CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 23, 2002

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

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

  a. **Approval of Minutes.** CITY CLERK

  b. **Lighthouse Acres – Coast Guard License.** LEISURE SERVICES

  c. **First Reading – Zoning Ordinance Amendment to allow Wireless Communication Antennas to extend 30' above the structure to which they are attached.** PLANNING & ECONOMIC DEVELOPMENT

  d. **First Reading – Zoning Ordinance Amendment to allow signage for Legal Businesses located in Residential Districts** PLANNING & ECONOMIC DEVELOPMENT

  e. **Budgeted Vehicle Purchases.** DPW

  f. **First Reading, Zoning Ordinance Amendment to Require Minimum Floor Sizes for Apartment Units.** PLANNING & ECONOMIC DEVELOPMENT

  g. **Set Public Hearing Date for Smartzone LDFA Plan.** PLANNING & ECONOMIC DEVELOPMENT

  h. **Set Public Hearing Date for Seaway Business Park LDFA Plan.** PLANNING & ECONOMIC DEVELOPMENT

  I **City – MDOT Agreement for Roberts Street, Keating to Laketon,** ENGINEERING

  j. **Grant Request – Michigan Council for Arts and Cultural Affairs/Muskegon County Museum.** PLANNING & ECONOMIC DEVELOPMENT

- **PUBLIC HEARINGS:**

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

  a. **First Quarter 2002 Budget Reforecast.** FINANCE

  b. **Cemetery Building Renovations** LEISURE SERVICES

  c. **First Reading – General Employees Retirement System.** ASSISTANT CITY MANAGER

  d. **Approval of Muskegon Lakeshore Smartzone Agreement.** PLANNING & ECONOMIC DEVELOPMENT

  e. **CMI Brownfield Redevelopment Grant Smartzone Property.** PLANNIING & ECONOMIC DEVELOPMENT

  f. **Approval of Contractor for completion of Rehabilitation of structure at 1838 Jarman.** COMMUNITY & NEIGHBORHOOD SERVICES

  g. **Award Construction Engineer Services/Shoreline Drive.** ENGINEERING

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

> ***Reminder: Individuals who would like to address the City Commission shall do the following:***
> Be recognized by the Chair.
> Step forward to the microphone.
> State name and address.
> Limit of 3 minutes to address the Commission.
> (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

- **ADJOURNMENT:**

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT GAIL A. KUNDINGER, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TDD: (231) 724-4172.

Date: **April 23, 2002**

To: **Honorable Mayor and City Commissioners**

From: **Gail A. Kundinger, City Clerk**

RE: **Approval of Minutes**

SUMMARY OF REQUEST: To approve the minutes of the City Commission Worksession that was held on Monday, April 8, 2002, and the Regular Commission Meeting that was held on Tuesday, April 9, 2002.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 23, 2002

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City of Muskegon was held at the City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30pm, Tuesday April 23, 2002.

Mayor Warmington opened the meeting with a prayer from Commissioner Shepherd, after which members of the City Commission and members of the public joined in reciting the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington; Vice-Mayor Karen Buie: Commissioners Stephen Gawron, William Larson, Robert Schweifler, Clara Shepherd and Lawrence Spataro; City Manager Bryon Mazade, Assistant City Attorney John Schrier and City Clerk Gail Kundinger.

2002-51 CONSENT AGENDA:

a. **Approval of Minutes.** CITY CLERK

SUMMARY OF REQUEST: To approve the minutes of the City Commission Worksession that was held on Monday, April 8, 2002, and the Regular Commission meeting that was held on Tuesday, April 9, 2002.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

b. **Lighthouse Acres - Coast Guard License.** LEISURE SERVICES

SUMMARY OF REQUEST: To sign a license agreement with the coast Guard for the use of Lighthouse acre as a park for five years.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve

COMMITTEE RECOMMENDATION: Leisure Services Board Recommends

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve purchase of budgeted replacements for a total cost of $85895.20 using Oakland County Purchasing.

f. FIRST READING, Zoning Ordinance Amendment to Require Minimum Floor Sizes for Apartment Units. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to amend Section 2319 (Residential Design Criteria) of Article XXIII (General Provisions) of the City's Zoning Ordinance to require minimum floor sizes for apartment units.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends amendment of the Zoning Ordinance to change the proposed language in the article and section described above.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their 4/11 meeting, with P. Veltkamp, M. Kleaveland, and J. Aslakson absent.

g. Set Public Hearing Date for Smartzone LDFA Plan. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: to set the public hearing date for the Muskegon Lakeshore Smartzone LDFA Development and Tax Increment Financing Plan.

FINANCIAL IMPACT: No direct impact. However, LDFA funds will be used to finance projects within the district boundaries.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends a public hearing be set for May 14, 2002.

COMMITTEE RECOMMENDATION: The LDFA board will meet on April 22, 2002 to review the plan.

h. Set Public Hearing Date for Seaway Business Park LDFA Plan. PLANNING & ECONOMIC DEVELOPMENT

STAFF RECOMMENDATION: To set the public hearing date for the Seaway Business Park LDFA Development and Tax Increment Financing Plan.

FINANCIAL IMPACT: No direct impact. However, LDFA funds will be used to finance projects within the district boundaries.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends a public hearing be set for

May 14, 2002.

COMMITTEE RECOMMENDATION: The LDFA board will meet on April 22, 2002 to review the plan.

i. **City – MDOT Agreement for Roberts Street, Keating to Laketon.** ENGINEERING

SUMMARY OF REQUEST: To approve the contract with MDOT for the milling & resurfacing of Roberts Street from Keating to Laketon and to approve the resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT: MDOT participation is about $79,600 but not to exceed 81.85% of eligible cost. The estimated total (including engineering) cost of the project is $120,000.

BUDGET ACTION REQUIRED: None a this time. The City's share of the cost will come out of the Major Street Fund as was budgeted.

STAFF RECOMMENDATION: That the agreement and resolution be approved.

COMMITTEE RECOMMENDATION:

j. **Grant Request – Michigan Council for Arts and Cultural Affairs/Muskegon County Museum.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To authorize a grant request to the Michigan Council for Arts and Cultural Affairs (MCACA) on behalf of the Muskegon County Museum in the amount of $100,000. The request is for the renovation of Zemke House on Clay Avenue.

FINANCIAL IMPACT: None. Match requirements and other funding will come from the Muskegon County Museum.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: None

Motion by Vice-Mayor Buie, second by Commissioner Shepherd to approve the Consent Agenda.

ROLL VOTE: Ayes: Gawron, Larson, Schweifler, Shepherd, Spataro, Warmington, Buie.

Nays: None

MOTION PASSED

2002-52 NEW BUSINESS:

a. **First Quarter 2002 Budget Reforecast.** FINANCE

SUMMARY OF AREQUEST: At this time staff is transmitting the First Quarter 2002 Budget Reforecast which outlines proposed changes to the original budget that have come about as result of changes in policy priorities, labor contracts, updated information, or other factors. For the next meeting, an action item will be placed on the agenda for adoption of the proposed first quarter budget reforecast together with any additional changes deemed necessary by Commissioners.

FINANCIAL IMPACT: Not surprisingly, the first quarter 2002 Budget Reforecast reflects a falloff in expected general fund revenues due to the economy. Significant adjustments have been made in the areas of city income tax, state shared revenues and interest income. Helping offset these losses are stronger than expected building permit revenues and income tax penalties.

General fund expenditures are expected to be slightly less than originally anticipated. This is due primarily to: 1) the elimination of the community Center Design capital item based on recent Commission goal prioritization and, 2) the elimination of the scheduled Budget Stabilization fund transfer because the City was able to fund this item in 2001. Offsetting these positives, however, are higher than anticipated insurance and legal service costs. Also, on a positive note, we're pleased to report that healthcare costs will remain within budget expectations based on the recent selection of Priority Health.

BUDGET ACTION REQUIRED: Self-explanatory.

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

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

No action taken at this time.

b. <u>Cemetery Building Renovations.</u> LEISURE SERVICES

SUMMARY OF REQUEST: To award a contract to VanderVen Construction for the interior renovations to the Cemetery office.

FINANCIAL IMPACT: $81,634

BUDGET ACTION REQUIRED: $70,000 is budgeted, so an additional $15,000 needs to be added to the budget, which includes the architects fees.

STAFF RECOMMENDATION: Approve

COMMITTEE RECOMMENDATIN:

Motion by Commissioner Larson, second by Commissioner Gawron to

accept the bid and award the contract to VanderVen Construction.

ROLL VOTE: Ayes: Schweifler, Shepherd, Spataro, Warmington, Buie, Gawron, Larson.

Nays: None

MOTION PASSED

c. <u>FIRST READING - General Employees Retirement System.</u>
ASSISTANT CITY MANAGER

SUMMARY OF REQUEST: Ordinance to be adopted by the City Commission concerning changes relating to DPW and Leisure Services union employees.

FINANCIAL IMPACT: None at this time.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: to adopt changes relating to DPW and Leisure Services union employees concerning the General Employees Retirement System as amended.

*Previously discussed with contract settlement. contract adopted February 2002.

COMMITTEE RECOMMENDATION:

Motion by Commissioner Spataro, second by Commissioner Schweifler to adopt the changes relating to DPW and Leisure Services union employees concerning the General Employees Retirement System as amended.

ROLL VOTE: Ayes: Shepherd, Spataro, Warmington, Buie, Gawron, Larson, Schweifler.

Nays: None

MOTION PASSED

d. <u>Approval of Muskegon Lakeshore Smartzone Agreement.</u>
PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: In order to proceed with the Smartzone project, an agreement between the Michigan Economic Development Corporation (MEDC), Grand Valley State University (GVSU), the City of Muskegon and the Muskegon Local Development Finance Authority (LDFA) is necessary. The Agreement outlines the rights and obligations of all parties. Therefore, the Commission is requested to approve the Agreement.

FINANCIAL IMPACT: No direct impact, although LDFA funds are pledged for the development of the Business incubator.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the Muskegon Lakeshore Smartzone

Agreement and authorize the Mayor to sign.

COMMITTEE RECOMMENDATION: The LDFA will be meeting on April 22 to approve the Agreement.

Motion by Commissioner Schweifler, second by Commissioner Gawron to approve the Muskegon Lakeshore Smartzone Agreement with supporting documents and authorize the Mayor to sign.

ROLL VOTE: Ayes: Spataro, Warmington, Buie, Gawron, Larson, Schweifler, Shepherd.

Nays: None

MOTION PASSED

e. <u>CMI Brownfield Redevelopment Grant Smartzone Property.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Anne Couture is working with Lakefront LLC to secure a CMI Brownfield Redevelopment Grant from the Michigan Department of Environmental Quality. Although Lakefront LLC is contracting with Ms. Couture for the grant preparation, the City of Muskegon must approve the resolution applying for the grant funds.

FINANCIAL IMPACT: If approved for the grant, the funds will be used to cover the costs of environmental remediation on the site which is not currently covered by the current owner and other grant and private funds. The amount being applied for is up to $1 Million.

BUDGET ACTION REQUIRED: None.

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

COMMITTEE RECOMMENDATION: None

Motion by Commissioner Schweifler, second by Commissioner Larson to approve the resolution and authorize the Mayor and Clerk to sign.

ROLL VOTE: Ayes: Buie, Gawron, Larson, Schweifler, Shepherd, Spataro, Warmington.

Nays: None

MOTION PASSED

f. <u>Approval of Contractor for completion of Rehabilitation of structure at 1838 Jarman.</u> COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the contract with Holden Construction of Muskegon for the completion of the rehabilitation of 1838 Jarman for Thirty Thousand Nine Hundred Twenty ($30,920). The structure was obtained by the

City of Muskegon through the "Good Neighbor Program" from the U.S. Department of Housing and Urban Development for the total cost of one dollar($1.00). The Lead Base Paint Abatement has been completed, after the final rehabilitation is completed the property will be sold to a qualified family in accord with the City's neighborhood revitalization efforts.

FINANCIAL IMPACT: The funding for this project will be taken from the City's HOME funds from fiscal year 2001.

BUDGET ACTION REQUIRED: None required.

STAFF RECOMMENDATION: To approve the Community and Neighborhood Services selection.

COMMITTEE RECOMMENDATION: The Commission previously approved the Lead Base Paint Abatement for this project.

Motion by Commissioner Spataro, second by Commissioner Schweifler to approve the contract with Holden Construction of Muskegon for $30,920 for rehabilitation of 1838 Jarman.

ROLL VOTE: Ayes: Gawron, Larson, Schweifler, Shepherd, Spataro, Warmington, Buie.

Nays: None

g. Award Construction Engineer Services/ Shoreline Drive.
ENGINEERING

SUMMARY OF REQUEST: To enter into a construction engineering services agreement with Fleis & Vandenbrink to perform the necessary plans review, construction inspection, construction staking and testing. Furthermore, it is requested that the award be contingent upon the successful execution of the funding agreements between the City & MDOT.

We are anticipating the arrival of a costed proposal from Fleis & Vandenbrink prior to the 23 of April. Upon receiving that proposal we will present you with the information during the meeting.

Fleis & Vandenbrink is being recommended as a result of reviewing the uncosted proposal as well as the interviews that included FTC&H and V3 consulting.

FINANCIAL IMPACT: The cost for the engineering services would be from the grant to construct Shoreline Dr.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Enter into an engineering agreement with Fleis & Vandenbrink Engineering.

Motion by Commissioner Larson, second by Commissioner Schweifler to

enter into an engineering agreement with Fleis & Vandenbrink Engineering.

ROLL VOTE: Ayes: Larson, Schweifler, Shepherd, Spataro, Warmington, Buie, Gawron.

Nays: None

MOTION PASSED

2002-53 ANY OTHER BUSINESS:

An overview report was given by City Manager Bryon Mazade on Van's Car Wash.

2002-54 PUBLIC PARTICIPATION:

Various comments were heard from the public.

2002-55 CLOSED SESSION: To discuss property acquisition.

Motion by Commissioner Spataro, second by Commissioner Schweifler to close session at 6:43pm to discuss property acquisition.

ROLL VOTE: Ayes: Schweifler, Shepherd, Spataro, Warmington, Buie, Gawron, Larson.

Nays: None

MOTION PASSED

Motion by Commissioner Schweifler, second by Commissioner Spataro to return to open session at 8:07pm.

ROLL VOTE: Ayes: Spataro, Warmington, Buie, Gawron, Larson Schweifler

Nays: None

Absent: Shepherd

ADJOURNMENT: The Regular Commission Meeting for the City of Muskegon was adjourned at 8:08pm.

Respectfully submitted,

Gail Kundinger

Gail Kundinger, CMC/AAE

City Clerk

Date: April 10, 2002

To: Honorable Mayor and City Commissioners

From: Ric Scott

RE: Coast Guard License.

SUMMARY OF REQUEST:

To sign a license agreement with the Coast Guard for the use of Lighthouse acre as a park for five years

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approve

COMMITTEE RECOMMENDATION:

Leisure Services Board Recommends approval

Affirmative Action
231/724-6703
FAX/722-1214

Assessor
231/724-6708
FAX/726-5181

Cemetery
231/724-6783
FAX/726-5617

Civil Service
231/724-6716
FAX/724-4405

Clerk
231/724-6705
FAX/724-4178

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

Engineering
231/724-6707
FAX/727-6904

Finance
231/724-6713
FAX/724-6768

Fire Dept.
231/724-6792
FAX/724-6985

Income Tax
231/724-6770
FAX/724-6768

Info. Systems
231/724-6744
FAX/722-4301

Leisure Service
231/724-6704
FAX/724-1196

Manager's Office
231/724-6724
FAX/722-1214

Mayor's Office
231/724-6701
FAX/722-1214

Inspection Services
231/724-6715
FAX/726-2501

Planning/Zoning
231/724-6702
FAX/724-6790

Police Dept.
231/724-6750
FAX/722-5140

Public Works
231/724-4100
FAX/722-4188

Treasurer
231/724-6720
FAX/724-6768

Water Billing Dept.
231/724-6718
FAX/724-6768

Water Filtration
231/724-4106
FAX/755-5290

MUSKEGON

West Michigan's Shoreline City

Date: April 10, 2002

To: Honorable Mayor and City Commissioners

From: Ric Scott

Re: Coast Guard License

Attached is a license agreement with the Coast Guard for the use of Lighthouse Acre as a park. This agreement is proposed to allow the city to use the park as we have been until the property can go through the process of being determined to be excess property. At that point, the property would be given to the City.

I would ask that you authorize the Mayor sign the agreement.

The Leisure Services Board approved the license agreement at their meeting in April.

Thank you for your consideration.

City of Muskegon, 933 Terrace Street, P.O. Box 536, Muskegon, MI 49443-0536

LICENSE TO USE COAST GUARD REAL PROPERTY

License No.

The Commanding Officer, Civil Engineering Unit, Cleveland (Licensor) grants to the City of Muskegon, Department of Leisure Services, (Licensee), whose address is 933 Terrace Street, Muskegon, Michigan 49443-0536, a license for the nonexclusive right to use one acre of land which is part of Lot No. 8 of Fractional Section 28 in Town 10 North, Range 17 West, within Pere Marquette Park, Muskegon, Michigan.

The term of this license shall be for five years, beginning on April 1, 2002 and ending on March 31, 2007, unless revoked sooner under paragraph 24 of this license.

This license does not convey any interest in any Coast Guard real property to the Licensee. It simply authorizes the Licensee to use, or pass over, the specified Coast Guard real property for the purposes that are stated in the license.

THIS LICENSE IS GRANTED SUBJECT TO THE FOLLOWING CONDITIONS:

1. Purpose of License. The Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities may only use the facility for the following uses: Park purposes.

2. Period of License. The Licensee may only use the facility during the times specified in this license. All activities on the facility must take place during the times specified, including any setting up or breaking down of equipment etc.

3. This License is Limited to Use of the Designated Facility. The Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities may not enter or use any other facilities on the installation, unless they have an independent right to do so or are specifically invited to do so by someone with the authority to allow entry. The Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities may not enter any housing areas, unless specifically invited there by a resident.

4. Non-Profit operation and Certification: The Licensee certifies that it is either a state or local government entity or a nonprofit organization, which is exempt from taxation by section 501 of the Internal Revenue Code (26 U.S.C. 501). Licensee may not conduct any activities on the facility for the purpose of raising funds or making a profit. If the Licensee charges a fee to others in connection with the Licensee's use of the facility, the Licensee shall submit to the Collection Clerk at the address shown below, with a copy to the Licensor, a certified statement itemizing its operating expenses and the

revenues derived from the use of the facility, along with a check or money order made payable to the U.S. Coast Guard for any revenues generated by the use of the facility in excess of the expenses. The certified statement and payment, if any shall be mailed to the following address: ART, P.O. Box 641020, Pittsburgh, PA 15264-1020.

5. Governing Law and Regulations. The Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities, while on the Coast Guard installation are subject to all applicable Federal, state, and local laws, regulations, directives, and orders, including those issued by the Licensor or a designated representative, including the installation's Officer of the Day, Master at Arms, or a member of the installation's security force.

6. Environmental Protection.

a. The Licensee may not unlawfully pollute the air, ground, or water, nor create a public nuisance. The Licensee shall, at no cost to the United States, promptly comply with all applicable Federal, state, and local laws, regulations, or directives regulating the quality of the environment. This does not affect the Licensee's right to contest the validity of such laws, regulations, or directives or to try to enjoin their applicability.

b. The Licensee shall use all required means to protect the environment and natural resources from any damage arising from the Licensee's use of the facility and activities incident to its use. If any damage results to the environment or natural resources, the Licensee shall restore the environment or damaged resources.

7. Access to Licensed Facility. The Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities shall enter and exit the installation by the driveway and shall comply with all posted traffic and parking control signs and directions by the installation's security forces.

8. Parking. The Licensee may use any existing parking spaces.

9. Reimbursement of Expense. The Licensee agrees to reimburse the Licensor for all utilities and services provided to the Licensee in connection with this license. This Licensee shall reimburse the licensor for any such costs as determined by applicable laws, regulations, and directives.

10. Maintenance. The Licensee is solely responsible for the care, repair, and maintenance of the licensed facility during the term of the license.

11. Alterations. No additions to or alterations of the licensed facility can be made without the prior written consent of the Licensor. Upon revocation, expiration, or surrender of this license the Licensee shall, to the extent directed by the Licensor, remove all alterations, additions, betterments, or improvements made or installed, and restore the premises, subject to reasonable wear and tear, to the same or in as good a condition as existed on the effective date of this license.

12. Return of Licensed Premises. On or before the expiration of this license, or upon its relinquishment by the Licensee, the Licensee shall vacate the facility and remove all property brought onto the installation by the Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities. If this license is revoked for any reason, the Licensee shall vacate the facility and remove all property brought onto the installation by the Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities. In either event, if the Licensee fails to remove property brought onto the installation (abandoned property), then, at the option of the Licensor, the abandoned property shall either become the property of the United States, without payment of compensation, or the Licensor may have the property removed from the installation. The Licensee agrees that the Licensor has no obligation to safeguard or care for the abandoned property. Neither the Licensor, the Coast Guard, nor the United States are liable for any expenses incurred by the Licensee for the removal of the abandoned property. If the Licensee fails to remove any property brought on the installation, the Licensee shall pay any costs incurred by the Licensor for its removal.

13. Restoration of the Facility. The Licensee shall restore the facility to the condition in which it was received. Licensee shall clean up and remove all trash and refuse generated by the Licensee's use of the facility and shall replace any property that it may have relocated during its use of the facility. If the Licensee fails to restore the facility, including the removal of trash and relocation of property, the Licensee shall pay any costs incurred by the Licensor to restore the facility.

14. Damage to Property. The Licensee is responsible for any damage to or destruction of any property belonging to the United States, which results from the Licensee's use of the facility. The Licensee shall promptly repair or replace any damaged or destroyed property to the satisfaction of the Licensor. In lieu of repairs or replacement, and at the sole Licensor's discretion,

the Licensee may pay to the Licensor money in an amount sufficient to compensate for the Licensor's loss sustained as a result of the damage to or destruction of the property.

15. State and Local Permits, Licenses, and Taxes. The Licensee is solely responsible for obtaining any state or local permits or licenses necessary for its proposed use of the facility.

16. Solicitations. The Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities may not engage in any activities while on the installation that involve the solicitation of funds for private or commercial interests, including fund raising for nonprofit organizations and causes.

17. Controlled Substances. The Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities may not bring any controlled substances onto the installation, nor may any controlled substances be possessed, used, solicited, transferred, or sold on the installation, except for evidence processing of substances seized during performance of official law enforcement duties.

