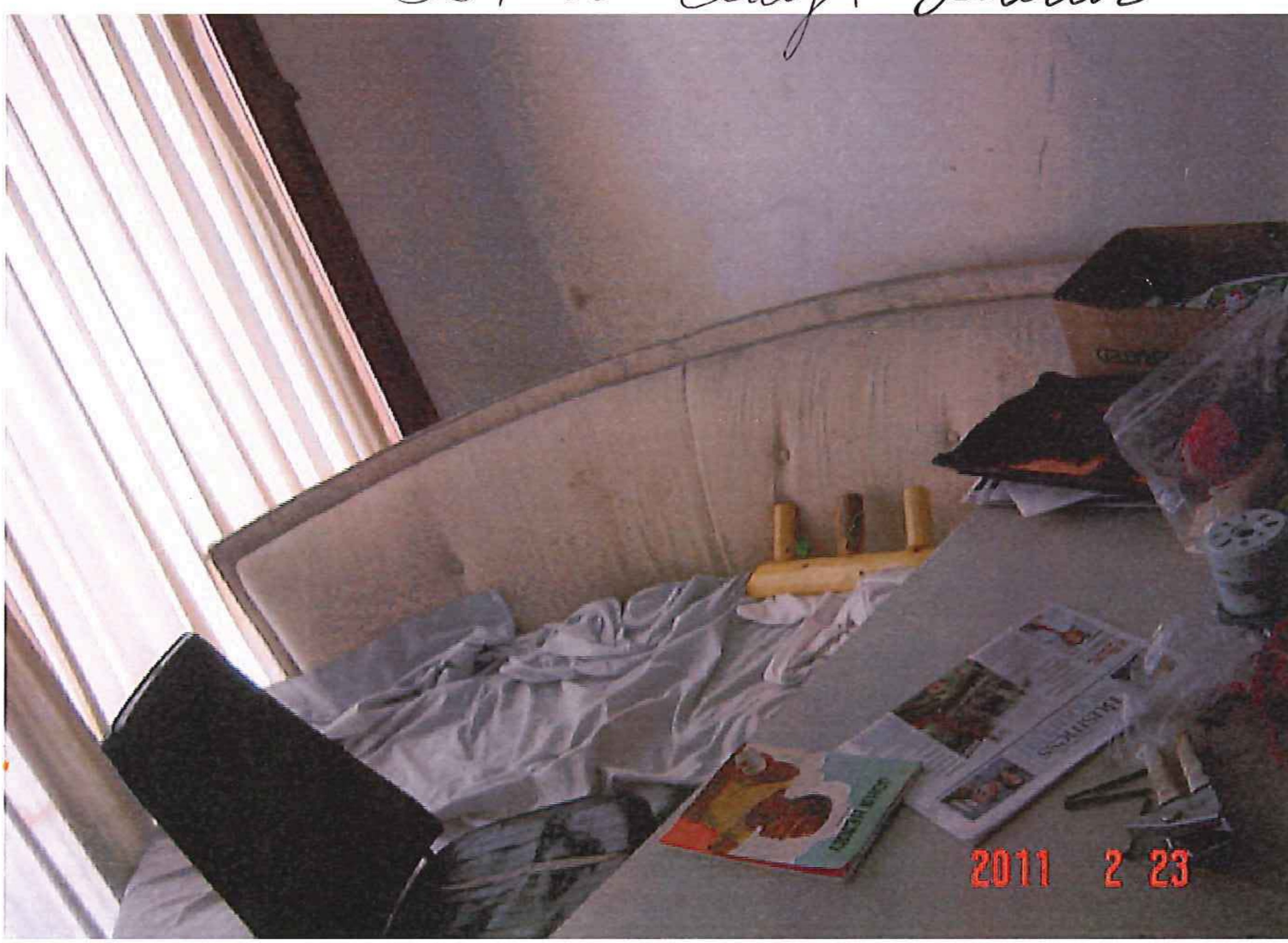
557 W. Clay



557 W. CLAY D.B. 2/22/2011.



557 W Clay Interior



DATE: 04/13/2012

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN100207

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **28 DELAWARE AVE Area 11** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN100207 - 28 DELAWARE AVE

Location and ownership: This structure is located on Delaware between Ransom and Arthur Streets and is owned by ENGLAND TINA M & Muskegon County Treasurer.

Staff Correspondence: A dangerous building inspection was conducted on 12/09/2010. The Notice and Order to Repair was issued on 12/16/2010. On 02/03/2011 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 02/03/11. There was a forfeiture of property to Muskegon County 03/1/2011. No permits have been issued and no inspections scheduled. Property received Certificate of Appropriateness from Historic District Commission 03/06/12.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $12,500(Entire property)

Estimated cost to repair: $8,000(Exterior Only)

Staff Recommendation: To concur with the Housing Board of Appeals decision to demolish.

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Thursday, December 9, 2010

Enforcement # EN100207 **Property Address** 28 DELAWARE AVE
Parcel #24-205-228-0006-00 **Owner** ENGLAND TINA M

Inspector: Henry Faltinowski

Date completed: 12/09/2010

DEFICENCIES:

1. Roof shingels missing on home allowing weather elements to entry home. Replace roof covering call for rafter inspection.
2. Repair damaged foundation wall open gaps in brick.
3. Scrape and paint entire exterior home or reside.
4. Repair all damaged window and door frames.
5. Interior requested by trade inspectors.