18. Alcoholic Beverages. The Licensee, its officers, employees, contractors, agents, and guests and the participants in its activities may not bring any alcoholic beverages onto the installation, except for evidence processing of alcoholic beverages seized during performance of official law enforcement duties.

19. Notice of Potential Hazards. The following hazards may be associated with the use of the facility by the Licensee: none.

20. Indemnification and Insurance.

a. Licensee shall bear all risk of damage to the licensed property arising from the Licensee's use of the licensed property. However, the Licensee's liability for any loss or damage shall be determined in accordance with the applicable provisions of the City of Muskegon Self-Insurance Laws.

b. However, the limitation on Licensee's liability based on the City of Muskegon Self-Insurance Laws is not applicable to the Licensee's liability for any damage or loss resulting from the Licensee's willful misconduct, or gross negligence of the Licensee or any of its officers, agents, servants, employees, licensees, or invitees.

c. The Licensee must keep the Government informed of any changes to the City of Muskegon Self-Insurance Laws and regulations which might impact on the Licensee's ability to make repairs/pay damages for anything that happens to or on the licensed property.

d. In the event that any item or part of the licensed property requires repair, rebuilding, or replacement resulting from loss or damage, the Licensee shall promptly give notice of the loss or damage to the Local Government Representative and, to the extent of its liability, shall, upon demand, either compensate the Government for such loss or damage, or rebuild, replace, or repair the lost or damaged item or part of the licensed property, as the Local Government Representative elects.

e. In the event that the Local Government Representative directs Licensee to effect any repair, rebuilding, or replacement, the Local Government Representative shall direct the payment to the Licensee of so much of the proceeds of the City of Muskegon Self-Insurance Laws carried by the Licensee and made available to the Government as a result of its loss of or damage to any item or part of the licensed property as may be necessary to enable Licensee to effect such repair, rebuilding or replacement.

f. In the event the Government elects not to require Licensee to repair, rebuild, or replace any item or part of the licensed property lost or damaged, Licensee shall promptly pay to the Government out of the City of Muskegon Self-Insurance Laws proceeds collected by the Licensee such portion of the proceeds as may be allocable to the loss or damage to the licensed property.

g. When compliance with a Government request to effect any repair, rebuilding, or replacement of any lost or damaged item or part of the property would involve incurring of costs in excess of Licensee's liability for such loss or damage under this paragraph, Licensee shall be under no obligation to effect same until after a satisfactory agreement has been reached between the Local Government Representative and Licensee with regard to Government reimbursement of the excess costs to Licensee.

21. Notification. The Licensee shall notify all of its officer, employees, contractors, agents, or guests who will use the facility of the terms of this license and that they are required to comply with all applicable terms of this license if they enter the installation.

22. Non-Discrimination. The Licensee, for itself and its officers, employees, contractors, agents, and guests agrees that:

a. No individual on the grounds of race, sex, color, religion, age, or national origin may be excluded from participation in, denied the benefits of, or be otherwise discriminated against in the use of the facility.

b. No individual on the grounds of race, sex, color, religion, age, or national origin may be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the construction of any improvements at the facility or in the furnishing of services in connection with the use of the facility by the Licensee.

c. That the Licensee shall use the facility in compliance with the regulations in 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation -- Effectuation of Title VI of the Civil Rights Act of 1964. This license is not valid unless prior to the execution of this license, the Licensee has signed the Standard Department of Transportation Title VI Assurances form, a copy of which is attached to and made part of this license.

23. Designation of Licensor's Principal Representative. Civil Engineering Unit Cleveland is designated as the Principal Representative of the Licensor. The Licensee shall coordinate its use of the facility with the Principal Representative. The Principal Representative can be contacted at telephone number (216) 902-6266.

24. Revocation. This license is revocable at will by the Licensor including the U. S. General Services Administration. The revocation is effective upon receipt of written or verbal notification to Licensee's representative, Director of Department of Leisure Services,(231)724-6704.

(NOTE: Licenses are often revoked when in Licensor's opinion unsafe conditions exist, the Licensee has failed to comply with the terms of a license, or the use of the facility would conflict with Coast Guard operational requirements or U. S. General Services Administration disposal actions.)

25. Assignability: This license is neither assignable nor transferable by the Licensee.

26. <u>Entire Agreement</u>. This license constitutes the only agreement between the Licensor and Licensee. Any prior understanding or representation of any kind, which preceded the date of this license, are not binding on either party, except to the extent the understandings are incorporated into this license.

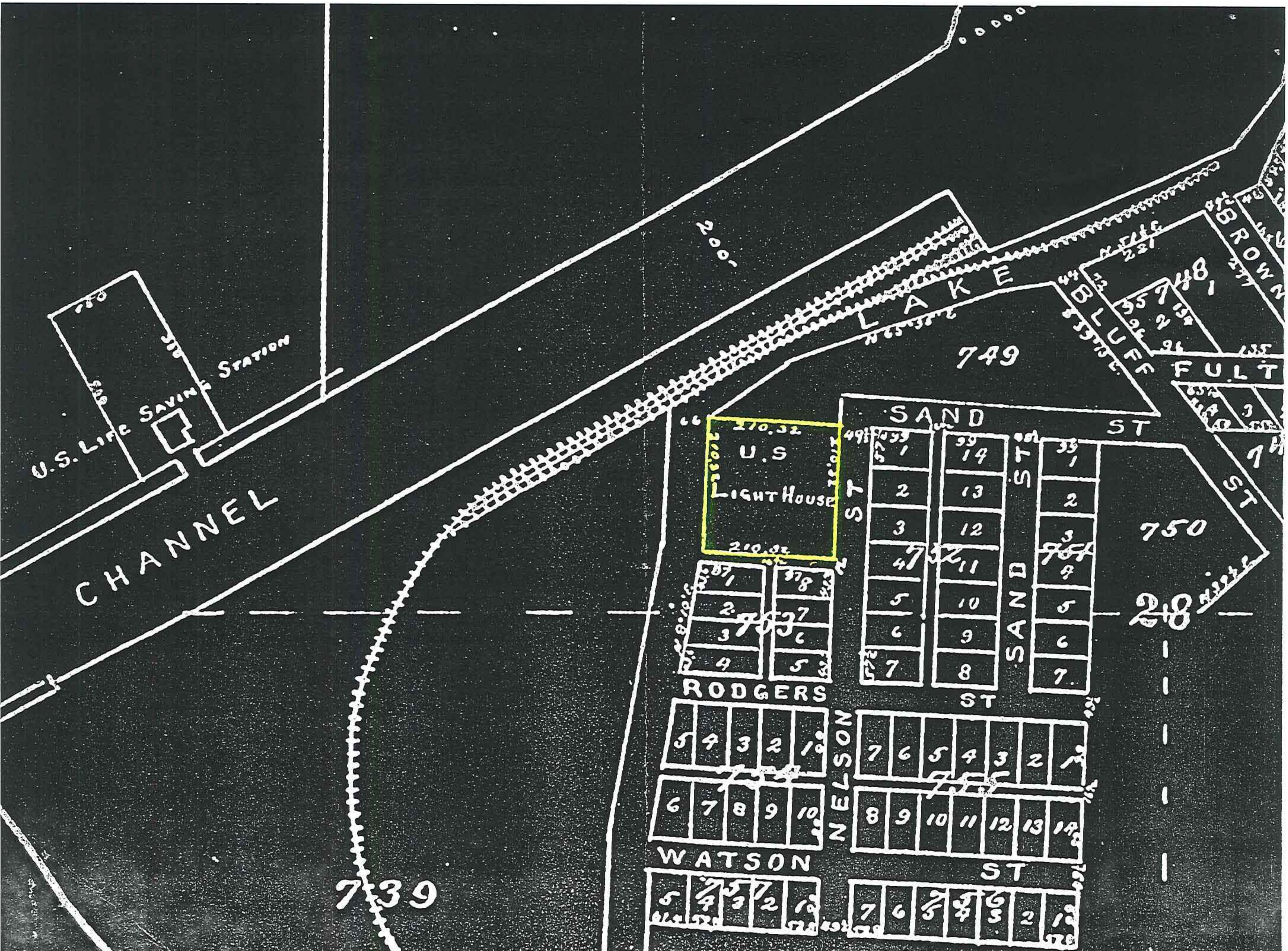
For the Licensee: ______________________ 4-26-02

Steve Warmington, Mayor date

For the Coast Guard: ______________________
(Licensor)

Laurette Tully
Real Property Specialist
Civil Engineering Unit Cleveland

Exhibits:
A. Drawing
B. Title VI Assurances



CHANNEL
U.S. LIFE SAVING STATION
LAKE
200
749
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28
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LIGHT HOUSE
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SAND ST
SAND ST
RODGERS ST
NELSON ST
WATSON ST
BLUFF
FULT
BROWN

STANDARD DOT TITLE VI ASSURANCES

The Recipient HEREBY AGREES THAT as a condition to receiving any Federal financial assistance from the Department of Transportation it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 (hereinafter referred to as the ACT), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the Regulations) and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient received Federal financial assistance from the Department of Transportation, including the United States Coast Guard, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a)(1) of the Regulations.

More specifically and without limiting the above general assurance, the Recipient hereby gives the following specific assurances with respect to its program.

1. That the Recipient agrees that each "program" and each "facility" as defined in subsections 21.23(3) and 21.23(b) of the Regulations, will be (with regard to a "facility") operated in compliance with all requirements imposed by, or pursuant to, the Regulations.

2. That the Recipient shall insert the following notification in all solicitations for bids for work or material subject to the Regulations and made in connection with each program and, in adapted form in all proposals for negotiated agreements:

The Recipient, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

3. That the Recipient shall insert the clauses of Appendix A of this assurance in every contract subject to the Act and the Regulations.

4. That the Recipient shall insert the clauses of Appendix B of this assurance, as a covenant running with the land, in any deed from the United States effecting a transfer of real property, structures, or improvements thereon, or interest therein.

5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the assurance shall extend to the entire facility and facilities operated in connection therewith.

6. That where the Recipient receives federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the assurance shall extend to rights to space on, over or under such property.

7. That the Recipient shall include the appropriate clauses set forth in Appendix C of this assurance, as a covenant running with the land, in any future deeds, lease, permits, licenses, and similar agreements entered into by the Recipient with other parties: (a) for the subsequent transfer of real property acquired or improved under each program and (b) for the construction or use of or access to space on, over or under real property acquired, or improved under each program.

8. That this assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the federal financial assistance is to provide, or is in the form of, personal property, or real property or interest therein or structures or improvements thereon, in which case the assurance obligates the Recipient or any transferee for the longer of the following periods: (a) the period during which the property is used for a purpose for which the federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the Recipient retains ownership or possession of the property.

9. The Recipient shall provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that it, other recipients, subgrantees, contractors, subcontractors, transferees, successors

in interest, and other participants of Federal financial assistance under such programs will comply with all requirements imposed or pursuant to the Act, the Regulations and this assurance.

10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this assurance.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts, property, discounts or other federal financial assistance extended after the date hereof to the Recipient by the Department of Transportation under the program and is binding on it, other recipients, subgrantees, contractors, subcontractors, transferees, successors in interest and other participants in the program.

The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Recipient.

Dated 4-26-02

Recipient
Steve Warmington, Mayor

Attachments: (1) Appendix C

APPENDIX C

The recipient for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this agreement for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the recipient shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

The recipient for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on over or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the recipient shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964), and as said Regulation may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the Government shall have the right to terminate the agreement and to reenter and repossess said land and facilities thereon, and hold the same as if said agreement had never been made or issued.

That in the event of breach of any of the above nondiscrimination covenants, the Government shall have the right to reenter said land and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of the Government and its assigns.

Commission Meeting Date: April 23, 2002

Date: April 12, 2002

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Zoning Ordinance Amendment to Allow Wireless Communication Antennas to Extend 30 Feet Above the Structure to Which They Are Attached

---

SUMMARY OF REQUEST:

Request to amend Section 2321 (Wireless Communication Service Facilities) of Article XXIII (General Provisions) of the City's Zoning Ordinance to allow wireless communication antennas (WCAs) to extend thirty feet above the roofline of the structure to which they are attached.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends amendment of the Zoning Ordinance to change the proposed language in the article and section described above.

COMMITTEE RECOMMENDATION:

The Planning Commission recommended approval of the request at their 4/11 meeting. The vote was unanimous with P. Veltkamp, M. Kleaveland, and J. Aslakson absent.

Staff Report [EXCERPT]
CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING

April 11, 2002

Hearing; Case 2002-15: Request for an amendment to the Zoning Ordinance to allow wireless communication antennas to extend thirty feet above the tallest portion of the structure to which they are attached, by the West Michigan Community Help Network (WUVS 103.7 FM).

BACKGROUND

When the wireless communication regulations were adopted by the City, Wireless Communication Antennas (WCAs) were allowed on existing tall structures as an accessory use. Wireless Communication Antennas are defined as "*any antenna used for the transmission or reception of wireless communication signals…*". The approval process for an accessory use is much quicker and easier than having to get approval to build a full communication tower, so the industry is encouraged to use existing structures (co-location) rather than building new towers. When the regulations were adopted, the height limit on antennas mounted on the tops of buildings was limited to 20 feet from the 'tallest portion of the structure to which the WCA is attached'.

The West Michigan Community Help Network (WUVS 103.7 FM) has recently placed a WCA on top of the Fifth/Third Bank Building in downtown Muskegon (800 First St.). The applicant originally proposed a 30 foot WCA, but reduced the height to 20 feet to comply with the ordinance. He is now asking that a higher limit be considered. After review of the matter, staff has found that many existing WCAs are taller than 20 feet. Staff also recognizes the need to clarify some of the language now that we have administered the ordinance for a while. Staff is proposing a revised version of the language as follows (deleted language in ~~strikethru~~, new language in **bold**):

Excerpted from Section 2321 (Wireless Communication Service Facilities):

Wireless Communication Antenna (WCA) shall be considered a permitted accessory use in any zoning district when:

1) *Placed on or attached to any existing structure ~~over~~ **at least** five (5) stories in height which constitutes a principle use, including existing communication towers and water towers provided:*

   a) ***In the case of a five (5) story building**, that any WCA shall not extend more than ~~twenty (20)~~ **thirty (30)** feet above the ~~tallest portion~~ **roofline** of the structure to which it is attached.*

b) *In the case of a six (6) story building, that any WCA shall not extend more than forty (40) feet above the roofline of the structure to which it is attached.*

c) *In the case of a seven (7) story building, that any WCA shall not extend more than fifty (50) feet above the roofline of the structure to which it is attached.*

d) *In the case of an eight (8) story building, that any WCA shall not extend more than sixty (60) feet above the roofline of the structure to which it is attached.*

e) *In no case shall any WCA extend more than sixty (60) feet above the roofline of the structure to which it is attached.*

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO. 2073

An ordinance to amend Section 2321 (Wireless Communication Service Facilities), of Article XXIII (General Provisions) of the City's Zoning Ordinance to amend the language regarding co-location of wireless communication antennas (WCAs) on existing structures.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

Section 2321 (Wireless Communication Service Facilities), of Article XXIII (General Provisions) of the Zoning Ordinance of the City of Muskegon is hereby amended to include the following:

Wireless Communication Antenna (WCA) shall be considered a permitted accessory use in any zoning district when:

1) Placed on or attached to any existing structure at least five (5) stories in height which constitutes a principle use, including existing communication towers and water towers provided:

    a) In the case of a five (5) story building, that any WCA shall not extend more than thirty (30) feet above the roofline of the structure to which it is attached.

    b) In the case of a six (6) story building, that any WCA shall not extend more than forty (40) feet above the roofline of the structure to which it is attached.

    c) In the case of a seven (7) story building, that any WCA shall not extend more than fifty (50) feet above the roofline of the structure to which it is attached.

    d) In the case of an eight (8) story building, that any WCA shall not extend more than sixty (60) feet above the roofline of the structure to which it is attached.

    e) In no case shall any WCA extend more than sixty (60) feet above the roofline of the structure to which it is attached.

This ordinance adopted:

Ayes: Gawron, Larson, Schweifler, Shepherd, Spataro, Warmington, Buie

Nayes: None

Adoption Date: April 23, 2002

Effective Date: May 9, 2002

First Reading: April 23, 2002

Second Reading: N/A

CITY OF MUSKEGON

By: Gail A Kundinger
Gail A. Kundinger, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 23rd day of April, 2002, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

DATED: April 23, 2002.

Gail Kundinger
Gail Kundinger, CMC/AAE
Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on April 23, 2002, the City Commission of the City of Muskegon adopted an ordinance to amend Section 2321 (Wireless Communication Service Facilities), of Article XXIII (General Provisions) of the City's Zoning Ordinance, to add the following:

Wireless Communication Antenna (WCA) shall be considered a permitted accessory use in any zoning district when:

1. Placed on or attached to any existing structure at least five (5) stories in height which constitutes a principle use, including existing communication towers and water towers provided:

    a. In the case of a five (5) story building, that any WCA shall not extend more than thirty (30) feet above the roofline of the structure to which it is attached.

    b. In the case of a six (6) story building, that any WCA shall not extend more than forty (40) feet above the roofline of the structure to which it is attached.

    c. In the case of a seven (7) story building, that any WCA shall not extend more than fifty (50) feet above the roofline of the structure to which it is attached.

    d. In the case of an eight (8) story building, that any WCA shall not extend more than sixty (60) feet above the roofline of the structure to which it is attached.

    e. In no case shall any WCA extend more than sixty (60) feet above the roofline of the structure to which it is attached.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten days from the date of this publication.

Published April 27, 2002

CITY OF MUSKEGON

By ______________________________
Gail A. Kundinger
Its Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

Account No. 101-80400-5354

Commission Meeting Date: April 23, 2002

Date: April 12, 2002

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development B

RE: Zoning Ordinance Amendment to Allow Signage for Legal Businesses Located in Residential Districts

---

SUMMARY OF REQUEST:

Request to amend Section 2334 (Signs) of Article XXIII (General Provisions) of the City's Zoning Ordinance to allow signage for legal businesses located in residential districts.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends amendment of the Zoning Ordinance to change the proposed language in the article and section described above.

COMMITTEE RECOMMENDATION:

The Planning Commission recommended approval of the request at their 4/11 meeting, with P. Veltkamp, M. Kleaveland, and J. Aslakson absent, and J. Stewart and P. Sartorius voting nay.

Staff Report [EXCERPT]
CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING

April 11, 2002

Hearing; Case 2002-13: Request for an amendment to the Zoning Ordinance to allow signage for businesses located in residential districts (tabled).

BACKGROUND

Several variance requests have been made to the Zoning Board of Appeals lately in order to allow signage for businesses, which are located in residential zoning districts. The sign ordinance is structured to refer to specific zoning districts, and allows certain signage depending on the district that the property is located in. There are five different residential districts, ranging from single-family to high-density multi-family, and the signage requirements are the same for all of these (see ordinance excerpt below).

There are several ways in which businesses can be located in residential districts. Many are legal nonconforming uses. The multi-family districts allow certain business uses, mostly office, under special use permit. Pre-existing nonconforming commercial buildings can also operate under special use permit in any residential district. However, the zoning ordinance only addresses signage for churches, schools, residential developments and home occupation businesses in residential districts.

Staff would like to propose a minor amendment to the ordinance to allow for some type of signage for businesses in residential districts. The proposed changes are in *italics* in the language below.

ORDINANCE EXCERPT

6. **Permitted signs in all residential and mobile home park districts:**

   a. Entranceway monument signs are permitted for residential developments of up to twelve (12) square feet. One sign for each major public road frontage may be provided. Signs shall not exceed eight feet in height.

   b. Internally illuminated monument signs of up to 32 (thirty-two) square feet for lawful institutional uses such as churches and schools. Signs shall not exceed eight feet in height.

   c. Legal business uses in residential districts are permitted signage as allowed in the B-1 zoning district, except for those uses otherwise addressed in this section.

   d. One (1) non-illuminated wall sign of up to eight (8) square feet for a home occupation. [amended 12/01]

e. Changeable copy or message boards shall be part of a fixed, permanent sign and shall have rigid letters. Electronic message boards are prohibited.

7. **Permitted signs in the B-2, B-3, B-4, B-5, I-1, and I-2 zones: *do you need this section or can you … to B-1?**

a. Scope: Signs shall pertain exclusively to the business carried on within the building.

b. Lighting: Signs may be illuminated, but no flashing or moving illumination shall be permitted.

c. Number: One monument, or pole sign is permitted per property, regardless of the number of businesses there, except that one additional freestanding sign may be erected per road frontage when the development has parallel frontage on more than one major street or corner frontages on major streets totaling over 500 linear feet.

d. Wall, Awning or Braquet Signs, Size: Signs shall not exceed ten (10) percent of the surface area of the commercial portion of the front building face and may be placed on any wall. In the case where the building is over one hundred feet (100') from the road, this allotment may be 15% of the front face of the storefront. In the case where the building is over 300 feet from the road, this allotment may be 20% of the front face of the storefront.

e. Wall, Awning or Braquet Signs, Placement: Signs shall be placed against the principal building or on a canopy. Signs shall not project above the roof line or cornice. No wall sign shall interrupt or conceal the architectural details of a building. A sign attached to a mansard shall be considered a wall sign.

f. Changeable copy or electronic message boards: Shall be permitted provided:

i. One changeable or electronic message board shall be permitted per premise.

ii. Changeable copy boards shall be part of a fixed, permanent sign and shall have rigid letters.

iii. Electronic message boards shall be dimmed at dusk.

iv. Electronic message board supports shall be at least seventy-five (75) feet from any residential use or zone.

g. Free-standing signs:

i. Setback: The leading edge of the sign must be out of the public right-of-way. Signs must be a minimum of 10 feet from a neighboring sign.

ii. Ground clearance: Ground clearance shall accommodate clear vision needs of the site.

iii. Area and Height: All signs shall comply with Table II.

8. **Permitted signs in the B-1, Waterfront Marine Zone, Open Space Conservation, Open Space Recreation, Lakefront Recreation and Heritage Districts:**

a. Scope: Signs shall pertain exclusively to the business carried on within the building.

b. Lighting: Signs may be illuminated, but no flashing or moving illumination shall be permitted.

c. Number: One monument sign is permitted per property regardless of the number of businesses there.

d. Wall, Awning or Braquet Signs, Size: Signs shall not exceed ten (10) percent of the surface area of the commercial portion of the front building and may be placed on any wall. In the case where the building is over one hundred feet (100') from the road, this allotment may be 15% of the front face of the storefront. In the case where the building is over 300 feet from the road, this allotment may be 20% of the front face of the storefront.

e. Wall, Awning or Braquet Signs, Placement: Signs shall be placed against the principal building or on a canopy. Signs shall not project above the roof line or cornice. No wall sign shall interrupt or conceal the architectural details of a building. A sign attached to a mansard shall be considered a wall sign.

f. Changeable copy or message boards: Shall be part of a fixed, permanent sign and shall have rigid letters. Electronic message boards are prohibited.

g. Free-standing signs:

   i. Setback: The leading edge of the sign must be out of the public right-of-way. Signs must be a minimum of 10 feet from a neighboring sign.

   ii. Clear vision: Signs shall not obstruct clear vision requirements for motorists.

   iii. Area and height: Signs shall comply with the area requirements of Table II and shall not exceed eight feet (8') in height.

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO. 2074

An ordinance to amend Section 2334 (Signs), of Article XXIII (General Provisions) of the City's Zoning Ordinance to amend the language permitted signage in residential zoning districts.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

Section 2334 (Signs), of Article XXIII (General Provisions) of the Zoning Ordinance of the City of Muskegon is hereby amended to include the following under #6 (Permitted signs in all residential and mobile home park districts):

c. Legal business uses in residential districts are permitted signage as allowed in the B-1 zoning district, except for those uses otherwise addressed in this section.

This ordinance adopted:

Ayes: Gawron, Larson, Schweifler, Shepherd, Spataro, Warmington, Buie

Nayes: None

Adoption Date: April 23, 2002

Effective Date: May 9, 2002

First Reading: April 23, 2002

Second Reading: N/A

CITY OF MUSKEGON

By: Gail A Kundinger

Gail A. Kundinger, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 23rd day of April, 2002, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

DATED: 4-25, 2002.

Gail Kundinger

Gail Kundinger, CMC/AAE
Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on April 23, 2002, the City Commission of the City of Muskegon adopted an ordinance to amend Section 2334 (Signs), of Article XXIII (General Provisions) of the City's Zoning Ordinance, to add the following under #6 (Permitted signs in all residential and mobile home park districts):

c. Legal business uses in residential districts are permitted signage as allowed in the B-1 zoning district, except for those uses otherwise addressed in this section.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten days from the date of this publication.

Published April 29, 2002

CITY OF MUSKEGON

By ______________________
Gail A. Kundinger
Its Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

Account No. 101-80400-5354

Date: 4/16/02

To: Honorable Mayor and City Commission

From: Brett Kraley, Equipment Supervisor DPW

RE: Budgeted Vehicle Purchases

SUMMARY OF REQUEST: Approval to purchase six vehicle replacements for 2002. These vehicles will replace 1992 and 1993 cars.

FINANCIAL IMPACT: Total Cost $85,895.20 for all units. Budgeted $96,000

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve purchase of budgeted replacements for a total cost of $85895.20 using Oakland County Purchasing.

	Oakland County	Local *	Michigan State		
Type of Vehicle	Pricing	Pricing	Contract	Totals	Vehicle being Replaced
Chevrolet Impala	$16,504.65	$19,455.00	No Bid	**$16,504.65**	1993 Sunbird - 20198
(Police Chief)					
5 Malibus	$13,878.11	$16,688.44	No Bid	**$69,390.55**	1992 Cavaliers - 20207, 20208, 20209
					1995 Corsicas - 20187, 20184
	$85,895.20	$102,897.00			
*Local bidders:					
Betten Chevrolet			Total Cost	**$85,895.20**	
Freedom Chevrolet					
Meyer Chevrolet			Budgeted	**$96,000.00**	

Commission Meeting Date: April 23, 2002

Date: **April 12, 2002**

To: **Honorable Mayor and City Commissioners**

From: **Planning & Economic Development**

RE: **Zoning Ordinance Amendment to Require Minimum Floor Sizes for Apartment Units**

SUMMARY OF REQUEST:

Request to amend Section 2319 (Residential Design Criteria) of Article XXIII (General Provisions) of the City's Zoning Ordinance to require minimum floor sizes for apartment units.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends amendment of the Zoning Ordinance to change the proposed language in the article and section described above.

COMMITTEE RECOMMENDATION:

The Planning Commission recommended approval of the request at their 4/11 meeting. The vote was unanimous with P. Veltkamp, M. Kleaveland, and J. Aslakson absent.

Staff Report [EXCERPT]
CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING

April 11, 2002

Hearing; Case 2002-14: Request for an amendment to the Zoning Ordinance to add requirements for minimum floor size for apartment units (tabled).

BACKGROUND

There are currently standards in the zoning ordinance dealing with minimum floor sizes for single-family homes. Staff has recently become aware that the building code does not address minimum floor size for apartment units, and since the zoning ordinance does not address this issue either, would like to make a small amendment to the ordinance to add apartment floor size minimums to Section 2319 (Residential Design Criteria).

Staff conducted research to check with many local apartment complexes to determine their floor sizes for one, two and three-bedroom apartment units. The proposed floor sizes are based upon the average sizes determined from this research. A copy of the information gathered is enclosed.

The proposed amendment is in *italics* in the ordinance excerpt below. In order to add multi-family units, staff has restructured this section, but the only actual changes are the addition of criteria for multi-family units.

ORDINANCE EXCERPT

SECTION 2319: RESIDENTIAL DESIGN CRITERIA [amended 7/98, amended 4/00, amended 8/01]

It is the intent and purpose of this section to establish design review standards and controls over housing development in the City of Muskegon. It is recognized that there are unique design aspects inherent in the community appearance that need to be preserved and enhanced. The adoption of these criteria will guide and ensure that all future growth enhances community character and image and fits with the unique vernacular of the City of Muskegon's urban setting. A positive community image: enhances economic development opportunity; safeguards property values; curbs blight and deterioration; and enhances public safety and welfare. The following standards shall apply to all single-family or duplex structures erected in the City of Muskegon.

In the case of a one (1) family or two (2) family dwelling unit which is of standard construction, a mobile home, a premanufactured, or a precut dwelling structure, and any additions or alterations thereto, erected or placed in the City of Muskegon, other than a mobile home located in a licensed mobile home park approved under the provisions of Article V, MHP Mobile Home Park Districts, shall conform to the following regulations in addition to all other regulations of this Ordinance:

1. The dwelling unit shall have a minimum living area (excluding all basement area) of nine hundred and sixty (960) square feet for a one (1) bedroom dwelling. For each bedroom thereafter, an additional 100 square feet of living space shall be provided.

2. Where the home design involves a roof pitch, it shall be at a minimum pitch of 5/12, that is, for every twelve inches (12") of lateral run, the roof shall rise five inches (5").

3. The roof shall have a snow load rating of forty (40) pounds per square foot.

4. Roof drainage in the form of a roof overhang of at least twelve inches (12") shall be provided to direct storm or meltwater way from the foundation, unless a gambel roof or other design elements necessitate an alternative roof drainage system.

5. Siding shall be the same gauge for modulars and mobiles as for on-site-built homes.

6. The dwelling unit shall have a minimum width across any front, side, and rear elevation view which is the lesser of:

   a. Twenty-four (24) feet; or

   b. The average width of the homes on the same street within six hundred (600) feet in either direction.

7. A structure with a front elevation view of over 40 linear feet shall have a design offset including but not limited to; bay windows, covered porches, or structural offsets from the principal plane of the building.

8. Any single-story, residential structure shall not be more than two (2) times longer than its width (exclusive of an attached garage).

9. Garage doors may not comprise more than fifty percent (50%) of the front face of the structure.

10. Newly constructed homes must be at the average setback of existing homes within 600 feet.

11. The dwelling unit shall be firmly attached to a permanent foundation constructed on the site in accordance with the building code, manufacturers specifications, and other applicable requirements.

12. Any crawlspace that may exist between the foundation and ground floor of the dwelling unit shall be fully enclosed by an extension of the foundation wall along the perimeter of the building.

13. If the dwelling is a mobile home, as defined herein, such dwelling shall be installed pursuant to the manufacturer's setup instructions and shall be secured to the premises by an anchoring system or device complying with the rules and regulations of the Michigan Mobile Home Commission.

14. In the event that a dwelling unit is a mobile home as defined herein, it shall be installed with the wheels removed. No dwelling unit shall have any exposed towing mechanism, undercarriage or chassis.

15. The dwelling unit shall be connected to a public sewer and water supply when available, as defined by the Plumbing Code or if not available, to private facilities as approved by the county health department, the city, and other applicable agencies.

16. Storage space of at least fifteen percent (15%) of the interior living space of the dwelling unit, exclusive of auto storage or attic storage, shall be provided within the structure.

17. The subject dwelling unit shall be aesthetically compatible in design and appearance with other dwellings within 600 feet. The review shall include but not necessarily be limited to: roof pitch, scale, size, mass, minimum transparency, orientation to the street, and overhangs. The foregoing shall not be construed to prohibit innovative design concepts involving such matters as (but not limited to) solar energy, view, or unique land contour.

18. The compatibility of design and appearance shall be determined in the first instance by the Zoning Administrator upon review of the plans submitted for a particular dwelling unit. The Zoning Administrator's decision may be appealed, to the Zoning Board of Appeals within a period of fifteen (15) days from the receipt of notice to the official's decision.

19. The dwelling unit shall contain no additions of rooms or other areas which are not constructed with similar quality workmanship as the original structure, including permanent attachment to the principal structure and construction of a foundation as required herein.

20. The dwelling unit shall comply with all pertinent building and fire codes. In the case of a mobile home, all construction and all plumbing, electrical apparatus and insulation within and connected to said mobile home shall be of a type and quality conforming to the "Mobile Home Construction and Safety Standards" as promulgated by the United States Department of Housing and Urban Development, being 24 CFR 3280, and as from time to time such standards may be amended.

21. All construction required herein shall be commenced only after a building permit has been obtained in accordance with the Building Code.

22. Each dwelling unit shall have an established vegetative ground cover no less than 12 months after occupancy. A minimum of one shade tree, two and one-half inches (2.5") in diameter, four feet (4') from the ground or one six foot (6') evergreen tree shall be provided. Existing landscaping may be accepted in lieu of this requirement.

23. Each dwelling unit shall have a garage or a shed providing a minimum of sixty-four square feet (64 sq. ft.) of yard storage for each dwelling unit. Said area shall be calculated separately from the required interior storage space.

In the case of a multi-family (more than 2 units) dwelling structure which is of standard construction, a mobile home, a premanufactured, or a precut dwelling structure, and any additions or alterations thereto, erected or placed in the City of Muskegon, other than a mobile home located in a licensed mobile home park approved under the provisions of Article V, MHP Mobile Home Park Districts, shall conform to the following regulations in addition to all other regulations of this Ordinance:

1. Each dwelling unit shall have a minimum living area (excluding all basement area) of six hundred and fifty (650) square feet for a one (1) bedroom unit, of eight hundred and seventy-five (875) square feet for a two (2) bedroom unit, and of twelve hundred (1200) square feet for a three (3) bedroom unit. For each bedroom thereafter, an additional 100 square feet of living space shall be provided.

2. Roof drainage in the form of a roof overhang of at least twelve inches (12") shall be provided to direct storm or meltwater way from the foundation, unless a gambel roof or other design elements necessitate an alternative roof drainage system.

3. The roof shall have a snow load rating of forty (40) pounds per square foot.

4. Siding shall be the same gauge for modulars and mobiles as for on-site-built homes.

5. Garage doors may not comprise more than fifty percent (50%) of the front face of the structure.

6. The structure shall be firmly attached to a permanent foundation constructed on the site in accordance with the building code, manufacturers specifications, and other applicable requirements.

7. Any crawlspace that may exist between the foundation and ground floor of the structure shall be fully enclosed by an extension of the foundation wall along the perimeter of the building.

8. The structure shall be connected to a public sewer and water supply when available, as defined by the

Plumbing Code or if not available, to private facilities as approved by the county health department, the city, and other applicable agencies.

9. *Storage space of at least fifteen percent (15%) of the interior living space of each dwelling unit, exclusive of auto storage or attic storage, shall be provided within the structure.*

10. *The subject structure shall be aesthetically compatible in design and appearance with other dwellings within 600 feet. The review shall include but not necessarily be limited to: roof pitch, scale, size, mass, minimum transparency, orientation to the street, and overhangs. The foregoing shall not be construed to prohibit innovative design concepts involving such matters as (but not limited to) solar energy, view, or unique land contour.*

11. *The structure shall contain no additions of rooms or other areas which are not constructed with similar quality workmanship as the original structure, including permanent attachment to the principal structure and construction of a foundation as required herein.*

12. *Each dwelling unit shall have an established vegetative ground cover no less than 12 months after occupancy. A minimum of one shade tree, two and one-half inches (2.5") in diameter, four feet (4') from the ground or one six foot (6') evergreen tree shall be provided. Existing landscaping may be accepted in lieu of this requirement.*

13. *Each dwelling unit shall have a garage or a shed providing a minimum of sixty-four square feet (64 sq. ft.) of yard storage for each dwelling unit. Said area shall be calculated separately from the required interior storage space.*

CITY OF MUSKEGON

MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO. 2075

An ordinance to amend Section 2319 (Residential Design Criteria), of Article XXIII (General Provisions) of the City's Zoning Ordinance to require minimum floor sizes for apartment units.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

Section 2319 (Residential Design Criteria), of Article XXIII (General Provisions) of the Zoning Ordinance of the City of Muskegon is hereby amended as following:

SECTION 2319: RESIDENTIAL DESIGN CRITERIA [amended 7/98, amended 4/00, amended 8/01]

It is the intent and purpose of this section to establish design review standards and controls over housing development in the City of Muskegon. It is recognized that there are unique design aspects inherent in the community appearance that need to be preserved and enhanced. The adoption of these criteria will guide and ensure that all future growth enhances community character and image and fits with the unique vernacular of the City of Muskegon's urban setting. A positive community image: enhances economic development opportunity; safeguards property values; curbs blight and deterioration; and enhances public safety and welfare. The following standards shall apply to all single-family or duplex structures erected in the City of Muskegon.

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1. The dwelling unit shall have a minimum living area (excluding all basement area) of nine hundred and sixty (960) square feet for a one (1) bedroom dwelling. For each bedroom thereafter, an additional 100 square feet of living space shall be provided.

2. Where the home design involves a roof pitch, it shall be at a minimum pitch of 5/12, that is, for every twelve inches (12") of lateral run, the roof shall rise five inches (5").

3. The roof shall have a snow load rating of forty (40) pounds per square foot.

4. Roof drainage in the form of a roof overhang of at least twelve inches (12") shall be provided to direct storm or meltwater way from the foundation, unless a gambel roof or other design elements necessitate an alternative roof drainage system.

5. Siding shall be the same gauge for modulars and mobiles as for on-site-built homes.

6. The dwelling unit shall have a minimum width across any front, side, and rear elevation view which is the lesser of:

   a. Twenty-four (24) feet; or

   b. The average width of the homes on the same street within six hundred (600) feet in either direction.

7. A structure with a front elevation view of over 40 linear feet shall have a design offset including but not limited to; bay windows, covered porches, or structural offsets from the principal plane of the building.

8. Any single-story, residential structure shall not be more than two (2) times longer than its width (exclusive of an attached garage).

9. Garage doors may not comprise more than fifty percent (50%) of the front face of the structure.

10. Newly constructed homes must be at the average setback of existing homes within 600 feet.

11. The dwelling unit shall be firmly attached to a permanent foundation constructed on the site in accordance with the building code, manufacturers specifications, and other applicable requirements.

12. Any crawlspace that may exist between the foundation and ground floor of the dwelling unit shall be fully enclosed by an extension of the foundation wall along the perimeter of the building.

13. If the dwelling is a mobile home, as defined herein, such dwelling shall be installed pursuant to the manufacturer's setup instructions and shall be secured to the premises by an anchoring system or device complying with the rules and regulations of the Michigan Mobile Home Commission.

14. In the event that a dwelling unit is a mobile home as defined herein, it shall be installed with the wheels removed. No dwelling unit shall have any exposed towing mechanism, undercarriage or chassis.

15. The dwelling unit shall be connected to a public sewer and water supply when available, as defined by the Plumbing Code or if not available, to private facilities as approved by the county health department, the city, and other applicable agencies.

16. Storage space of at least fifteen percent (15%) of the interior living space of the dwelling unit, exclusive of auto storage or attic storage, shall be provided within the structure.

17. The subject dwelling unit shall be aesthetically compatible in design and appearance with other dwellings within 600 feet. The review shall include but not necessarily be limited to: roof pitch, scale, size, mass, minimum transparency, orientation to the street, and overhangs.

The foregoing shall not be construed to prohibit innovative design concepts involving such matters as (but not limited to) solar energy, view, or unique land contour.

18. The compatibility of design and appearance shall be determined in the first instance by the Zoning Administrator upon review of the plans submitted for a particular dwelling unit. The Zoning Administrator's decision may be appealed, to the Zoning Board of Appeals within a period of fifteen (15) days from the receipt of notice to the official's decision.

19. The dwelling unit shall contain no additions of rooms or other areas which are not constructed with similar quality workmanship as the original structure, including permanent attachment to the principal structure and construction of a foundation as required herein.

20. The dwelling unit shall comply with all pertinent building and fire codes. In the case of a mobile home, all construction and all plumbing, electrical apparatus and insulation within and connected to said mobile home shall be of a type and quality conforming to the "Mobile Home Construction and Safety Standards" as promulgated by the United States Department of Housing and Urban Development, being 24 CFR 3280, and as from time to time such standards may be amended.

21. All construction required herein shall be commenced only after a building permit has been obtained in accordance with the Building Code.

22. Each dwelling unit shall have an established vegetative ground cover no less than 12 months after occupancy. A minimum of one shade tree, two and one-half inches (2.5") in diameter, four feet (4') from the ground or one six foot (6') evergreen tree shall be provided. Existing landscaping may be accepted in lieu of this requirement.

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12. Each dwelling unit shall have an established vegetative ground cover no less than 12 months after occupancy. A minimum of one shade tree, two and one-half inches (2.5") in diameter, four feet (4') from the ground or one six foot (6') evergreen tree shall be provided. Existing landscaping may be accepted in lieu of this requirement.

13. Each dwelling unit shall have a garage or a shed providing a minimum of sixty-four square feet (64 sq. ft.) of yard storage for each dwelling unit. Said area shall be calculated separately from the required interior storage space.

This ordinance adopted:

Ayes: Gawron, Larson, Schweifler, Shepherd, Spataro, Warmington, Buie

Nayes: None

Adoption Date: April 23, 2002

Effective Date: May 9, 2002

First Reading: April 23, 2002

Second Reading: N/A

CITY OF MUSKEGON

By: Gail A Kundinger

Gail A. Kundinger, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 23rd day of April, 2002, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

DATED: April 23, 2002.

Gail Kundinger

Gail Kundinger, CMC/AAE
Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on April 23, 2002, the City Commission of the City of Muskegon adopted an ordinance to amend Section 2319 (Residential Design Criteria), of Article XXIII (General Provisions) of the City's Zoning Ordinance to add minimum requirements for floor size for all apartment units.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten days from the date of this publication.

Published April 29, 2002 CITY OF MUSKEGON

By ______________________________
Gail A. Kundinger
Its Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

Account No. 101-80400-5354

Commission Meeting Date: April 23, 2002

Date:	**April 15, 2002**
To:	**Honorable Mayor & City Commission**
From:	**Planning & Economic Development Department** CBC
RE:	**Public Hearing Date for Smartzone LDFA Plan**

SUMMARY OF REQUEST: To set the public hearing date for the Muskegon Lakeshore Smartzone LDFA Development and Tax Increment Financing Plan

FINANCIAL IMPACT: No direct impact. However, LDFA funds will be used to finance projects within the district boundaries.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends a public hearing be set for May 14, 2002.

COMMITTEE RECOMMENDATION: The LDFA board will meet on April 22, 2002 to review the plan.

2002-51(g)

RESOLUTION CALLING PUBLIC HEARING REGARDING APPROVAL OF THE DEVELOPMENT AND TAX INCREMENT FINANCING PLAN OF THE LOCAL DEVELOPMENT FINANCE AUTHORITY OF THE CITY OF MUSKEGON

CITY OF MUSKEGON
COUNTY OF MUSKEGON, MICHIGAN

Minutes of a regular meeting of the City Commission of the City of Muskegon, County of Muskegon, Michigan, held in the City offices, on the 23rd day of April, 2002, at 5:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Commissioners Buie, Gawron, Larson, Schweifler, Shepherd, Spataro, and Warmington

ABSENT: Commissioners None

The following preamble and resolution were offered by Commissioner Buie and supported by Commissioner Shepherd:

WHEREAS, pursuant to the provisions of Act 281, Public Acts of Michigan, 1986, as amended ("Act 281") the City of Muskegon (the "City"), by resolution (the "LDFA Resolution"), created the Local Development Finance Authority of the City of Muskegon (the "Authority"); and

WHEREAS, the City received a tentative designation for a SmartZone by the Michigan Economic Development Corporation; and

WHEREAS, to accommodate the possibility of additional growth and to participate in the SmartZone program, the City Commission created a new district, the Muskegon Lakeshore SmartZone, District 3 (the "New District") within which the Authority exercises its powers (the "District"); and

WHEREAS, on November 13, 2001, the LDFA Resolution was amended to incorporate the boundaries of the New District as a District of the Authority; and

WHEREAS, due to the addition of the New District to the Authority it is necessary and advisable to adopt a Development and Tax Increment Financing Plan for the New District (the "Plan"); and

WHEREAS, in accordance with the provisions of Act 281, the Authority has prepared and approved a Plan; and

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

WHEREAS, prior to approval of the Plan by the City Commission, it is necessary to conduct a public hearing in connection with consideration of the Plan as required by Act 281.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Commission hereby acknowledges receipt of the Plan from the Authority and directs the City Manager and the City Clerk to advise all local taxing jurisdictions of the Plan and the City Commission's intention to consider approval of the Plan.

2. A public hearing is hereby called for Tuesday the 14th day of May, 2002 at 5:30 p.m., Eastern Daylight Time, in the City Hall in the City to consider adoption by the City Commission of a resolution approving the Plan.

3. The City Clerk shall cause notice of said public hearing to be published in The Muskegon Chronicle, a newspaper of general circulation in the City, twice before the public hearing. The first publication of the notice shall be not less than 20 days before the date set for the public hearing. The notice shall be published as a display advertisement prominent in size.