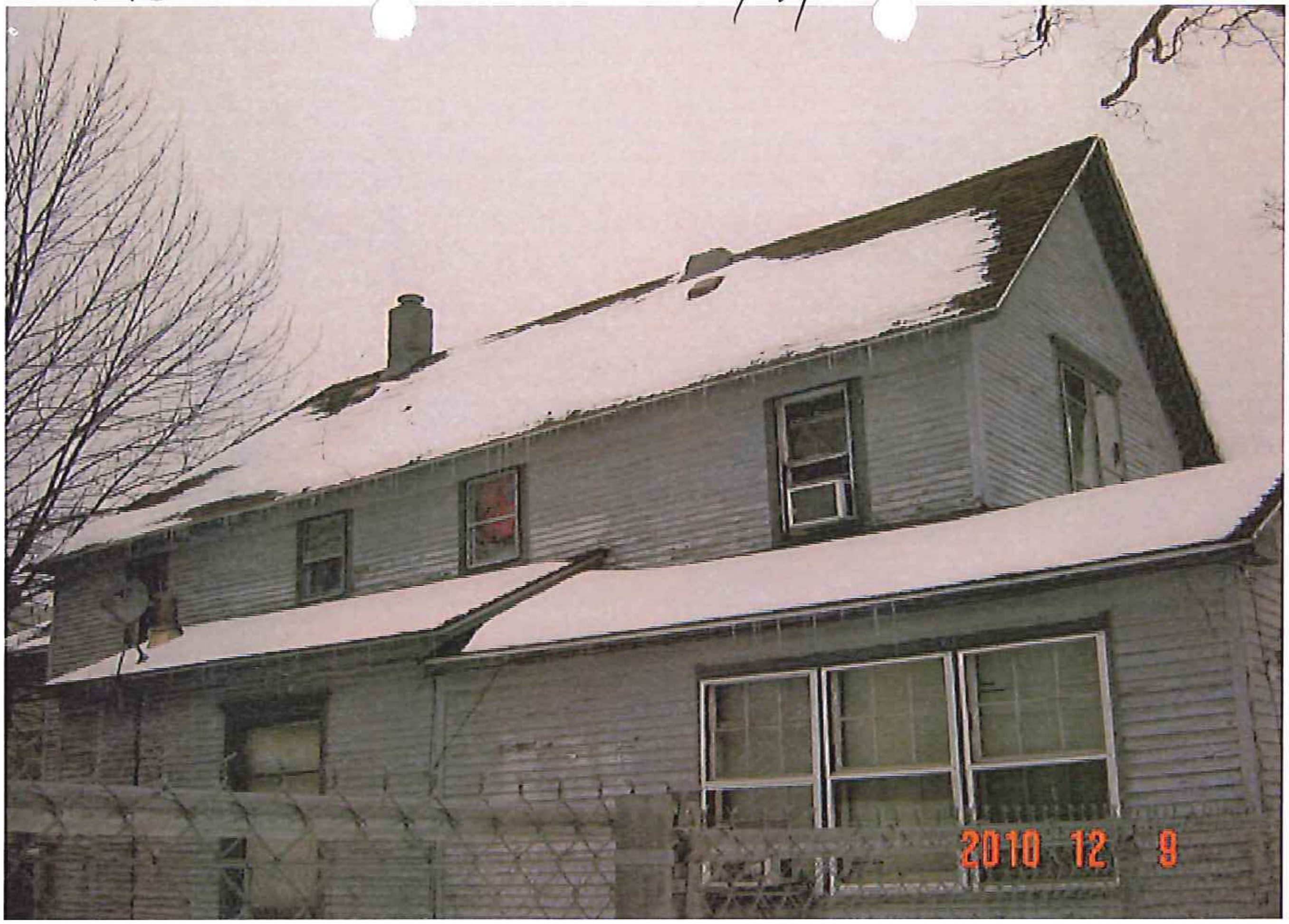
Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

_______________________________ ________________
Henry Faltinowski, Building Inspector Date

28 Delaware

D.B 28 Delaware 12/9/2010



28 Delaware

28 Delaware

DATE: 04/13/2012

TO: Honorable Mayor and Commissioners

FROM: Jeffrey Lewis, Director of Public Safety

RE: Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN110205

SUMMARY OF REQUEST: This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **1469 6TH ST Area 10** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN110205 - 1469 6TH ST

Location and ownership: This structure is located on Sixth St. between Grand and Washington Streets and is owned by ZAMARRON ANTONIO.

Staff Correspondence: A dangerous building inspection was conducted on 11/30/11. The Notice and Order to Repair was issued on 12/07/11. On 02/02/12 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 02/02/12. All notices sent certified mail have returned unclaimed. No permits have been issued and no inspections scheduled.

Financial Impact: CDBG Funds

Budget action required: None

State Equalized value: $ 18,700(Entire property)

Estimated cost to repair: $ 15,000 (Exterior Only)

Staff Recommendation: To concur with the Housing Board of Appeals decision to demolish.

CITY OF MUSKEGON

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

DANGEROUS BUILDING INSPECTION REPORT

Wednesday, November 30, 2011

Enforcement # EN110205 **Property Address** 1469 6TH ST
Parcel #24-205-406-0022-00 **Owner** ZAMARRON ANTONIO

Inspector: Henry Faltinowski

Date completed: 11/30/2011

DEFICENCIES:

1. **Major interior vandalism - kicked in ceilings , walls.**
2. **Broken out windows.**
3. **Roof covering damage repair - replace.**
4. **Garage windows & doors damaged.**
5. **Home is open/unsecured.**

Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

_______________________________ ________________

Henry Faltinowski, Building Inspector Date

1469 Sixth St. DB 11/30/2011

1469 6th

1469 ~~South~~ 6th