4. The notice of the hearing shall be in substantially the following form:

CITY OF MUSKEGON
COUNTY OF MUSKEGON, STATE OF MICHIGAN

PUBLIC HEARING ON THE
DEVELOPMENT AND TAX INCREMENT FINANCING PLAN OF THE
LOCAL DEVELOPMENT FINANCE AUTHORITY OF THE CITY OF MUSKEGON

TO ALL INTERESTED PERSONS IN THE CITY OF MUSKEGON:

PLEASE TAKE NOTICE that the City Commission of the City of Muskegon, Michigan, will hold a public hearing on Tuesday, the 14th day of May, 2002, at 5:30 p.m., prevailing Eastern Time in the City Hall located at 933 Terrace Street, Muskegon, Michigan, to consider the adoption of a resolution approving the Development and Tax Increment Financing Plan for the Local Development Finance Authority of the City of Muskegon pursuant to Act 281 of the Public Acts of Michigan of 1986, as amended.

The property to which the proposed Development and Tax Increment Financing Plan applies is:

> Commonly referred to as the former Teledyne site, with a common address of 700 Terrace. A legal description is attached.

Copies of the proposed Development and Tax Increment Financing Plan, maps, plats, etc. are on file at the office of the City Clerk for inspection during regular business hours.

At the public hearing, all interested persons desiring to address the City Commission shall be afforded an opportunity to be heard in regard to the approval of the Development and Tax Increment Financing Plan for the Local Development Finance Authority of the City of Muskegon. All aspects of the of the Development and Tax Increment Financing Plan will be open for discussion at the public hearing.

FURTHER INFORMATION may be obtained from the City Clerk.

This notice is given by order of the City Commission of the City of Muskegon, Michigan.

Gail Kundinger
City Clerk

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

AYES: Commissioners Gawron, Larson, Schweifler, Shepherd, Spataro, Warmington, and Buie

NAYS: Commissioners None

RESOLUTION DECLARED ADOPTED.

Gail A. Kundinger
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on April 23, 2002, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Gail A. Kundinger
City Clerk

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

DELIB:2314385.1\063684-00031

DRIESENGA & ASSOCIATES, INC.

Engineering

Surveying

Testing

J990419
9-28-99

Teledyne Property being purchased by Lakefront Development, LLC

Part of Blocks 554 and 558 of the Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: COMMENCING at the most Southerly corner of Block 556 of said plat; thence North 62 degrees 44 minutes 00 seconds West 1248.69 feet along the Northerly line of Terrace Street extended; thence Westerly 269.86 feet along said Northerly line on a 302.48 foot radius curve to the left, the chord of which bears North 88 degrees 17 minutes 30 seconds West 261.00 feet; thence North 46 degrees 09 minutes 15 seconds West 85.84 feet along the line between Lots 5 and 6 of said Block 558 to the TRUE PLACE OF BEGINNING, said point being on the Northerly line of that parcel of land taken by the City of Muskegon for the construction of Shoreline Drive, a pedestrian walkway and the relocation of the railroad right of way, (said Northerly line being described in Schedule A attached to City of Muskegon Resolution No. 98-87(f) and adopted by the City Commission on July 28, 1998); thence continuing along said line between Lots 5 and 6 of said Block 558, North 46 degrees 09 minutes 15 seconds West 448.41 feet; thence North 27 degrees 25 minutes 55 seconds East 850.00 feet to an intermediate traverse line along the shore of Muskegon Lake, said point being called "A", (said point "A" being approximately 85' from the waters edge of Muskegon Lake; (the following eight (8) calls being along said intermediate traverse line) thence South 65 degrees 45 minutes 16 seconds East 874.97 feet; thence North 26 degrees 49 minutes 35 seconds East 136.75 feet; thence South 63 degrees 46 minutes 08 seconds East 283.79 feet; thence North 29 degrees 04 minutes 15 seconds East 189.14 feet; thence South 60 degrees 19 minutes 21 seconds East 182.84 feet; thence South 26 degrees 40 minutes 26 seconds East 320.52 feet; thence North 86 degrees 15 minutes 34 seconds East 281.56 feet; thence South 50 degrees 57 minutes 54 seconds East 490.90 feet to a point on the Northerly line of said parcel taken by the City, said point being called "B"; thence Northeasterly 131.86 feet, along a 1272.34 foot radius curve to the left, the chord of which bears North 70 degrees 58 minutes 46 seconds East 131.80 feet to the Northeasterly line of said Block 554; thence Northwest along said Northeasterly line to the waters edge of Muskegon Lake; thence recommencing at said point "B"(the following seven (7) calls being along the Northerly line of said parcel taken by the City), thence Southwesterly 416.86 feet, along a 1272.34 foot radius curve to the right, the chord of which bears South 83 degrees 20 minutes 04 seconds West 415.00 feet; thence North 87 degrees 16 minutes 46 seconds West 904.15 feet; thence North 02 degrees 43 minutes 14 seconds East 55.00 feet; thence North 87 degrees 16 minutes 46 seconds West 120.00 feet; thence South 02 degrees 43 minutes 14 seconds West 55.00 feet; thence North 87 degrees 16 minutes 46 seconds West 222.59 feet; thence Southwesterly 635.15 feet, along a 803.25 foot radius curve to the left, the chord of which bears South 70 degrees 04 minutes 05 seconds West 618.73 feet to the place of beginning. Together with all lands lying between the intermediate traverse line and the waters edge of Muskegon Lake and the Northeasterly line of said Block 554. Containing 34.2 acres more or less. Together with and subject to easements of record.

☐ 570 East 16th Street, Suite 400
Holland, Michigan 49423
Ph. (616) 396-0255
Fax (616) 396-0100

☐ 3522 Roger B. Chaffee
Grand Rapids, Michigan 49548
Ph. (616) 245-5710
Fax (616) 245-5725

■ 113 West Savidge Street
Spring Lake, Michigan 49456
Ph. (616) 846-1960
Fax (616) 846-9655

General Area of Muskegon Smart Zone

Parcel
Muskst

N
W E
S

Commission Meeting Date: April 23, 2002

Date:	**April 15, 2002**
To:	**Honorable Mayor & City Commission**
From:	**Planning & Economic Development Department** CBC
RE:	**Public Hearing Date for Seaway Business Park LDFA Plan**

SUMMARY OF REQUEST: To set the public hearing date for the Seaway Business Park LDFA Development and Tax Increment Financing Plan

FINANCIAL IMPACT: No direct impact. However, LDFA funds will be used to finance projects within the district boundaries.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends a public hearing be set for May 14, 2002.

COMMITTEE RECOMMENDATION: The LDFA board will meet on April 22, 2002 to review the plan.

NOTICE OF PUBLIC HEARING

CITY OF MUSKEGON
COUNTY OF MUSKEGON, MICHIGAN

ON THE ADOPTION OF THE
DEVELOPMENT AND TAX INCREMENT FINANCING PLAN
FOR THE
SEAWAY BUSINESS PARK
DISTRICT 4 LOCAL DEVELOPMENT FINANCE AUTHORITY

TO ALL INTERESTED PERSONS:

PLEASE TAKE NOTICE that the City Commission of the City of Muskegon, Michigan, will hold a public hearing on Tuesday, the 14th day of May, 2002 at 5:30 o'clock, p.m., Eastern Time, in the City Hall, 933 Terrace Street, Muskegon, Michigan, to consider the adoption of a resolution adopting the Development and Tax Increment Financing Plan for the Seaway Business Park, District 4 Local Development Financing Authority pursuant to the, Local Development Financing Authority Act, Act 281 of the Public Acts of Michigan of 1986, as amended.

The boundaries of the district within which the local development finance authority shall exercise its powers are as follows:

That part of the Southeast ¼ of the Northwest ¼, Section 31, Town 10 North, Range 16 West, City of Muskegon, Muskegon County, Michigan, bounded by Park Street on the East, Hackley Avenue on the South, Seaway Drive on the West, and Young Avenue on the North.

Maps, plats, and a description of the development plan, including the method of relocating families and individuals who may be displaced from the area, are available for public inspection at the office of the City Clerk, City Hall, 933 Terrace Street, Muskegon, MI. All aspects of the Development Plan will be open for discussion at the public hearing.

At the public hearing, any taxing entity affected by the capture of tax increment revenue and any interested persons desiring to address the City Commission shall be afforded the opportunity. Written comments may be filed at any time before or during the hearing with the City Clerk, and shall be received and considered before and at the hearing.

FURTHER INFORMATION may be obtained from the City Manager at (231) 724-6724.

This notice given by the order of the City Commission of the City of Muskegon, Michigan.

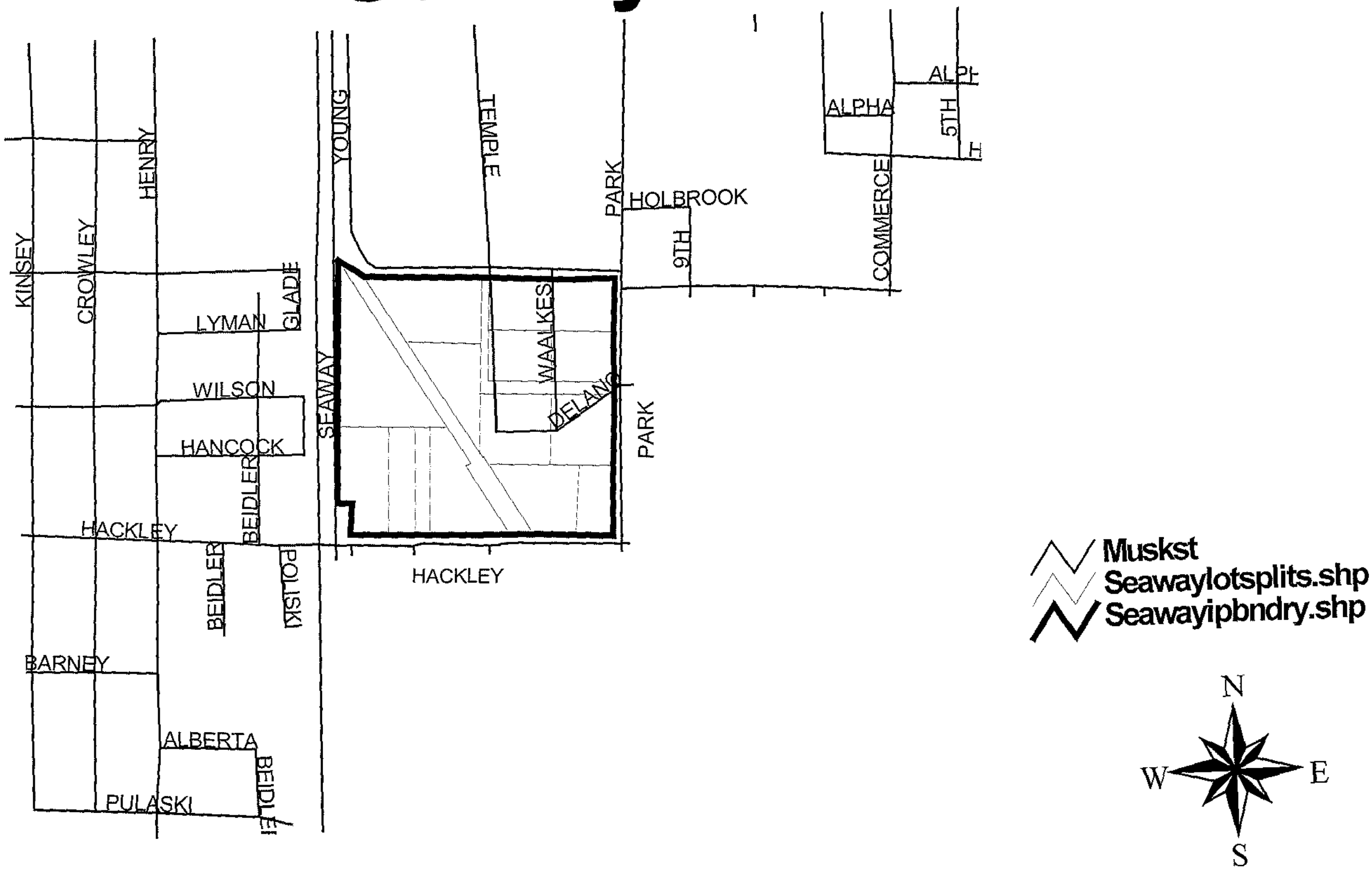
Clerk, City of Muskegon

Publish - two times, once on April 24th, in the Muskegon Chronicle, being 20 days before the hearing, and again on a date before the hearing.

Mail to all taxing jurisdictions.

Retain affidavits of mailing and publishing.

Seaway LDFA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Date: April 23, 2002

To: Honorable Mayor and City Commissioners

From: Engineering

RE: City – MDOT Agreement for:
Roberts Street, Keating to Laketon

SUMMARY OF REQUEST:

To approve the attached contract with MDOT for the milling & resurfacing of Roberts Street from Keating to Laketon and to approve the attached resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT:

MDOT participation is about $79,600 but not to exceed 81.85% of eligible cost. The estimated total (including engineering) cost of the project is $120,000.

BUDGET ACTION REQUIRED:

None at this time. The City's share of the cost will come out of the Major Street Fund as was budgeted.

STAFF RECOMMENDATION:

That the attached agreement and resolution be approved.

COMMITTEE RECOMMENDATION:

RESOLUTION 2002-51(i)

RESOLUTION FOR APPROVAL OF A CONTRACT AGREEMENT BETWEEN THE MICHIGAN DEPARTMENT OF TRANSPORTATION AND THE CITY OF MUSKEGON FOR THE MILLING & RESURFACING OF ROBERTS FROM KEATING TO LAKETON TOGETHER WITH NECESSARY RELATED WORK AND AUTHORIZATION FOR MAYOR STEPHEN J. WARMINGTON AND CITY CLERK GAIL A KUNDINGER TO EXECUTE SAID CONTRACT

Moved by Vice Mayor Buie and supported by

Commissioner Shepherd that the following Resolution be adopted:

WHEREAS, entry by the City of Muskegon into Contract no. **02-5121** between the Michigan Department of Transportation and the City of Muskegon for the resurfacing & widening of the southbound exit ramp at US-31 and Sherman Blvd. within the City is in the best interests of the City of Muskegon.

RESOLVED, that entry by the City into Contract Agreement Number **02-5121** be and the same is hereby authorized and approved and the Mayor and Clerk are authorized to execute said contract for and on behalf of the City of Muskegon.

Adopted this 23rd day of April, 2002.

BY

Stephen J. Warmington, Mayor

ATTEST Gail A. Kundinger

Gail A. Kundinger, City Clerk

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on April 23, **2002**. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By Gail A. Kundinger

Gail A. Kundinger, Clerk

JOHN ENGLER
GOVERNOR

GREGORY J. ROSINE
DIRECTOR

May 7, 2002

Ms. Gail Kundinger, Clerk
City of Muskegon
933 Terrace Street, P.O. Box 536
Muskegon, MI 49443-0536

Dear Ms. Kundinger:

RE:	MDOT Contract Number:	02-5121
	Control Section:	STU 61407
	Job Number:	49971

Enclosed is a fully executed copy of the above noted agreement.

Sincerely,

Jackie Burch

Jackie Burch
Contract Processing Specialist
Design Division

Enclosure

cc: D. Needham, Design Division
A. Christensen, Financial Operations Division
Grand Region Engineer

STP

DIR

Project	STP 0261(326)
Job Number	49971
Control Section	STU 61407
Fed Item #	HH 3160
Contract No.	02-5121

PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made and entered into this date of MAY 07 2002, by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF MUSKEGON, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in agreeing to the following improvements, in the City of Muskegon, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated March 21, 2002, attached hereto and made a part hereof:

Roadway reconstruction work along Roberts Street from Keating Avenue northerly to Laketon Avenue; including pavement removal, aggregate base conditioning, bituminous pavement, drainage structure adjustment, concrete curb and gutter, and pavement marking work; and all together with necessary related work.

WITNESSETH:

WHEREAS, pursuant to Federal law, monies have been provided for the performance of certain improvements on public roads; and

WHEREAS, the reference "FHWA" in PART I and PART II refers to the United States Department of Transportation, Federal Highway Administration; and

WHEREAS, the PROJECT, or portions of the PROJECT at the request of the REQUESTING PARTY, are being programmed with the FHWA, for implementation with the use of Federal Funds under the following Federal program(s) or funding:

SURFACE TRANSPORTATION PROGRAM

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written contract.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties hereto shall undertake and complete the PROJECT in accordance with the terms of this contract.

2. The term "PROJECT COST", as herein used, is hereby defined as the cost of the physical construction necessary for the completion of the PROJECT.

Costs for construction engineering and inspection incurred by the DEPARTMENT will be charged 100 percent to the REQUESTING PARTY. Any other costs incurred by the DEPARTMENT as a result of this contract will be at PROJECT COST.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering and inspection, and right-of-way are excluded from the PROJECT COST as defined by this contract.

3. The DEPARTMENT is authorized by the REQUESTING PARTY to administer on behalf of the REQUESTING PARTY all phases of the PROJECT including advertising and awarding the construction contract for the PROJECT or portions of the PROJECT. Such administration shall be in accordance with PART II, Section II of this contract.

Any items of the PROJECT COST incurred by the DEPARTMENT may be charged to the PROJECT.

4. The REQUESTING PARTY, at no cost to the PROJECT or to the DEPARTMENT, shall:

A. Design or cause to be designed the plans for the PROJECT.

B. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.

C. Perform or cause to be performed the construction engineering and inspection services necessary for the completion of the PROJECT.

The REQUESTING PARTY will furnish the DEPARTMENT proposed timing sequences for trunkline signals that, if any, are being made part of the improvement. No timing adjustments shall be made by the REQUESTING PARTY at any trunkline intersection, without prior issuances by the DEPARTMENT of Standard Traffic Signal Timing Permits.

5. The PROJECT COST shall be met in part by contributions by the Federal Government. Federal Surface Transportation Funds shall be applied to the eligible items of the PROJECT COST at the established Federal participation ratio equal to 81.85 percent up to an amount not to exceed $86,008. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

Any items of PROJECT COST not reimbursed by Federal Funds will be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required for this PROJECT.

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon the REQUESTING PARTY'S share of the actual costs incurred less Federal Funds earned as the PROJECT progresses.

In the event of any discrepancies between PART I and PART II, the provisions of PART I shall prevail.

7. Upon completion of construction of the PROJECT, the REQUESTING PARTY will promptly cause to be enacted and enforced such ordinances or regulations as may be necessary to prohibit parking in the roadway right-of-way throughout the limits of the PROJECT.

8. The performance of the entire PROJECT under this contract, whether Federally funded or not, will be subject to the provisions and requirements of PART II that are applicable to a Federally funded project.

9. The REQUESTING PARTY certifies that a) it is a person under 1995 PA 71 and is not aware of and has no reason to believe that the property is a facility as defined in MSA 13A.20101(1)(l); b) the REQUESTING PARTY further certifies that it has completed the tasks required by MCL 324.20126 (3)(h); MSA 13A.20126(3)(h); c) it conducted a visual inspection of property within the existing right of way on which construction is to be performed to determine if any hazardous substances were present; and at sites on which historically were located businesses that involved hazardous substances, it performed a reasonable investigation to determine whether hazardous substances exist. This reasonable investigation should include, at a minimum, contact with local, state and federal environmental agencies to determine if the site has been identified as, or potentially as, a site containing hazardous substances; d) it did not cause or contribute to the release or threat of release of any hazardous substance found within the PROJECT limits.

The REQUESTING PARTY also certifies that, in addition to reporting the presence of any hazardous substances to the Department of Environmental Quality, it has advised the DEPARTMENT of the presence of any and all hazardous substances which the REQUESTING PARTY found within the PROJECT limits, as a result of performing the investigation and visual inspection required herein. The REQUESTING PARTY also certifies that it has been unable to identify any entity who may be liable for the cost of remediation. As a result, the REQUESTING PARTY has included all estimated costs of remediation of such hazardous substances in its estimated cost of construction of the PROJECT.

10. If, subsequent to execution of this contract, previously unknown hazardous substances are discovered within the PROJECT limits, which require environmental remediation pursuant to either state or federal law, the REQUESTING PARTY, in addition to reporting that fact to the Department of Environmental Quality, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall consult with the REQUESTING PARTY to determine if it is willing to pay for the cost of remediation and, with the FHWA, to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall be charged for and shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT, in the event that remediation and delay costs are not deemed eligible by the FHWA. If the REQUESTING PARTY refuses to participate in the cost of remediation, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.

11. If federal and/or state funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the Department of Environmental Quality and the DEPARTMENT, shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the FHWA and/or the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.

12. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use funds provided by the Federal Highway Administration pursuant to Title 23 of the United States Code.

Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT or its agents pursuant to the terms of this contract are done to assist the REQUESTING PARTY in meeting program guidelines in order to qualify for available funds. Such approvals, reviews, inspections and recommendations by the DEPARTMENT or its agents shall not relieve the REQUESTING PARTY and the local agencies, as applicable, of their ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT or its agents is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT or its agents does not relieve the REQUESTING PARTY and the local agencies, as applicable of their exclusive jurisdiction of the highway and responsibility under MCL 691.1402, MSA 3.996(102).

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT or its agents is performing a governmental function, as that term is defined in MCL 691.1401; MSA 3.996(101), which is incidental to the completion of the PROJECT.

13. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402; MSA 3.996(102). Exclusive jurisdiction of such highway for the purposes of MCL 691.1402; MSA 3.996(102) rest with the REQUESTING PARTY and other local agencies having respective jurisdiction.

14. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.

15. The parties shall promptly provide comprehensive assistance and cooperation in defending and resolving any claims brought against the DEPARTMENT by the contractor, vendors or suppliers as a result of the DEPARTMENT'S award of the construction contract for the PROJECT. Costs incurred by the DEPARTMENT in defending or resolving such claims shall be considered PROJECT COSTS.

16. The DEPARTMENT shall require the contractor who is awarded the contract for the construction of the PROJECT to provide insurance in the amounts specified and in accordance with the DEPARTMENT'S current standard specifications for construction, and to:

A. Maintain bodily injury and property damage insurance for the duration of the PROJECT.

B. Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT and its officials, agents and employees, the REQUESTING PARTY and any other party with jurisdiction for the roadway being constructed as the PROJECT, and their employees, for the duration of the PROJECT and to provide copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume jurisdiction of the highway described as the PROJECT as a result of being named as an insured on the owners protective liability insurance policy.

C. Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current standard specifications for construction and to provide copies of notices and reports prepared to those insured.

17. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto and upon the adoption of the necessary resolutions approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed the day and year first above written.

CITY OF MUSKEGON

By Steve Warmington

Title: Steve Warmington
Mayor

By Gail Kundinger

Title: Gail Kundinger
City Clerk

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By Gary D. Taylor

Department Director MDOT

FORM APPROVED
4/1/02
ASSISTANT ATTORNEY GENERAL

WCS
REVIEWED
3-22-02
CONTRACT ADMIN

March 21, 2002

EXHIBIT I

PROJECT	STP 0261(326)
JOB NUMBER	49971
CONTROL SECTION	STU 61407

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	$97,300

COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	$97,300
Less Federal Funds*	$79,600
BALANCE (REQUESTING PARTY'S SHARE)	$17,700

*Federal Funds shall be applied to the eligible items of the PROJECT COST at a participation ratio equal to 81.85 percent up to an amount not to exceed $86,008.

NO DEPOSIT

DOT

TYPE B
BUREAU OF HIGHWAYS
03-15-93

PART II

STANDARD AGREEMENT PROVISIONS

SECTION I COMPLIANCE WITH REGULATIONS AND DIRECTIVES

SECTION II PROJECT ADMINISTRATION AND SUPERVISION

SECTION III ACCOUNTING AND BILLING

SECTION IV MAINTENANCE AND OPERATION

SECTION V SPECIAL PROGRAM AND PROJECT CONDITIONS

SECTION I

COMPLIANCE WITH REGULATIONS AND DIRECTIVES

A. To qualify for eligible cost, all work shall be documented in accordance with the requirements and procedures of the DEPARTMENT.

B. All work on projects for which reimbursement with Federal funds is requested shall be performed in accordance with the requirements and guidelines set forth in the following Directives of the Federal-Aid Policy Guide (FAPG) of the FHWA, as applicable, and as referenced in pertinent sections of Title 23 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.

1. Engineering

   a. FAPG (23 CFR 140G): Payroll & Related Expense of Public Employees; General Administration and Other Overhead; and Cost Accumulation Centers and Distribution Methods

   b. FAPG (6012.1): Preliminary Engineering

   c. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts

   d. FAPG (23 CFR 635A): Contract Procedures

2. Construction

   a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims

   b. FAPG (23 CFR 140B): Construction Engineering Costs

   c. FAPG (23 CFR 140G): Reimbursement for Employment of Public Employees on Federal-Aid Projects

   d. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies

   e. FAPG (23 CFR 635A): Contract Procedures

   f. FAPG (23 CFR 635B): Force Account Construction

   g. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

h. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)

i. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways

3. Modification Or Construction Of Railroad Facilities

a. FAPG (23 CFR 140I): Reimbursement for Railroad Work

b. FAPG (23 CFR 646B): Railroad Highway Projects

C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of $100,000.00 stipulate the following with respect to their specific jurisdictions:

1. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.

2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.

3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA List of Violating Facilities.

D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.

E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

SECTION II

PROJECT ADMINISTRATION AND SUPERVISION

A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.

B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by twenty percent (20%) the final engineer's estimate therefor. If such rejection of the bids is not received in writing within two (2) weeks after letting, the DEPARTMENT will assume concurrence. The DEPARTMENT may, upon request, readvertise the PROJECT. Should the REQUESTING PARTY so request in writing within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit less all costs incurred by the DEPARTMENT.

C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.

D. On those projects funded with Federal monies, the DEPARTMENT shall as may be required secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.

E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.

F. Should it be necessary or desirable that portions of the work covered by this contract be accomplished by a consulting firm, a railway company, or governmental agency, firm, person, or corporation, under a subcontract with the REQUESTING PARTY at PROJECT expense, such subcontracted arrangements will be covered by formal written agreement between the REQUESTING PARTY and that party.

This formal written agreement shall: include a reference to the specific prime contract to which it pertains; include provisions which clearly set forth the maximum reimbursable and the basis of payment; provide for the maintenance of accounting records in accordance with generally accepted accounting principles, which clearly document the actual cost of the services provided; provide that costs eligible for reimbursement shall be in accordance with clearly defined cost criteria such as 49 CFR Part 18, 48 CFR Part 31, 23 CFR Part 140, OMB Circular A-87, etc. as applicable; provide for access to the department or its representatives to inspect and audit all data and records related to the agreement for a minimum of three years after the department's final payment to the local unit.

All such agreements will be submitted for approval by the DEPARTMENT and, if applicable, by the FHWA prior to execution thereof, except for agreements for amounts less than $25,000 for preliminary engineering and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" FAPG (23 CFR 172), which do not require prior approval of the DEPARTMENT or the FHWA.

Any such approval by the DEPARTMENT shall in no way be construed as a warranty of the subcontractor's qualifications, financial integrity, or ability to perform the work being subcontracted.

G. The REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, shall make such arrangements with railway companies, utilities, etc., as may be necessary for the performance of work required for the PROJECT but for which Federal or other reimbursement will not be requested.

H. The REQUESTING PARTY, at no cost to the PROJECT, or the DEPARTMENT, shall secure, as necessary, all agreements and approvals of the PROJECT with railway companies, the Railroad Safety & Tariffs Division of the DEPARTMENT and other concerned governmental agencies other than the FHWA, and will forward same to the DEPARTMENT for such reviews and approvals as may be required.

I. No PROJECT work for which reimbursement will be requested by the REQUESTING PARTY is to be subcontracted or performed until the DEPARTMENT gives written notification that such work may commence.

J. The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of the work it agrees to undertake and perform.

K. The REQUESTING PARTY shall pay directly to the party performing the work all billings for the services performed on the PROJECT which are authorized by or through the REQUESTING PARTY.

L. The REQUESTING PARTY shall submit to the DEPARTMENT all paid billings for which reimbursement is desired in accordance with DEPARTMENT procedures.

M. All work by a consulting firm will be performed in compliance with the applicable provisions of 1980 PA 299, Subsection 2001, MCL 339.2001; MSA 18.425(2001), as well as in accordance with the provisions of all previously cited Directives of the FHWA.

N. The project engineer shall be subject to such administrative guidance as may be deemed necessary to ensure compliance with program requirement and, in those instances where a consultant firm is retained to provide engineering and inspection services, the personnel performing those services shall be subject to the same conditions.

O. The DEPARTMENT, in administering the PROJECT in accordance with applicable Federal and State requirements and regulations, neither assumes nor becomes liable for any obligations undertaken or arising between the REQUESTING PARTY and any other party with respect to the PROJECT.

P. In the event it is determined by the DEPARTMENT that there will be either insufficient Federal funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or issuing authorization for work performance, may cancel the PROJECT, or any portion thereof, and upon written notice to the parties this contract shall be void and of no effect with respect to that cancelled portion of the PROJECT. Any PROJECT deposits previously made by the parties on the cancelled portions of the PROJECT will be promptly refunded.

Q. Those projects funded with Federal monies will be subject to inspection at all times by the DEPARTMENT and the FHWA.

SECTION III

ACCOUNTING AND BILLING

A. Procedures for billing for work undertaken by the REQUESTING PARTY:

1. The REQUESTING PARTY shall establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this contract, said records to be hereinafter referred to as the "RECORDS". Separate accounts shall be established and maintained for all costs incurred under this contract.

   The REQUESTING PARTY shall maintain the RECORDS for at least three (3) years from the date of final payment of Federal Aid made by the DEPARTMENT under this contract. In the event of a dispute with regard to the allowable expenses or any other issue under this contract, the REQUESTING PARTY shall thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

   The DEPARTMENT, or its representative, may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.

   If any part of the work is subcontracted, the REQUESTING PARTY shall assure compliance with the above for all subcontracted work.

   In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this contract, or questions the allowability of an item of expense, the DEPARTMENT shall promptly submit to the REQUESTING PARTY, a Notice of Audit Results and a copy of the audit report which may supplement or modify any tentative findings verbally communicated to the REQUESTING PARTY at the completion of an audit.

   Within sixty (60) days after the date of the Notice of Audit Results, the REQUESTING PARTY shall: (a) respond in writing to the responsible Bureau or the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense and, (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE". The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the REQUESTING PARTY may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE shall refer to and apply the language of the contract. The REQUESTING PARTY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT shall make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the REQUESTING PARTY, the REQUESTING PARTY shall repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the REQUESTING PARTY fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the REQUESTING PARTY agrees that the DEPARTMENT shall deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the REQUESTING PARTY under this contract or any other agreement, or payable to the REQUESTING PARTY under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The REQUESTING PARTY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT'S decision only as to any item of expense the disallowance of which was disputed by the REQUESTING PARTY in a timely filed RESPONSE.

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, P.L. 98-502.

The REQUESTING PARTY shall adhere to the following requirements associated with audits of accounts and records:

a. Agencies expending a total of $300,000 or more in federal funds, from one or more funding sources in its fiscal year, shall comply with the requirements of the federal Office of Management and Budget (OMB) Circular A-133, as revised or amended.

The agency shall submit two copies of:

The Reporting Package
The Data Collection Form
The management letter to the agency, if one issued by the audit firm

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in the circular, as revised or amended.

b. Agencies expending less than $300,000 in federal funds must submit a letter to the Department advising that a circular audit was not required. The letter shall indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the Department federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.

c. Address: Michigan Department of Transportation
Bureau of Highways Technical Services
425 W. Ottawa, P.O. Box 30050
Lansing, MI 48909

d. Agencies must also comply with applicable State laws and regulations relative to audit requirements.

e. Agencies shall not charge audit costs to Department's federal programs which are not in accordance with the OMB Circular A-133 requirements.

f. All agencies are subject to the federally required monitoring activities, which may include limited scope reviews and other on-site monitoring.

2. Agreed Unit Prices Work - All billings for work undertaken by the REQUESTING PARTY on an agreed unit price basis will be submitted in accordance with the Michigan Department of Transportation Standard Specifications for Construction and pertinent FAPG Directives and Guidelines of the FHWA.

3. Force Account Work and Subcontracted Work - All billings submitted to the DEPARTMENT for Federal reimbursement for items of work performed on a force account basis or by any subcontract with a consulting firm, railway company, governmental agency or other party, under the terms of this contract, shall be prepared in accordance with the provisions of the pertinent FHPM Directives and the procedures of the DEPARTMENT. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than $1,000.00 shall be submitted unless it is a final or end of fiscal year

billing. All billings shall be labeled either "Progress Bill Number _______", or "Final Billing".

4. Final billing under this contract shall be submitted in a timely manner but not later than six months after completion of the work. Billings for work submitted later than six months after completion of the work will not be paid.

5. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with Federal monies, the DEPARTMENT will act as billing agent for the REQUESTING PARTY, consolidating said billings with those for its own force account work and presenting these consolidated billings to the FHWA for payment. Upon receipt of reimbursement from the FHWA, the DEPARTMENT will promptly forward to the REQUESTING PARTY its share of said reimbursement.

6. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will promptly forward to the REQUESTING PARTY reimbursement of eligible costs.

B. Payment of Contracted and DEPARTMENT Costs:

1. As work on the PROJECT commences, the initial payments for contracted work and/or costs incurred by the DEPARTMENT will be made from the working capital deposit. Receipt of progress payments of Federal funds, and where applicable, State Critical Bridge funds, will be used to replenish the working capital deposit. The REQUESTING PARTY shall make prompt payments of its share of the contracted and/or DEPARTMENT incurred portion of the PROJECT COST upon receipt of progress billings from the DEPARTMENT. Progress billings will be based upon the REQUESTING PARTY'S share of the actual costs incurred as work on the PROJECT progresses and will be submitted, as required, until it is determined by the DEPARTMENT that there is sufficient available working capital to meet the remaining anticipated PROJECT COSTS. All progress payments will be made within thirty (30) days of receipt of billings. No monthly billing of a lesser amount than $1,000.00 will be made unless it is a final or end of fiscal year billing. Should the DEPARTMENT determine that the available working capital exceeds the remaining anticipated PROJECT COSTS, the DEPARTMENT may reimburse the REQUESTING PARTY such excess. Upon completion of the PROJECT, payment of all PROJECT COSTS, receipt of all applicable monies from the FHWA, and completion of necessary audits, the REQUESTING PARTY will be reimbursed the balance of its deposit.

2. In the event that the bid, plus contingencies, for the contracted, and/or the DEPARTMENT incurred portion of the PROJECT work exceeds the estimated cost therefor as established by this contract, the REQUESTING PARTY may be advised and billed for the additional amount of its share.

C. General Conditions:

1. The DEPARTMENT, in accordance with its procedures in existence and covering the time period involved, shall make payment for interest earned on the balance of working capital deposits for all projects on account with the DEPARTMENT. The REQUESTING PARTY in accordance with DEPARTMENT procedures in existence and covering the time period involved, shall make payment for interest owed on any deficit balance of working capital deposits for all projects on account with the DEPARTMENT. This payment or billing is processed on an annual basis corresponding to the State of Michigan fiscal year. Upon receipt of billing for interest incurred, the REQUESTING PARTY promises and shall promptly pay the DEPARTMENT said amount.

2. Pursuant to the authority granted by law, the REQUESTING PARTY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified in PART I and PART II. If the REQUESTING PARTY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the REQUESTING PARTY and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the REQUESTING PARTY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the REQUESTING PARTY with payment thereof, and to notify the REQUESTING PARTY in writing of such fact.

3. Upon completion of all work under this contract and final audit by the DEPARTMENT or the FHWA, the REQUESTING PARTY promises to promptly repay the DEPARTMENT for any disallowed items of costs previously disbursed by the DEPARTMENT. The REQUESTING PARTY pledges its future receipts from the Michigan Transportation Fund for repayment of all disallowed items and, upon failure to make repayment for any disallowed items within ninety (90) days of demand made by the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold an equal amount from the REQUESTING PARTY'S share of any future distribution of Michigan Transportation Funds in settlement of said claim.

4. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT and upon completion of the PROJECT, payment of all items of PROJECT COST, receipt of all Federal Aid, if any, and completion of final audit by the DEPARTMENT and if applicable, by the FHWA, shall make final accounting to the REQUESTING PARTY. The final PROJECT accounting will not include interest earned or charged on working capital deposited for the PROJECT which will be accounted for separately at the close of the State of Michigan fiscal year and as set forth in Section C(1).

5. The costs of engineering and other services performed on those projects involving specific program funds and one hundred percent (100%) local funds will be apportioned to the respective portions of that project in the same ratio as the actual direct construction costs unless otherwise specified in PART I.

SECTION IV

MAINTENANCE AND OPERATION

A. Upon completion of construction of each part of the PROJECT, at no cost to the DEPARTMENT or the PROJECT, each of the parties hereto, within their respective jurisdictions, will make the following provisions for the maintenance and operation of the completed PROJECT:

1. All Projects:

   Properly maintain and operate each part of the project, making ample provisions each year for the performance of such maintenance work as may be required, except as qualified in paragraph 2b of this section.

2. Projects Financed in Part with Federal Monies:

   a. Sign and mark each part of the PROJECT, in accordance with the current Michigan Manual of Uniform Traffic control Devices, and will not install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the FHWA, pursuant to 23 USC 109(d).

   b. Remove, prior to completion of the PROJECT, all encroachments from the roadway right-of-way within the limits of each part of the PROJECT.

      With respect to new or existing utility installations within the right-of-way of Federal Aid projects and pursuant to FAPG (23 CFR 645B): Occupancy of non-limited access right-of-way may be allowed based on consideration for traffic safety and necessary preservation of roadside space and aesthetic quality. Longitudinal occupancy of non-limited access right-of-way by private lines will require a finding of significant economic hardship, the unavailability of practicable alternatives or other extenuating circumstances.

   c. Cause to be enacted, maintained and enforced, ordinances and regulations for proper traffic operations in accordance with the plans of the PROJECT.

   d. Make no changes to ordinances or regulations enacted, or traffic controls installed in conjunction with the PROJECT work without prior review by the DEPARTMENT and approval of the FHWA, if required.

B. On projects for the removal of roadside obstacles, the parties, upon completion of construction of each part of the PROJECT, at no cost to the PROJECT or the DEPARTMENT, will, within their respective jurisdictions, take such action as is necessary to assure that the roadway right-of-way, cleared as the PROJECT, will be maintained free of such obstacles.

C. On projects for the construction of bikeways, the parties will enact no ordinances or regulations prohibiting the use of bicycles on the facility hereinbefore described as the PROJECT, and will amend any existing restrictive ordinances in this regard so as to allow use of this facility by bicycles. No motorized vehicles shall be permitted on such bikeways or walkways constructed as the PROJECT except those for maintenance purposes.

D. Failure of the parties hereto to fulfill their respective responsibilities as outlined herein may disqualify that party from future Federal-aid participation in projects on roads or streets for which it has maintenance responsibility. Federal Aid may be withheld until such time as deficiencies in regulations have been corrected, and the improvements constructed as the PROJECT are brought to a satisfactory condition of maintenance.

SECTION V

SPECIAL PROGRAM AND PROJECT CONDITIONS

A. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the acquisition of right-of-way must be under construction by the close of the twentieth (20th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that right-of-way.

B. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the performance of preliminary engineering must be under construction by the close of the tenth (10th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that preliminary engineering.

C. On those projects funded with Federal monies, the REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, will provide such accident information as is available and such other information as may be required under the program in order to make the proper assessment of the safety benefits derived from the work performed as the PROJECT. The REQUESTING PARTY will cooperate with the DEPARTMENT in the development of reports and such analysis as may be required and will, when requested by the DEPARTMENT, forward to the DEPARTMENT, in such form as is necessary, the required information.

D. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.

E. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

APPENDIX A
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Act No. 453, Public Acts of 1976, the contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or as a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. Further, in accordance with Act No. 220, Public Acts of 1976 as amended by Act No. 478, Public Acts of 1980 the contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants shall be regarded as a material breach of this contract.

2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.

3. The contractor will take affirmative action to insure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status or a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

4. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.

5. The contractor or his collective bargaining representative will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the contractor's commitments under this appendix.

6. The contractor will comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission which may be in effect prior to the taking of bids for any individual state project.

7. The contractor will furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission, said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor as well as the contractor himself, and said contractor will permit access to his books, records, and accounts by the Michigan Civil Rights Commission and/or its agent, for purposes of investigation to ascertain compliance with this contract and relevant with rules, regulations, and orders of the Michigan Civil Rights Commission.

8. In the event that the Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this agreement, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the Administrative Board of the State of Michigan, which Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, and including the governing boards of institutions of higher education, until the contractor complies with said order of the Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Civil Rights Commission to participate in such proceedings.

9. The contractor will include, or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Michigan Civil Rights Commission, and will provide in every subcontract or purchase order that said provisions will be binding upon each subcontractor or seller.

March, 1998

(Rev. 03/92)

APPENDIX B

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations: The contractor shall comply with the Regulations relative to nondiscrimination in Federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 27, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination: The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or natural origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. Information and Reports: The contractor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Michigan Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the Michigan Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Michigan Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:

   (a) Withholding of payments to the contractor under the contract until the contractor complies, and/or

   (b) Cancellation, termination, or suspension of the contract, in whole or in part.

6. Incorporation of Provisions: The contractor shall include the provisions of paragraphs 1 through 6 of every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Michigan Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for non-compliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Michigan Department of Transportation to enter into such litigation to protect the interests of the State, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX C

TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)

A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

> **The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).**

B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

> **The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.**

Commission Meeting Date: April 23, 2002

Date:	**April 17, 2002**
To:	**Honorable Mayor & City Commission**
From:	**Planning & Economic Development Department** CBC
RE:	**Grant Request- Michigan Council for Arts and Cultural Affairs/Muskegon County Museum**

SUMMARY OF REQUEST: To authorize a grant request to the Michigan Council for Arts and Cultural Affairs (MCACA) on behalf of the Muskegon County Museum in the amount of $100,000. The request is for the renovation of the Zemke House on Clay Avenue.

FINANCIAL IMPACT: None. Match requirements and other funding will come from the Muskegon County Museum.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: None.

Michigan Department of History Arts and Libraries
Michigan Council for Arts and Cultural Affairs
P.O. Box 30706
Lansing, MI 48909

Capital Improvements Program
CERTIFICATION OF MATCHING FUNDS
Fiscal Year 2003

Amount of Grant Funds requested for fiscal year 2003:
$100,000

Amount of matching funds for fiscal year 2003 (indicate the amounts, types, and sources of all matching funds)

Local Funds

Source	**Amount**
Cash	$ 134,420
State Funds	$ 0
In-Kind	$ 20,000
Total	$ 154,420

Certification:
I do hereby certify that the above amount of local matching funds is accurate and represents the best estimate of funds which are currently, or will become available before the start of the grant, to the Capital Improvements Program for Fiscal Year 2003.

Steve Warmington
Name of Authorized Official (print or type)

Mayor City of Muskegon
Title of Authorized official (print or type)

Signature of Authorized Official

4/23/2002
Date

Nonprofit, subgrantee information, if applicable:

William Loxterman
Name of Authorized Official (print or type)

President of the Board MCM
Title of Authorized official (print or type)

Will. Loxterman
Signature of Authorized Official

4/21/2002
Date

NOTE: This form must be completed and signed by County, City, township, or village representative !!

Rev. 10/29/01

Date: April 23, 2002

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: First Quarter 2002 Budget Reforecast

SUMMARY OF REQUEST: At this time staff is transmitting the ***First Quarter 2002 Budget Reforecast*** which outlines proposed changes to the original budget that have come about as result of changes in policy priorities, labor contracts, updated information, or other factors. For the next meeting, an action item will be placed on the agenda for adoption of the proposed first quarter budget reforecast together with any additional changes deemed necessary by Commissioners.

FINANCIAL IMPACT: Not surprisingly, the first quarter *2002 Budget Reforecast* reflects a falloff in expected general fund revenues due to the economy. Significant adjustments have been made in the areas of city income tax, state shared revenues and interest income. Helping offset these losses are stronger than expected building permit revenues and income tax penalties.

General fund expenditures are expected to be slightly less than originally anticipated. This is due primarily to: 1) the elimination of the Community Center Design capital item based on recent Commission goal prioritization and, 2) the elimination of the scheduled Budget Stabilization fund transfer because the City was able to fund this item in 2001. Offsetting these positives, however, are higher than anticipated insurance and legal service costs. Also, on a positive note, we're pleased to report that healthcare costs will remain within budget expectations based on the recent selection of Priority Health.

BUDGET ACTION REQUIRED: Self-explanatory.

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

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

CITY OF MUSKEGON
GENERAL FUND

HISTORICAL SUMMARY

Year	Revenues & Transfers In	Expenditures & Transfers Out	Fund Balance at Year-End
1992	$ 11,297,076	$ 11,282,444	$ 1,538,372
1993	13,990,266	13,231,208	2,297,430
1994	15,301,973	15,572,689	2,026,714
1995	16,633,179	16,337,586	2,322,307
1996	17,666,214	18,018,159	1,970,362
1997	20,437,646	20,358,321	2,049,687
1998	21,643,855	21,634,467	2,059,075
1999	21,451,681	22,011,881	1,498,875
2000	23,685,516	22,232,657	2,951,734
2001	23,446,611	23,235,978	3,162,367

Fiscal 2002 Budget Summary

FUND BALANCE AT START OF YEAR		$ 3,162,367
MEANS OF FINANCING:		
Taxes	13,237,426	56.5%
Licenses and Permits	1,016,500	4.3%
Federal Grants	208,705	0.9%
State Grants	73,269	0.3%
State Shared Revenue	5,502,601	23.5%
Other Charges	2,014,543	8.6%
Interest & Rentals	488,043	2.1%
Fines and Fees	357,200	1.5%
Other Revenue	366,435	1.6%
Other Financing Sources	177,400	0.8%
	23,442,122	100.0%
ESTIMATED REQUIREMENTS:		
Customer Value Added Activities	17,411,032	70.7%
Business Value Added Activities	4,129,684	16.8%
Fixed Budget Items	3,081,743	12.5%
	24,622,460	100.0%
ESTIMATED FUND BALANCE AT END OF YEAR		$ 1,982,029
OPERATING SURPLUS (DEFICIT)		$ (1,180,338)
TARGET FUND BALANCE (10% PY EXPENDITURES)		$ 2,323,598
ESTIMATED EXCESS (SHORTFALL) vs. TARGET		$ (341,569)

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Revenue Summary By Source

	Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Revised Budget Estimate 2002	Change From 2002 Original	% Change From 2002 Original	Comments
Available Fund Balance - BOY	$ 2,059,875	$ 2,951,735	$ 3,124,987	$ 3,162,368	$ 3,162,368	$ 37,381		
Taxes								
City income tax	$ 7,078,571	$ 6,820,171	$ 6,850,000	$ 1,641,480	$ 6,650,000	$ (200,000)	-2.92%	ECONOMIC SLOWDOWN
Property taxes - general	3,686,780	3,940,343	4,219,038	-	4,219,038	-	0.00%	
Property taxes - sanitation	1,630,491	1,670,955	1,808,160	-	1,808,160	-	0.00%	
Property taxes - pass-thru from LDFA II	-	-	103,000	-	103,000	-	0.00%	
Industrial facilities taxes	362,676	353,742	367,228	-	367,228	-	0.00%	
Payments in lieu of taxes	69,148	75,758	80,000	-	80,000	-	0.00%	
Delinquent chargeback collected	3,769	17,514	10,000	5,548	10,000	-	0.00%	
	$ 12,831,435	$ 12,878,483	$ 13,437,426	$ 1,647,028	$ 13,237,426	$ (200,000)	-1.49%	
Licenses and permits								
Business licenses	$ 32,363	$ 31,239	$ 37,500	$ 3,370	$ 37,500	$ -	0.00%	
Liquor licenses	35,511	36,427	37,500	6,110	37,500	-	0.00%	
Cable TV franchise fees	327,004	204,820	250,000	-	250,000	-	0.00%	
Housing licenses	62,965	66,126	75,000	16,590	75,000	-	0.00%	
Burial permits	104,160	98,735	100,000	23,628	100,000	-	0.00%	
Building permits	368,333	333,798	250,000	102,408	300,000	50,000	20.00%	STRONG ACTIVITY
Electrical permits	87,692	127,055	75,000	26,308	100,000	25,000	33.33%	STRONG ACTIVITY
Plumbing permits	45,147	48,863	45,000	9,814	45,000	-	0.00%	
Heating permits	62,847	65,495	70,000	16,230	70,000	-	0.00%	
Franchise fees	1,100	-	1,000	-	1,000	-	0.00%	
Police gun registration	1,879	2,040	-	325	500	500	0.00%	
	$ 1,129,001	$ 1,014,598	$ 941,000	$ 204,783	$ 1,016,500	$ 75,500	8.02%	
Federal grants								
Federal operational grant	$ 522,111	$ 417,925	$ 208,705	$ 2,289	$ 208,705	$ -	0.00%	
	$ 522,111	$ 417,925	$ 208,705	$ 2,289	$ 208,705	$ -	0.00%	
State grants								
State operational grant	$ -	$ 17,569	$ 73,269	$ -	$ 73,269	$ -	0.00%	
	$ -	$ 17,569	$ 73,269	$ -	$ 73,269	$ -	0.00%	
State shared revenue								
State sales tax	$ 5,486,712	$ 5,748,523	$ 5,750,000	$ -	$ 5,502,601	$ (247,399)	-4.30%	MOST RECENT FIGURES FROM STATE
	$ 5,486,712	$ 5,748,523	$ 5,750,000	$ -	$ 5,502,601	$ (247,399)	-4.30%	

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Revenue Summary By Source

	Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Revised Budget Estimate 2002	Change From 2002 Original	% Change From 2002 Original	Comments
Other charges for sales and services								
Tax administration fees	$ 224,399	$ 232,349	$ 250,000	$ -	$ 250,000	$ -	0.00%	
Utility administration fees	166,032	175,215	174,965	43,741	174,965	-	0.00%	
Reimbursement for elections	30,568	20,534	12,000	-	12,000	-	0.00%	
Indirect cost reimbursement	925,008	908,256	941,778	223,020	941,778	-	0.00%	
Site-plan review fee	1,800	895	1,000	226	1,000	-	0.00%	
Sale of cemetery lots	24,269	25,275	18,000	3,933	18,000	-	0.00%	
Sale of columbarium niches	1,325	-	1,000	-	1,000	-	0.00%	
Sale of Harbortown dockominiums	-	-	-	-	-	-	0.00%	
Police miscellaneous	67,711	48,873	65,000	7,543	65,000	-	0.00%	
Police impound fees	38,576	37,781	45,000	9,005	45,000	-	0.00%	
Landlord's alert fee	-	1,630	1,800	1,465	1,800	-	0.00%	
Fire protection-state property	83,093	82,087	85,000	-	85,000	-	0.00%	
Zoning fees	9,325	13,915	10,000	2,470	10,000	-	0.00%	
Clerk fees	2,586	1,391	5,000	287	5,000	-	0.00%	
Clerk - passport fees	-	-	7,500	-	7,500	-	0.00%	
IFT application fees	9,917	4,944	2,500	-	2,500	-	0.00%	
Treasurer fees	26,934	33,708	22,000	1,935	22,000	-	0.00%	
False alarm fees	16,439	18,806	10,000	150	10,000	-	0.00%	
Miscellaneous cemetery income	21,224	24,118	21,000	2,986	21,000	-	0.00%	
Housing commission reimbursement	23,503	-	-	-	-	-	0.00%	
Senior transit program fees	8,261	7,986	8,000	1,309	8,000	-	0.00%	
Fire miscellaneous	25,798	9,012	25,000	227	25,000	-	0.00%	
Sanitation stickers	43,280	42,355	38,000	7,026	38,000	-	0.00%	
Lot cleanup fees	96,998	74,584	70,000	14,024	70,000	-	0.00%	
Reimbursements for mowings and demolitions	107,400	75,099	70,000	1,272	70,000	-	0.00%	
Recreation program fees	138,866	133,183	130,000	17,598	130,000	-	0.00%	
	$ 2,093,312	$ 1,971,996	$ 2,014,543	$ 338,217	$ 2,014,543	$ -	0.00%	
Interest and rental income								
Interest	$ 411,444	$ 331,923	$ 400,000	$ 18,300	$ 290,000	$ (110,000)	-27.50%	INTEREST RATES ARE EXTREMELY LOW
Flea market	25,269	22,157	27,000	-	27,000	-	0.00%	
Farmers market	22,040	26,475	23,000	-	23,000	-	0.00%	
City right of way rental	6,400	6,400	4,400	2,400	4,400	-	0.00%	
Parking ramp rentals	46,819	22,069	32,000	19,839	32,000	-	0.00%	
Mall parking	-	-	-	-	25,000	25,000	0.00%	PAYMENTS FOR USE OF MALL PARKING
McGraft park rentals	55,518	53,758	54,443	1,750	54,443	-	0.00%	
Other park rentals	31,919	28,081	32,200	8,071	32,200	-	0.00%	
	$ 599,409	$ 490,863	$ 573,043	$ 50,360	$ 488,043	$ (85,000)	-14.83%	

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Revenue Summary By Source

	Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Revised Budget Estimate 2002	Change From 2002 Original	% Change From 2002 Original	Comments
Fines and fees								
Income tax - penalty and interest	$ 70,290	$ 95,916	$ 65,000	$ 33,824	$ 100,000	$ 35,000	53.85%	AGGRESSIVE ENFORCEMENT; AUTO BILLIN(
Late fees on current taxes	40,167	27,220	15,000	-	15,000	-	0.00%	
Interest on late invoices	329	730	1,200	-	1,200	-	0.00%	
Civil infraction fines	-	-	-	-	-	-	0.00%	
Property transfer affidavit fines	6,400	1,900	1,000	-	1,000	-	0.00%	
Parking fines	41,829	74,056	80,000	18,575	80,000	-	0.00%	
Court fines	179,662	150,735	160,000	29,281	160,000	-	0.00%	
	$ 338,677	$ 350,557	$ 322,200	$ 81,680	$ 357,200	$ 35,000	10.86%	
Other revenue								
Sale of land and assets	$ 350	$ -	$ 3,000	$ -	$ 3,000	$ -	0.00%	
Police sale and auction proceeds	3,214	3,706	4,000	-	4,000	-	0.00%	
CDBG program reimbursements	391,573	322,587	280,000	-	317,435	37,435	13.37%	
Contributions	68,993	33,592	11,000	1,075	11,000	-	0.00%	
Muskegon County Community Foundation	-	-	7,000	-	7,000	-	0.00%	
Miscellaneous reimbursements	-	-	4,000	-	4,000	-	0.00%	
Miscellaneous and sundry	13,093	17,755	20,000	3,698	20,000	-	0.00%	
	$ 477,223	$ 377,640	$ 329,000	$ 4,773	$ 366,435	$ 37,435	11.38%	
Other financing sources								
Operating transfers in								
Cemetery Perpetual Care	63,858	67,373	70,000	$ -	70,000	-	0.00%	
Criminal Forfeitures Fund	75,000	60,000	75,000	-	75,000	-	0.00%	
Police Training Fund	36,286	31,142	15,000	-	15,000	-	0.00%	
DDA for Administration	30,000	10,000	10,000	2,500	10,000	-	0.00%	
Reese Playfield Fund	1,827	4,333	1,800	-	1,800	-	0.00%	
RLF for Administration	-	5,000	5,000	1,250	5,000	-	0.00%	
Hackley Park Improvement Fund	51	-	-	-	-	-	0.00%	
Hackley Park Memorial Fund	614	609	600	-	600	-	0.00%	
	$ 207,636	$ 178,457	$ 177,400	$ 3,750	$ 177,400	$ -	0.00%	
Total general fund revenues and other sources	$ 23,685,516	$ 23,446,611	$ 23,826,586	$ 2,332,880	$ 23,442,122	$ (384,464)	-1.61%	

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 20012Original	Comments
	I. Customer Value Added Activities								
40301	**Police Department**								
5100	Salaries & Benefits	$ 5,825,308	$ 5,803,534	$ 6,213,479	$ 1,236,564	20%	$ 6,193,479	$ (20,000)	VACANCY SAVINGS
5200	Operating Supplies	159,537	154,660	136,994	25,305	18%	136,994	-	
5300	Contractual Services	953,985	951,902	892,201	245,783	28%	892,201	-	
5400	Other Expenses	54,242	54,675	31,621	22,977	45%	51,621	20,000	TWO NEW OFFICERS IN POLICE ACADEMY
5700	Capital Outlays	207,553	87,593	68,219	4,496	7%	68,219	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 7,200,625	$ 7,052,364	$ 7,342,514	$ 1,535,125	21%	$ 7,342,514	$ -	
		$ 7,200,625	$ 7,052,364	$ 7,342,514	$ 1,535,125	21%	$ 7,342,514	$ -	
50336	**Fire Department**								
5100	Salaries & Benefits	$ 2,708,005	$ 2,930,180	$ 2,942,864	$ 673,304	23%	$ 2,942,864	$ -	
5200	Operating Supplies	97,561	92,307	100,000	17,261	17%	100,000	-	
5300	Contractual Services	133,101	149,605	150,000	25,052	17%	150,000	-	
5400	Other Expenses	10,051	12,785	20,000	5,224	26%	20,000	-	
5700	Capital Outlays	38,636	32,714	31,993	11,610	36%	31,993	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 2,987,354	$ 3,217,591	$ 3,244,857	$ 732,451	23%	$ 3,244,857	$ -	
50387	**Fire Safety Inspections**								
5100	Salaries & Benefits	$ 623,329	$ 579,330	$ 596,927	$ 124,371	20%	$ 611,927	$ 15,000	PLUMBING/MECHANICAL INSPECTOR INCREASE
5200	Operating Supplies	17,135	25,077	32,500	3,923	12%	32,500	-	
5300	Contractual Services	247,418	232,848	270,111	64,703	24%	270,111	-	
5400	Other Expenses	11,070	8,109	15,000	1,533	10%	15,000	-	
5700	Capital Outlays	9,838	15,215	6,500	227	3%	6,500	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 908,790	$ 860,579	$ 921,038	$ 194,757	21%	$ 936,038	$ 15,000	
		$ 3,896,144	$ 4,078,170	$ 4,165,895	$ 927,208	22%	$ 4,180,895	$ 15,000	
60523	**General Sanitation**								
5100	Salaries & Benefits	$ 66,335	$ 67,901	$ 75,369	$ 12,977	17%	$ 75,369	$ -	
5200	Operating Supplies	690	1,006	1,400	162	12%	1,400	-	
5300	Contractual Services	1,308,314	1,351,420	1,432,223	215,564	15%	1,432,223	-	
5400	Other Expenses	-	83	5,000	-	0%	5,000	-	
5700	Capital Outlays	24,360	24,847	50,000	-	0%	50,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 1,399,699	$ 1,445,257	$ 1,563,992	$ 228,703	15%	$ 1,563,992	$ -	
60528	**Recycling**								
5100	Salaries & Benefits	$ -	$ -	$ -		N/A	$ -	$ -	
5200	Operating Supplies	-	-	-		N/A	-	-	
5300	Contractual Services	263,478	257,926	269,043	42,966	16%	269,043	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	3,305	1,500	-	0%	1,500	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 263,478	$ 261,231	$ 270,543	$ 42,966	16%	$ 270,543	$ -	

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 20012Original	Comments
60550	**Stormwater Management**								
5100	Salaries & Benefits	$ -	$ -	$ 64,260	$ -	0%	$ 64,260	$ -	
5200	Operating Supplies	-	-	4,000	-	0%	4,000	-	
5300	Contractual Services	-	-	62,665	14,960	24%	62,665	-	
5400	Other Expenses	-	-	1,000	-	0%	1,000	-	
5700	Capital Outlays	-	-	5,000	-	0%	5,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ -	$ -	$ 136,925	$ 14,960	11%	$ 136,925	$ -	
60448	**Streetlighting**								
5100	Salaries & Benefits	$ 10,601	$ 11,387	$ 8,329	$ 1,856	22%	$ 8,329	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	507,599	504,551	530,450	85,338	16%	530,450	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 518,200	$ 515,938	$ 538,779	$ 87,194	16%	$ 538,779	$ -	
60707	**Senior Citizen Transit**								
5100	Salaries & Benefits	$ 44,554	$ 44,925	$ 44,349	$ 9,411	21%	$ 44,349	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	5,450	7,100	5,850	2,730	47%	5,850	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 50,004	$ 52,025	$ 50,199	$ 12,141	24%	$ 50,199	$ -	
60446	**Community Event Support**								
5100	Salaries & Benefits	$ 113,420	$ 77,841	$ 82,903	$ 3,653	4%	$ 82,903	$ -	
5200	Operating Supplies	14,743	1,971	3,000	-	0%	3,000	-	
5300	Contractual Services	45,757	31,071	15,000	71	0%	15,000	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 173,920	$ 110,883	$ 100,903	$ 3,724	4%	$ 100,903	$ -	
		$ 2,405,301	$ 2,385,334	$ 2,661,341	$ 389,688	15%	$ 2,661,341	$ -	
70751	**Parks Maintenance**								
5100	Salaries & Benefits	$ 410,877	$ 470,749	$ 556,037	$ 89,623	16%	$ 556,037	$ -	
5200	Operating Supplies	188,503	240,998	180,344	13,500	7%	180,344	-	
5300	Contractual Services	509,593	596,720	491,277	69,241	14%	491,277	-	
5400	Other Expenses	2,939	2,905	5,000	1,905	38%	5,000	-	
5700	Capital Outlays	53,703	75,959	75,000	30,553	41%	75,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 1,165,615	$ 1,387,331	$ 1,307,658	$ 204,822	16%	$ 1,307,658	$ -	

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 20012Original	Comments
70757	**Mc Graft Park Maintenance**								
5100	Salaries & Benefits	$ 10,522	$ 5,030	$ 15,622	$ 725	5%	$ 15,622	$ -	
5200	Operating Supplies	3,862	4,918	4,250	579	14%	4,250	-	
5300	Contractual Services	43,985	42,488	23,700	1,429	6%	23,700	-	
5400	Other Expenses	210	238	200	-	0%	200	-	
5700	Capital Outlays	283	65	9,280	-	0%	9,280	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 58,862	$ 52,739	$ 53,052	$ 2,733	5%	$ 53,052	$ -	
70775	**General Recreation Programs**								
5100	Salaries & Benefits	$ 117,149	$ 140,436	$ 182,701	$ 12,799	7%	$ 182,701	$ -	
5200	Operating Supplies	31,912	43,244	33,000	12,190	37%	33,000	-	
5300	Contractual Services	115,122	108,318	88,000	6,914	8%	88,000	-	
5400	Other Expenses	2,969	4,068	3,786	944	25%	3,786	-	
5700	Capital Outlays	4,344	288	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 271,496	$ 296,354	$ 307,487	$ 32,847	11%	$ 307,487	$ -	
70776	**Inner City Recreation Programs**								
5100	Salaries & Benefits	$ 135,718	$ 142,997	$ 142,897	$ 21,592	15%	$ 142,897	$ -	
5200	Operating Supplies	10,781	8,172	18,730	346	2%	18,730	-	
5300	Contractual Services	29,995	27,246	41,685	3,300	8%	41,685	-	
5400	Other Expenses	2,896	5,184	3,000	704	23%	3,000	-	
5700	Capital Outlays	-	95	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 179,390	$ 183,694	$ 206,312	$ 25,942	13%	$ 206,312	$ -	
70276	**Cemeteries Maintenance**								
5100	Salaries & Benefits	$ 184,070	$ 185,819	$ 182,578	$ 40,199	22%	$ 182,578	$ -	
5200	Operating Supplies	13,440	21,908	25,000	259	1%	25,000	-	
5300	Contractual Services	246,091	263,671	275,000	10,667	4%	275,000	-	
5400	Other Expenses	568	1,199	1,000	100	10%	1,000	-	
5700	Capital Outlays	19,930	33,975	24,835	7,803	66%	11,835	(13,000)	MOWER PURCHASE DEFERRED FOR HIGHER
5900	Other Financing Uses	-	-	-	-	N/A	-	-	THAN EXPECTED BLDG RENOVATION COSTS
		$ 464,099	$ 506,572	$ 508,413	$ 59,028	12%	$ 495,413	$ (13,000)	
70585	**Parking Operations**								
5100	Salaries & Benefits	$ 13,182	$ 13,439	$ 13,654	$ 3,378	25%	$ 13,654	$ -	
5200	Operating Supplies	2,316	2,476	2,924	219	7%	2,924	-	
5300	Contractual Services	27,501	32,854	35,000	9,139	13%	71,000	36,000	MALL PARKING LOTS
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 42,999	$ 48,769	$ 51,578	$ 12,736	15%	$ 87,578	$ 36,000	
70771	**Forestry**								
5100	Salaries & Benefits	$ 89,755	$ 86,584	$ 115,260	$ 16,764	15%	$ 115,260	$ -	
5200	Operating Supplies	9,852	9,831	9,800	1,001	10%	9,800	-	
5300	Contractual Services	16,843	14,244	14,000	2,521	18%	14,000	-	
5400	Other Expenses	818	1,309	1,700	303	18%	1,700	-	
5700	Capital Outlays	3,207	2,101	3,000	(11)	0%	3,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 120,475	$ 114,069	$ 143,760	$ 20,578	14%	$ 143,760	$ -	

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 20012Original	Comments
70863	**Farmers' Market & Flea Market**								
5100	Salaries & Benefits	$ 27,185	$ 28,023	$ 32,331	$ 3,080	10%	$ 32,331	$ -	
5200	Operating Supplies	591	860	1,000	-	0%	1,000	-	
5300	Contractual Services	15,000	19,175	7,931	1,317	17%	7,931	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 42,776	$ 48,058	$ 41,262	$ 4,397	11%	$ 41,262	$ -	
		$ 2,345,712	$ 2,637,586	$ 2,619,522	$ 363,083	14%	$ 2,642,522	$ 23,000	
80799	**Weed and Seed Program**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	112	-	-	-	N/A	-	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 112	$ -	$ -	$ -	N/A	$ -	$ -	
80387	**Environmental Services**								
5100	Salaries & Benefits	$ 150,456	$ 179,865	$ 182,793	$ 34,411	19%	$ 182,793	$ -	
5200	Operating Supplies	9,525	9,023	6,300	2,232	35%	6,300	-	
5300	Contractual Services	265,250	244,510	170,000	25,072	15%	170,000	-	
5400	Other Expenses	333	1,633	3,000	281	9%	3,000	-	
5700	Capital Outlays	4,135	6,556	12,000	2,818	23%	12,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 429,699	$ 441,587	$ 374,093	$ 64,814	17%	$ 374,093	$ -	
		$ 429,811	$ 441,587	$ 374,093	$ 64,814	17%	$ 374,093	$ -	
10875	**Other - Contributions to Outside Agencies**								
	Muskegon Area Transit (MATS)	$ 80,163	$ 80,163	$ 80,500	$ 20,041		$ 80,500	-	
	Neighborhood Association Grants	27,443	34,063	40,000	34,475		40,000	-	
	Muskegon Area First (Moved from Planning for 2002)	-	-	45,516	-		45,516	-	
	Veterans Memorial Day Costs	7,324	7,535	8,500	-		8,500	-	
	WMSRDC - Muskegon Area Plan (MAP)	-	6,151	6,151	-		6,151	-	
	Institute for Healing Racism	-	3,000	4,000	4,000		4,000	-	
	Muskegon Area Labor Management (MALMC)	1,000	1,000	1,000	-		1,000	-	
	Sister Cities' Youth Travel	-	1,000	-	-		-	-	
	SPCA/Humane Society - Feral Cat Control	-	-	6,000	-		20,000	14,000	CONTRACT WITH COUNTY
	Other	-	-	4,000	-		4,000	-	
	Contributions To Outside Agencies	$ 115,930	$ 132,912	$ 195,667	$ 58,516	28%	$ 209,667	$ 14,000	
		$ 115,930	$ 132,912	$ 195,667	$ 58,516	28%	$ 209,667	$ 14,000	
	Total Customer Value Added Activities	$ 16,393,523	$ 16,727,953	$ 17,359,032	$ 3,338,434	19%	$ 17,411,032	$ 52,000	
	As a Percent of Total General Fund Expenditures	73.7%	72.0%	70.4%	73.6%		70.7%		

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 20012Original	Comments
	II. Business Value Added Activities								
10101	**City Commission**								
5100	Salaries & Benefits	$ 56,917	$ 56,483	$ 57,889	$ 12,985	22%	$ 57,889	$ -	
5200	Operating Supplies	11,861	12,288	17,500	325	2%	17,500	-	
5300	Contractual Services	30,541	36,894	44,000	14,942	34%	44,000	-	
5400	Other Expenses	8,813	7,631	12,000	1,921	16%	12,000	-	
5700	Capital Outlays	91	-	-	365	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 108,223	$ 113,296	$ 131,389	$ 30,538	23%	$ 131,389	$ -	
10102	**City Promotions & Public Relations**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	-	-	10,000	-	0%	10,000	-	
5300	Contractual Services	14,791	24,563	31,960	3,564	11%	31,960	-	
5400	Other Expenses	-	-	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 14,791	$ 24,563	$ 41,960	$ 3,564	8%	$ 41,960	$ -	
10172	**City Manager**								
5100	Salaries & Benefits	$ 172,284	$ 168,180	$ 169,350	$ 39,075	23%	$ 169,350	$ -	
5200	Operating Supplies	2,564	1,651	3,500	83	2%	3,500	-	
5300	Contractual Services	2,962	2,055	5,000	454	9%	5,000	-	
5400	Other Expenses	4,247	2,149	5,000	1,057	21%	5,000	-	
5700	Capital Outlays	1,814	-	3,500	29	1%	3,500	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 183,871	$ 174,035	$ 186,350	$ 40,698	22%	$ 186,350	$ -	
10145	**City Attorney**								
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	
5200	Operating Supplies	480	833	1,000	-	0%	1,000	-	
5300	Contractual Services	384,201	457,739	382,734	94,931	22%	425,000	42,266	TOWNSHIP WATER AND SEWER LAWSUITS AND
5400	Other Expenses	-	-	-	-	N/A	-	-	SMARTZONE, FISHERMAN'S LANDING PROJECTS
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 384,681	$ 458,572	$ 383,734	$ 94,931	22%	$ 426,000	$ 42,266	
		$ 691,566	$ 770,466	$ 743,433	$ 169,731	22%	$ 785,699	$ 42,266	
20173	**Administration**								
5100	Salaries & Benefits	$ 137,659	$ 120,324	$ 122,783	$ 30,297	25%	$ 122,783	$ -	
5200	Operating Supplies	2,295	1,784	3,450	180	5%	3,450	-	
5300	Contractual Services	15,871	15,734	21,150	742	4%	21,150	-	
5400	Other Expenses	12,278	7,230	13,628	1,434	11%	13,628	-	
5700	Capital Outlays	581	1,632	3,000	-	0%	3,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 168,684	$ 146,704	$ 164,011	$ 32,653	20%	$ 164,011	$ -	

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 20012Original	Comments
20228	**Affirmative Action**								
5100	Salaries & Benefits	$ 69,370	$ 72,256	$ 81,875	$ 17,183	21%	$ 81,875	$ -	
5200	Operating Supplies	506	1,713	2,300	254	11%	2,300	-	
5300	Contractual Services	2,334	1,759	1,500	202	13%	1,500	-	
5400	Other Expenses	2,801	2,913	4,431	1,233	28%	4,431	-	
5700	Capital Outlays	118	649	1,000	-	0%	1,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 75,129	$ 79,290	$ 91,106	$ 18,872	21%	$ 91,106	$ -	
20744	**Julia Hackley Internships**								
5100	Salaries & Benefits	$ 7,482	$ 10,692	$ 7,000	$ -	0%	$ 7,000	$ -	
5200	Operating Supplies	718	-	-	-	N/A	-	-	
5300	Contractual Services	711	-	-	-	N/A	-	-	
5400	Other Expenses	-	20	-	-	N/A	-	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 8,911	$ 10,712	$ 7,000	$ -	0%	$ 7,000	$ -	
20215	**City Clerk & Elections**								
5100	Salaries & Benefits	$ 218,883	$ 208,602	$ 226,515	$ 47,056	21%	$ 226,515	$ -	
5200	Operating Supplies	32,549	35,327	17,000	4,141	24%	17,000	-	
5300	Contractual Services	28,284	31,458	44,530	8,018	18%	44,530	-	
5400	Other Expenses	5,420	7,136	6,000	394	7%	6,000	-	
5700	Capital Outlays	2,551	5,199	3,450	416	12%	3,450	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 287,687	$ 287,722	$ 297,495	$ 60,025	20%	$ 297,495	$ -	
20220	**Civil Service**								
5100	Salaries & Benefits	$ 130,015	$ 132,405	$ 153,115	$ 33,668	22%	$ 153,115	$ -	
5200	Operating Supplies	6,339	17,111	10,750	1,527	14%	10,750	-	
5300	Contractual Services	39,839	22,799	26,815	5,953	22%	26,815	-	
5400	Other Expenses	42,287	12,336	5,800	388	7%	5,800	-	
5700	Capital Outlays	762	8,600	1,000	-	0%	1,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 219,242	$ 193,251	$ 197,480	$ 41,536	21%	$ 197,480	$ -	
		$ 759,653	$ 717,679	$ 757,092	$ 153,086	20%	$ 757,092	$ -	
30202	**Finance Administration**								
5100	Salaries & Benefits	$ 259,785	$ 267,254	$ 276,780	$ 69,984	25%	$ 276,780	$ -	
5200	Operating Supplies	9,334	9,554	9,900	1,930	19%	9,900	-	
5300	Contractual Services	64,594	99,977	101,100	45,767	45%	101,100	-	
5400	Other Expenses	2,385	2,348	2,700	106	4%	2,700	-	
5700	Capital Outlays	4,586	2,085	3,000	1,766	59%	3,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 340,684	$ 381,218	$ 393,480	$ 119,553	30%	$ 393,480	$ -	
30209	**Assessing Services**								
5100	Salaries & Benefits	$ 5,013	$ 6,759	$ 7,668	$ 2,962	39%	$ 7,668	$ -	
5200	Operating Supplies	-	-	-	-	N/A	-	-	
5300	Contractual Services	340,213	367,367	396,754	-	0%	396,754	-	
5400	Other Expenses	80	45	100	60	60%	100	-	
5700	Capital Outlays	-	-	-	-	N/A	-	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 345,306	$ 374,171	$ 404,522	$ 3,022	1%	$ 404,522	$ -	

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 20012Original	Comments
30205	**Income Tax Administration**								
5100	Salaries & Benefits	$ 212,880	$ 213,846	$ 234,090	$ 41,649	18%	$ 234,090	$ -	
5200	Operating Supplies	18,875	24,678	25,025	3,900	16%	25,025	-	
5300	Contractual Services	34,550	34,092	38,250	7,897	21%	38,250	-	
5400	Other Expenses	1,288	1,648	3,000	151	5%	3,000	-	
5700	Capital Outlays	2,180	206	4,000	-	0%	4,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 269,773	$ 274,470	$ 304,365	$ 53,597	18%	$ 304,365	$ -	
30253	**City Treasurer**								
5100	Salaries & Benefits	$ 251,881	$ 236,759	$ 272,699	$ 59,320	22%	$ 272,699	$ -	
5200	Operating Supplies	38,165	35,489	38,000	5,553	15%	38,000	-	
5300	Contractual Services	55,546	49,210	34,130	4,543	13%	34,130	-	
5400	Other Expenses	1,264	900	1,200	530	44%	1,200	-	
5700	Capital Outlays	7,298	4,281	3,900	6,162	158%	3,900	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 354,154	$ 326,639	$ 349,929	$ 76,108	22%	$ 349,929	$ -	
30248	**Information Systems Administration**								
5100	Salaries & Benefits	$ 167,381	$ 182,403	$ 237,076	$ 50,739	21%	$ 237,076	$ -	
5200	Operating Supplies	6,695	2,024	5,000	734	15%	5,000	-	
5300	Contractual Services	38,925	72,769	49,404	4,788	10%	49,404	-	
5400	Other Expenses	10,689	12,457	9,268	256	3%	9,268	-	
5700	Capital Outlays	52,283	53,828	47,195	11,442	24%	47,195	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 275,973	$ 323,481	$ 347,943	$ 67,959	20%	$ 347,943	$ -	
		$ 1,585,890	$ 1,679,979	$ 1,800,239	$ 320,239	18%	$ 1,800,239	$ -	
60265	**City Hall Maintenance**								
5100	Salaries & Benefits	$ 63,273	$ 64,853	$ 62,526	$ 14,083	23%	$ 62,526	$ -	
5200	Operating Supplies	11,926	12,457	14,650	2,712	19%	14,650	-	
5300	Contractual Services	184,471	214,595	190,000	31,931	17%	190,000	-	
5400	Other Expenses	395	598	500	-	0%	500	-	
5700	Capital Outlays	3,422	253	12,996	1,277	10%	12,996	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 263,487	$ 292,756	$ 280,672	$ 50,003	18%	$ 280,672	$ -	
		$ 263,487	$ 292,756	$ 280,672	$ 50,003	18%	$ 280,672	$ -	
80400	**Planning, Zoning and Economic Development**								
5100	Salaries & Benefits	$ 395,554	$ 387,005	$ 427,548	$ 81,553	19%	$ 427,548	$ -	
5200	Operating Supplies	16,283	19,455	15,700	1,777	11%	15,700	-	
5300	Contractual Services	78,924	87,314	50,734	23,478	46%	50,734	-	
5400	Other Expenses	7,746	9,751	9,000	1,939	22%	9,000	-	
5700	Capital Outlays	3,018	3,644	3,000	1,891	63%	3,000	-	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	
		$ 501,525	$ 507,169	$ 505,982	$ 110,638	22%	$ 505,982	$ -	
		$ 501,525	$ 507,169	$ 505,982	$ 110,638	22%	$ 505,982	$ -	
	Total Business Value Added Activities	$ 3,802,121	$ 3,968,049	$ 4,087,418	$ 803,697	19%	$ 4,129,684	$ 42,266	
	As a Percent of Total General Fund Expenditures	**17.1%**	**17.1%**	**16.6%**	**17.7%**		**16.8%**		

City of Muskegon
1st Quarter Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 20012Original	Comments
	II. Fixed Budget Items								
30999	**Transfers To Other Funds**								
	Major Street Fund	$ -	$ -	$ 200,000	$ 50,000	25%	$ 200,000	$ -	
	Local Street Fund	620,000	820,000	850,000	212,500	25%	850,000	-	
	Budget Stabilization Fund	-	250,000	100,000	-	N/A	-	(100,000)	FULLY FUNDED IN 2001
	L.C. Walker Arena Fund (Operating Subsidy)	346,000	301,000	271,837	67,959	25%	271,837	-	
	Public Improvement Fund (Fire Equipment Reserve)	220,000	150,000	150,000	37,500	25%	150,000	-	
	State Grants Fund (Beachwood Park Grant Match)	-	-	105,000	-	0%	105,000	-	
	MOD State Rehab Loan Fund	22,810	-	-	-	N/A	-	-	
	TIFA Debt Service Fund	-	-	-	-	N/A	-	-	
	Tree Replacement	2,723	-	-	-	N/A	-	-	
		$ 1,211,533	$ 1,521,000	$ 1,676,837	$ 367,959	23%	$ 1,576,837	$ (100,000)	
30851	**General Insurance**	$ 249,757	$ 236,222	$ 242,000	$ -	0%	$ 295,000	$ 53,000	HIGHER COSTS DUE TO POOR EXPERIENCE
30906	**Debt Retirement**	407,835	375,101	209,406	7,097	3%	209,406	-	
10891	**Contingency and Bad Debt Expense**	142,954	268,110	400,000	2,907	1%	400,000	-	
90000	**Major Capital Improvements**	24,934	139,543	670,000	18,578	3%	600,500	(69,500)	SEE CAPITAL IMPROVEMENTS DETAIL
	Total Fixed-Budget Items	$ 2,037,013	$ 2,539,976	$ 3,198,243	$ 396,541	13%	$ 3,081,743	$ (116,500)	
	As a Percent of Total General Fund Expenditures	**9.2%**	**10.9%**	**13.0%**	**8.7%**		**12.5%**		
	Total General Fund	$ 22,232,657	$ 23,235,978	$ 24,644,694	$ 4,538,672	18%	$ 24,622,460	$ (22,234)	
	Recap: Total General Fund By Expenditure Object								
5100	Salaries & Benefits	$ 12,678,843	$ 12,895,861	$ 13,789,267	$ 2,785,261	20%	$ 13,784,267	$ (5,000)	
5200	Operating Supplies	719,038	790,815	733,017	100,093	14%	733,017	-	
5300	Contractual Services	6,559,992	6,991,218	7,029,865	1,135,400	16%	7,175,131	145,266	
5400	Other Expenses	185,789	159,350	162,934	43,440	24%	182,934	20,000	
5700	Capital Outlays	469,627	502,633	1,043,368	99,422	10%	960,868	(82,500)	
5900	All Other Financing Uses	1,619,368	1,896,101	1,886,243	375,056	21%	1,786,243	(100,000)	
	Total General Fund	$ 22,232,657	$ 23,235,978	$ 24,644,694	$ 4,538,672	18%	$ 24,622,460	$ (22,234)	

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
202	**Major Streets and State Trunklines Fund**										
	Available Fund Balance - BOY	$ 3,585,170	$ 2,989,718	$ 1,726,109	$ 2,361,992		$ 2,361,992	$ 635,883	$ 1,593,043		
	Revenues										
	Special assessments	$ 221,610	$ 228,652	$ 200,000	$ -		$ 200,000	$ -	$ 200,000	0.00%	
	Federal grants	3,154,271	3,331,781	586,000	-		586,000	-	586,000	0.00%	LAKETON ST/ROBERTS ST/SEAWAY IND PARK PROJECTS
	State grants	-	186,000	6,060,000	-		6,060,000	-	6,060,000	0.00%	SHORELINE DR ($5.8 MIL)/BLACK CREEK/SOUTHERN PROJECTS
	State shared revenue	2,590,185	2,513,944	2,865,941	194,568		2,865,941	-	2,865,941	0.00%	
	Interest income	214,103	159,976	60,000	12,239		60,000	-	60,000	0.00%	
	Operating transfers in	-	-	200,000	50,000		200,000	-	200,000	0.00%	GENERAL FUND TRANSFER
	Other	514,262	283,125	75,000	4,754		75,000	-	75,000	0.00%	
		$ 6,694,431	$ 6,703,478	$ 10,046,941	$ 261,561		$ 10,046,941	$ -	$ 10,046,941	0.00%	
60900	**Operating Expenditures**										
5100	Salaries & Benefits	$ 649,222	$ 596,655	$ 873,257	$ 166,740	19%	$ 873,257	$ -	$ 873,257	0.00%	
5200	Operating Supplies	105,439	195,361	166,200	58,255	35%	166,200	-	166,200	0.00%	
5300	Contractual Services	915,522	894,483	762,970	212,661	28%	762,970	-	762,970	0.00%	
5400	Other Expenses	5,545	5,589	4,000	450	11%	4,000	-	4,000	0.00%	
5700	Capital Outlays	-	1,635	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	905,964	610,523	626,463	-	0%	626,463	-	626,463	0.00%	DEBT SERVICE
		$ 2,581,692	$ 2,304,246	$ 2,432,890	$ 438,106	18%	$ 2,432,890	$ -	$ 2,432,890	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	4,708,191	5,026,958	8,755,000	78,932	1%	8,383,000	(372,000)	8,755,000	4.44%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
		$ 4,708,191	$ 5,026,958	$ 8,755,000	$ 78,932	1%	$ 8,383,000	$ (372,000)	$ 8,755,000	4.44%	
		$ 7,289,883	$ 7,331,204	$ 11,187,890	$ 517,038	5%	$ 10,815,890		$ 11,187,890	3.44%	
	Available Fund Balance - EOY	$ 2,989,718	$ 2,361,992	$ 585,160	$ 2,106,515		$ 1,593,043	$ 1,007,883	$ 452,094		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
203	**Local Streets Fund**										
	Available Fund Balance - BOY	$ 176	$ 122,966	$ 319,647	$ 156,747		$ 156,747	$ (162,900)	$ 319,647		
	Revenues										
	Special assessments	$ 76,570	$ 120,108	$ 75,000	$ -		$ 75,000	$ -	$ 75,000	0.00%	
	Federal grants	31,073	-	30,000	-		30,000	-	30,000	0.00%	EDA GRANT FOR SEAWAY INDUSTRIAL PARK
	State grants	48,467	24,000	100,000	-		100,000	-	100,000	0.00%	SHORELINE DRIVE
	State shared revenue	639,505	645,381	666,663	53,542		666,663	-	666,663	0.00%	
	Interest income	11,210	12,845	10,000	312		10,000	-	10,000	0.00%	
	Operating transfers in	870,000	820,000	850,000	212,500		850,000	-	850,000	0.00%	GENERAL FUND TRANSFER
	Other	20,082	764	20,000	180		20,000	-	20,000	0.00%	
		$ 1,696,907	$ 1,623,098	$ 1,751,663	$ 266,534		$ 1,751,663	$ -	$ 1,751,663	0.00%	
60900	**Operating Expenditures**										
5100	Salaries & Benefits	$ 437,738	$ 431,139	$ 427,175	$ 128,075	30%	$ 427,175	$ -	$ 427,175	0.00%	
5200	Operating Supplies	107,551	112,034	84,000	28,575	34%	84,000	-	84,000	0.00%	
5300	Contractual Services	589,182	508,360	582,956	149,757	26%	582,956	-	582,956	0.00%	
5400	Other Expenses	2,236	1,695	1,000	(398)	-40%	1,000	-	1,000	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	63,143	-	-	-	N/A	-	-	-	0.00%	
		$ 1,199,850	$ 1,053,228	$ 1,095,131	$ 306,009	28%	$ 1,095,131	$ -	$ 1,095,131	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	374,267	536,089	870,000	149,776	20%	756,000	(114,000)	870,000	15.08%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
		$ 374,267	$ 536,089	$ 870,000	$ 149,776	20%	$ 756,000	$ (114,000)	$ 870,000	15.08%	
		$ 1,574,117	$ 1,589,317	$ 1,965,131	$ 455,785	25%	$ 1,851,131		$ 1,965,131	6.16%	
	Available Fund Balance - EOY	$ 122,966	$ 156,747	$ 106,179	$ (32,504)		$ 57,279	$ (48,900)	$ 106,179		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
230	**Enterprise Community Fund**										
	Available Fund Balance - BOY	$ -	$ -	$ -	$ -		$ -	$ -	$ -		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	Federal grants	633	85,494	180,000	-		180,000	-	180,000	0.00%	
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	-	-	-	-		-	-	-	0.00%	
	Interest income	-	-	-	-		-	-	-	0.00%	
	Operating transfers in	-	-	-	-		-	-	-	0.00%	
	Other	-	-	-	-		-	-	-	0.00%	
		$ 633	$ 85,494	$ 180,000	$ -		$ 180,000	$ -	$ 180,000	0.00%	
60900	**Operating Expenditures**										
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5200	Operating Supplies	-	-	-	-	N/A	-	-	-	0.00%	
5300	Contractual Services	633	85,494	180,000	1,439	1%	180,000	-	180,000	0.00%	
5400	Other Expenses	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
		$ 633	$ 85,494	$ 180,000	$ 1,439	1%	$ 180,000	$ -	$ 180,000	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	-	-	-	-	N/A	-	-	-	0.00%	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
		$ 633	$ 85,494	$ 180,000	$ 1,439	1%	$ 180,000		$ 180,000	0.00%	
	Available Fund Balance - EOY	$ -	$ -	$ -	$ (1,439)		$ -	$ -	$ -		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

254 L.C. Walker Arena Fund

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
	Available Fund Balance - BOY	$ 3,426	$ 3,861	$ 17,945	$ 19,133		$ 19,133	$ 1,188	$ 17,945		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	State grants	-	-	-	-		-	-	-	0.00%	
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	505,229	561,449	590,000	262,216		590,000	-	590,000	0.00%	
	Interest income	24	-	500	190		500	-	500	0.00%	
	Operating transfers in	346,000	301,000	271,837	67,959		271,837	-	271,837	0.00%	GENERAL FUND TRANSFER - OPERATING SUBSIDY
	Other	3,848	520	5,000	-		5,000	-	5,000	0.00%	
		$ 855,101	$ 862,969	$ 867,337	$ 330,365		$ 867,337	$ -	$ 867,337	0.00%	
70805	**Operating Expenditures**										
5100	Salaries & Benefits	$ 11,120	$ 11,543	$ 11,837	$ 3,067	26%	$ 11,837	$ -	$ 11,837	0.00%	
5200	Operating Supplies	-	-	-	-	N/A	-	-	-	0.00%	
5300	Contractual Services	842,086	835,912	870,000	240,553	28%	870,000	-	870,000	0.00%	
5400	Other Expenses	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	1,460	242	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
		$ 854,666	$ 847,697	$ 881,837	$ 243,620	28%	$ 881,837	$ -	$ 881,837	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	-	-	-	-	N/A	-	-	-	0.00%	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
		$ 854,666	$ 847,697	$ 881,837	$ 243,620	28%	$ 881,837		$ 881,837	0.00%	
	Available Fund Balance - EOY	$ 3,861	$ 19,133	$ 3,445	$ 105,878		$ 4,633	$ 1,188	$ 3,445		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
403	**Sidewalk Improvement Fund**										
	Available Fund Balance - BOY	$ 63,295	$ 613,738	$ 41,325	$ (95,006)		$ (95,006)	$ (136,331)	$ 41,325		
	Revenues										
	Special assessments	$ 459,927	$ 239,318	$ 500,000	$ -		$ 500,000	$ -	$ 500,000	0.00%	
	Federal grants	-	-	-	-		-	-	-	0.00%	
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	-	-	-	-		-	-	-	0.00%	
	Interest income	39,198	60,374	20,000	425		20,000	-	20,000	0.00%	
	Operating transfers in	97,219	-	100,000	-		100,000	-	100,000	0.00%	
	Other	826,068	-	800,000	-		800,000	-	800,000	0.00%	PROPOSED ISSUANCE OF SIDEWALK ASSESSMENT BONDS
		$ 1,422,412	$ 299,692	$ 1,420,000	$ 425		$ 1,420,000	$ -	$ 1,420,000	0.00%	
30906	**Operating Expenditures**										
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5200	Operating Supplies	-	-	-	-	N/A	-	-	-	0.00%	
5300	Contractual Services	-	-	-	-	N/A	-	-	-	0.00%	
5400	Other Expenses	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	143,014	373,443	401,612	-	0%	401,612	-	401,612	0.00%	DEBT SERVICE
		$ 143,014	$ 373,443	$ 401,612	$ -	0%	$ 401,612	$ -	$ 401,612	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	568,030	622,656	600,000	4,781	2%	300,000	(300,000)	600,000	100.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5400	Other Expenses	6,520	12,337		-	N/A	-	-		0.00%	
5900	Other Financing Uses	154,405	-	-	-	N/A	-	-	-	0.00%	
		$ 728,955	$ 634,993	$ 600,000	$ 4,781	2%	$ 300,000	$ (300,000)	$ 600,000	100.00%	
		$ 871,969	$ 1,008,436	$ 1,001,612	$ 4,781	1%	$ 701,612		$ 1,001,612	42.76%	
	Available Fund Balance - EOY	$ 613,738	$ (95,006)	$ 459,713	$ (99,362)		$ 623,382	$ 163,669	$ 459,713		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
404	**Public Improvement Fund**										
	Available Fund Balance - BOY	$ 1,354,812	$ 421,441	$ 1,400,338	$ 1,564,898		$ 1,564,898	$ 164,560	$ 1,400,338		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	Property taxes	-	-	-	-		-	-	-	0.00%	
	Federal grants	-	-	295,200	26,450		295,200	-	295,200	0.00%	EDA GRANT FOR SEAWAY INDUSTRIAL PARK
	Contributions	-	1,200,000	-	-		-	-	-	0.00%	
	Sales of Property	148,053	76,257	100,000	20,499		100,000	-	100,000	0.00%	
	Interest income	51,375	31,890	25,000	8,609		25,000	-	25,000	0.00%	
	Operating transfers in	220,000	450,000	150,000	37,500		150,000	-	150,000	0.00%	GENERAL FUND TRANSFER - FIRE EQUIPMENT RESERVE
	Other	35,643	31,859	-	-		-	-	-	0.00%	
		$ 455,071	$ 1,790,006	$ 570,200	$ 93,058		$ 570,200	$ -	$ 570,200	0.00%	
30936	**Operating Expenditures**										
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5200	Operating Supplies	-	-	-	-	N/A	-	-	-	0.00%	
5300	Contractual Services	-	-	-	26,450	N/A	-	-	-	0.00%	
5400	Other Expenses	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	105,000	-	-	-	N/A	-	-	-	0.00%	
		$ 105,000	$ -	$ -	$ 26,450	N/A	$ -	$ -	$ -	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	696,960	53,375	-	3,144	N/A	-	-	-	0.00%	
5400	Other Expenses	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	586,482	593,174	224,000	61,852	28%	224,000	-	224,000	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
		$ 1,283,442	$ 646,549	$ 224,000	$ 64,996	29%	$ 224,000	$ -	$ 224,000	0.00%	
		$ 1,388,442	$ 646,549	$ 224,000	$ 91,446	41%	$ 224,000		$ 224,000	0.00%	
	Available Fund Balance - EOY	$ 421,441	$ 1,564,898	$ 1,746,538	$ 1,566,510		$ 1,911,098	$ 164,560	$ 1,746,538		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
474	**Coastal Zone Management Fund**										
	Available Fund Balance - BOY	$ 2,627	$ 2,627	$ 2,627	$ -		$ -	$ (2,627)	$ -		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	State grants	-	-	-	-		-	-	-	0.00%	
	Federal grants	-	23,480	-	-		-	-	-	0.00%	
	Sales of Property	-	-	-	-		-	-	-	0.00%	
	Interest income	-	-	-	-		-	-	-	0.00%	
	Operating transfers in	-	20,853	-	-		-	-	-	0.00%	
	Other	-	-	-	-		-	-	-	0.00%	
		$ -	$ 44,333	$ -	$ -		$ -	$ -	$ -	0.00%	
30936	**Operating Expenditures**										
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5200	Operating Supplies	-	-	-	-	N/A	-	-	-	0.00%	
5300	Contractual Services	-	-	-	-	N/A	-	-	-	0.00%	
5400	Other Expenses	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	-	46,960	-	3,143	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
		$ -	$ 46,960	$ -	$ 3,143	N/A	$ -	$ -	$ -	0.00%	
		$ -	$ 46,960	$ -	$ 3,143	N/A	$ -		$ -	0.00%	
	Available Fund Balance - EOY	$ 2,627	$ -	$ 2,627	$ (3,143)		$ -	$ (2,627)	$ -		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
482	**State Grants Fund**										
	Available Fund Balance - BOY	$ -	$ -	$ -	$ -		$ -	$ -	$ -		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	State grants	275,965	363,056	2,778,099	105,949		2,778,099	-	2,778,099	0.00%	
	Federal grants	73,386	406,614	-	-		-	-	-	0.00%	
	Sales of Property	-	-	-	-		-	-	-	0.00%	
	Interest income	-	-	-	-		-	-	-	0.00%	
	Operating transfers in	601,173	693,281	346,000	-		346,000	-	346,000	0.00%	LOCAL MATCHES
	Other	-	-	1,000,000	-		1,000,000	-	1,000,000	0.00%	CORE COMMUNITIES GRANT
		$ 950,524	$ 1,462,951	$ 4,124,099	$ 105,949		$ 4,124,099	$ -	$ 4,124,099	0.00%	
30936	**Operating Expenditures**										
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5200	Operating Supplies	-	-	-	-	N/A	-	-	-	0.00%	
5300	Contractual Services	-	-	-	-	N/A	-	-	-	0.00%	
5400	Other Expenses	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	950,524	1,283,344	-	37,895	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	179,607	4,124,099	48,643	1%	4,124,099	-	4,124,099	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
		$ 950,524	$ 1,462,951	$ 4,124,099	$ 86,538	2%	$ 4,124,099	$ -	$ 4,124,099	0.00%	
		$ 950,524	$ 1,462,951	$ 4,124,099	$ 86,538	2%	$ 4,124,099		$ 4,124,099	0.00%	
	Available Fund Balance - EOY	$ -	$ -	$ -	$ 19,411		$ -	$ -	$ -		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

594 Marina & Launch Ramp Fund

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
	Available Cash Balance - BOY	$ 62,225	$ 2,292	$ 126,329	$ 66,148		$ 66,148	$ (60,181)	$ 126,329		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	State grants	-	159,150	122,500	-		122,500	-	122,500	0.00%	
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	273,456	292,144	276,600	90,642		276,600	-	276,600	0.00%	
	Interest income	5,184	1,544	5,000	353		5,000	-	5,000	0.00%	
	Operating transfers in	-	-	-	-		-	-	-	0.00%	
	Other	10,797	2,128	-	-		-	-	-	0.00%	
		$ 289,437	$ 454,966	$ 404,100	$ 90,995		$ 404,100	$ -	$ 404,100	0.00%	
70756	**Operating Expenditures**										
5100	Salaries & Benefits	$ 74,283	$ 92,244	$ 114,172	$ 10,015	9%	$ 114,172	$ -	$ 114,172	0.00%	
5200	Operating Supplies	17,771	7,942	9,650	360	4%	9,650	-	9,650	0.00%	
5300	Contractual Services	143,006	127,477	100,223	11,934	12%	100,223	-	100,223	0.00%	
5400	Other Expenses	2,307	545	1,000	-	0%	1,000	-	1,000	0.00%	
5700	Capital Outlays	1,350	561	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	(841)	-	-	-	N/A	-	-	-	0.00%	
	Other Cash Uses (e.g.. Debt Principal)	-	(5,126)	-	-	N/A	-	-	-	0.00%	
		$ 237,876	$ 223,643	$ 225,045	$ 22,309	10%	$ 225,045	$ -	$ 225,045	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	111,494	167,467	245,000	90,070	37%	245,000	-	245,000	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
		$ 111,494	$ 167,467	$ 245,000	$ 90,070	37%	$ 245,000	$ -	$ 245,000	0.00%	
		$ 349,370	$ 391,110	$ 470,045	$ 112,379	24%	$ 470,045		$ 470,045	0.00%	
	Available Cash Balance - EOY	$ 2,292	$ 66,148	$ 60,384	$ 44,764		$ 203	$ (60,181)	$ 60,384		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

584 Municipal Golf Course Fund

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
	Available Cash Balance - BOY	$ 1,564,213	$ 1,151,296	$ 567,480	$ 492,650		$ 492,650	$ (74,830)	$ 567,480		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	State grants	-	-	-	-		-	-	-	0.00%	
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	-	-	-	-		-	-	-	0.00%	
	Interest income	86,159	55,488	40,000	3,033		40,000	-	40,000	0.00%	
	Operating transfers in	-	-	-	-		-	-	-	0.00%	
	Other	-	-	-	-		-	-	-	0.00%	
		$ 86,159	$ 55,488	$ 40,000	$ 3,033		$ 40,000	$ -	$ 40,000	0.00%	
70542	**Operating Expenditures**										
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5200	Operating Supplies	-	-	-	-	N/A	-	-	-	0.00%	
5300	Contractual Services	2,903	-		-	N/A		-		0.00%	
5400	Other Expenses	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	496,173	714,134	241,000	-	0%	241,000	-	241,000	0.00%	LOCAL MATCH FOR TRAIL PROJECT GRANTS
	Other Cash Uses (e.g.. Debt Principal)	-	-	-	-	N/A	-	-	-	0.00%	
		$ 499,076	$ 714,134	$ 241,000	$ -	0%	$ 241,000	$ -	$ 241,000	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
		$ 499,076	$ 714,134	$ 241,000	$ -	0%	$ 241,000		$ 241,000	0.00%	
	Available Cash Balance - EOY	$ 1,151,296	$ 492,650	$ 366,480	$ 495,683		$ 291,650	$ (74,830)	$ 366,480		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

661 Equipment Fund

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
	Available Cash Balance - BOY	$ 499,092	$ 380,984	$ 399,649	$ 367,851		$ 367,851	$ (31,798)	$ 399,649		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	State grants	-	-	-	-		-	-	-	0.00%	
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	1,950,310	1,985,638	1,950,000	585,579		1,950,000	-	1,950,000	0.00%	
	Interest income	27,193	21,873	40,000	2,217		40,000	-	40,000	0.00%	
	Operating transfers in	-	-	-	-		-	-	-	0.00%	
	Other	193,377	127,412	100,000	9,118		100,000	-	100,000	0.00%	
		$ 2,170,880	$ 2,134,923	$ 2,090,000	$ 596,914		$ 2,090,000	$ -	$ 2,090,000	0.00%	
60932	**Operating Expenditures**										
5100	Salaries & Benefits	$ 384,899	$ 446,604	$ 403,801	$ 96,887	24%	$ 403,801	$ -	$ 403,801	0.00%	
5200	Operating Supplies	606,768	649,641	561,230	77,590	14%	561,230	-	561,230	0.00%	
5300	Contractual Services	393,192	459,869	404,596	77,174	19%	404,596	-	404,596	0.00%	
5400	Other Expenses	3,357	4,070	3,500	1,668	48%	3,500	-	3,500	0.00%	
5700	Capital Outlays	872,983	713,321	766,450	226,951	30%	766,450	-	766,450	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
	Other Cash Uses (e.g., Debt Principal)	47,789	(125,449)	-	-	N/A	-	-	-	0.00%	
		$ 2,288,988	$ 2,148,056	$ 2,139,577	$ 480,270	22%	$ 2,139,577	$ -	$ 2,139,577	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
		$ 2,288,988	$ 2,148,056	$ 2,139,577	$ 480,270	22%	$ 2,139,577		$ 2,139,577	0.00%	
	Available Cash Balance - EOY	$ 380,984	$ 367,851	$ 350,072	$ 484,495		$ 318,274	$ (31,798)	$ 350,072		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

642 Public Service Building Fund

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
	Available Cash Balance - BOY	$ 34,173	$ (200,038)	$ (118,928)	$ (110,757)		$ (110,757)	$ 8,171	$ (118,928)		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	State grants	-	-	-	-		-	-	-	0.00%	
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	460,000	557,060	557,060	153,192		557,060	-	557,060	0.00%	
	Interest income	-	-	1,000	-		1,000	-	1,000	0.00%	
	Operating transfers in	-	-	-	-		-	-	-	0.00%	
	Other	427	-	-	-		-	-	-	0.00%	
		$ 460,427	$ 557,060	$ 558,060	$ 153,192		$ 558,060	$ -	$ 558,060	0.00%	
60442	**Operating Expenditures**										
5100	Salaries & Benefits	$ 174,399	$ 178,227	$ 177,609	$ 39,376	22%	$ 177,609	$ -	$ 177,609	0.00%	
5200	Operating Supplies	19,767	22,582	26,950	6,224	23%	26,950	-	26,950	0.00%	
5300	Contractual Services	215,070	193,076	222,268	43,759	20%	222,268	-	222,268	0.00%	
5400	Other Expenses	10,956	(1,951)	2,000	(80)	-4%	2,000	-	2,000	0.00%	
5700	Capital Outlays	18,961	68,738	-	24,187	N/A	-	-	-	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
	Other Cash Uses and Adjustments (e.g.. Debt Principal)	(21,076)	7,107	-	-	N/A	-	-	-	0.00%	
		$ 418,077	$ 467,779	$ 428,827	$ 113,466	26%	$ 428,827	$ -	$ 428,827	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	276,561	-	159,350	45,690	29%	159,350	-	159,350	0.00%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
		$ 276,561	$ -	$ 159,350	$ 45,690	29%	$ 159,350	$ -	$ 159,350	0.00%	
		$ 694,638	$ 467,779	$ 588,177	$ 159,156	27%	$ 588,177		$ 588,177	0.00%	
	Available Cash Balance - EOY	$ (200,038)	$ (110,757)	$ (149,045)	$ (116,721)		$ (140,874)	$ 8,171	$ (149,045)		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

643 Engineering Services Fund

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
	Available Cash Balance - BOY	$ 86,178	$ 117,697	$ 140,189	$ 144,167		$ 144,167	$ 3,978	$ 140,189		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	State grants	-	-	-	-		-	-	-	0.00%	
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	478,738	554,621	656,756	113,206		656,756	-	656,756	0.00%	
	Interest income	5,749	6,378	10,000	810		10,000	-	10,000	0.00%	
	Operating transfers in	-	-	-	-		-	-	-	0.00%	
	Other	24,762	28,005	-	183		-	-	-	0.00%	
		$ 509,249	$ 589,004	$ 666,756	$ 114,199		$ 666,756	$ -	$ 666,756	0.00%	
60447	**Operating Expenditures**										
5100	Salaries & Benefits	$ 348,155	$ 405,175	$ 494,560	$ 82,468	17%	$ 494,560	$ -	$ 494,560	0.00%	
5200	Operating Supplies	15,188	18,746	20,530	7,234	35%	20,530	-	20,530	0.00%	
5300	Contractual Services	107,040	127,790	134,612	29,158	22%	134,612	-	134,612	0.00%	
5400	Other Expenses	3,964	1,844	6,300	184	3%	6,300	-	6,300	0.00%	
5700	Capital Outlays	22,025	14,568	16,650	1,980	12%	16,650	-	16,650	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
	Other Cash Uses and Adjustments (e.g., Debt Principal)	(19,413)	(5,967)	-	-	N/A	-	-	-	0.00%	
		$ 476,959	$ 562,156	$ 672,652	$ 121,024	18%	$ 672,652	$ -	$ 672,652	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	771	378	-	378	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
		$ 771	$ 378	$ -	$ 378	N/A	$ -	$ -	$ -	0.00%	
		$ 477,730	$ 562,534	$ 672,652	$ 121,402	18%	$ 672,652		$ 672,652	0.00%	
	Available Cash Balance - EOY	$ 117,697	$ 144,167	$ 134,293	$ 136,964		$ 138,271	$ 3,978	$ 134,293		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
677	**General Insurance Fund**										
	Available Cash Balance - BOY	$ 1,193,782	$ 935,251	$ 1,038,212	$ 855,366		$ 855,366	$ (182,846)	$ 1,038,212		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	State grants	-	-	-	-		-	-	-	0.00%	
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	1,978,797	2,169,113	2,634,320	520,593		2,634,320	-	2,634,320	0.00%	
	Interest income	55,393	33,408	40,000	4,543		40,000	-	40,000	0.00%	
	Operating transfers in	784,995	881,596	900,000	-		900,000	-	900,000	0.00%	TRANSFER FROM PENSION FUNDS FOR RETIREE HEALTHCARE
	Other	117,275	11,750	75,000	1,114		75,000	-	75,000	0.00%	
		$ 2,936,460	$ 3,095,867	$ 3,649,320	$ 526,250		$ 3,649,320	$ -	$ 3,649,320	0.00%	
30851	**Operating Expenditures**										
5100	Salaries & Benefits	$ 5,712	$ 42,455	44,910	$ 64,686	144%	44,910	$ -	44,910	0.00%	
5200	Operating Supplies	475	922	1,000	63	6%	1,000	-	1,000	0.00%	
5300	Contractual Services	3,072,981	3,243,323	3,534,320	796,134	23%	3,534,320	-	3,534,320	0.00%	
5400	Other Expenses	461	2,075	2,000	118	6%	2,000	-	2,000	0.00%	
5700	Capital Outlays	-	2,405	2,000	315	16%	2,000	-	2,000	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
	Other Cash Uses and Adjustments (e.g.. Debt Principal)	115,362	(115,428)	-	-	N/A	-	-	-	0.00%	
		$ 3,194,991	$ 3,175,752	$ 3,584,230	$ 861,316	24%	$ 3,584,230	$ -	$ 3,584,230	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	-	-	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
		$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
		$ 3,194,991	$ 3,175,752	$ 3,584,230	$ 861,316	24%	$ 3,584,230		$ 3,584,230	0.00%	
	Available Cash Balance - EOY	$ 935,251	$ 855,366	$ 1,103,302	$ 520,300		$ 920,456		$ 1,103,302		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
591	**Water Fund**										
	Available Cash Balance - BOY	$ 6,094,347	$ 5,982,941	$ 5,148,538	$ 5,071,320		$ 5,071,320	$ (77,218)	$ 5,148,538		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	Federal grants	-	-	90,000	-		90,000	-	90,000	0.00%	EDA GRANT FOR SEAWAY INDUSTRIAL PARK
	State grants	-	-	100,000	-		100,000	-	100,000	0.00%	SHORELINE DRIVE
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services - City	3,531,540	3,980,059	3,550,000	8,220		3,550,000	-	3,550,000	0.00%	
	Charges for services - Township	-	-	450,000	3,634		450,000	-	450,000	0.00%	
	Hydrant Rental - Township	-	-	-	-		-	-	-	0.00%	
	Interest income	320,696	230,864	140,000	12,518		140,000	-	140,000	0.00%	
	Operating transfers in	-	454,812	54,000	-		54,000	-	54,000	0.00%	
	Other	84,101	52,184	100,000	58,897		100,000	-	100,000	0.00%	
		$ 3,936,337	$ 4,717,919	$ 4,484,000	$ 83,269		$ 4,484,000	$ -	$ 4,484,000	0.00%	
30548	**Operating Expenditures Administration**										
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5200	Operating Supplies	-	10	-	-	N/A	-	-	-	0.00%	
5300	Contractual Services	359,581	453,613	481,606	93,023	19%	481,606	-	481,606	0.00%	INSURANCE/INDIRECT COSTS/ADMININISTRATION FEE
5400	Other Expenses	7,431	6,144	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	45	-	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	495,727	471,301	432,270	5,349	1%	432,270	-	432,270	0.00%	INTEREST ON WATER BONDS
	Other Cash Uses and Adjustments (e.g., Debt Principal)	302,213	591,739	390,000	-	0%	390,000	-	390,000	0.00%	PRINCIPAL ON WATER BONDS
		$ 1,164,997	$ 1,522,807	$ 1,303,876	$ 98,372	8%	$ 1,303,876	$ -	$ 1,303,876	0.00%	
60559	**Operating Expenditures Maintenance - City**										
5100	Salaries & Benefits	$ 698,628	$ 788,512	$ 601,859	$ 145,963	24%	$ 601,859	$ -	$ 601,859	0.00%	
5200	Operating Supplies	237,968	235,205	92,350	20,168	22%	92,350	-	92,350	0.00%	
5300	Contractual Services	293,031	350,528	321,312	87,028	27%	321,312	-	321,312	0.00%	
5400	Other Expenses	71,680	12,356	4,130	3,239	78%	4,130	-	4,130	0.00%	
5700	Capital Outlays	5,129	7,327	10,900	1,778	16%	10,900	-	10,900	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
		$ 1,306,436	$ 1,393,928	$ 1,030,551	$ 258,176	25%	$ 1,030,551	$ -	$ 1,030,551	0.00%	
60660	**Operating Expenditures Maintenance - Township**										
5100	Salaries & Benefits	$ 3,190	$ 206,700	$ 292,602	$ 50,389	17%	$ 292,602	$ -	$ 292,602	0.00%	
5200	Operating Supplies	863	9,526	12,483	365	3%	12,483	-	12,483	0.00%	
5300	Contractual Services	47	120,508	125,594	27,030	22%	125,594	-	125,594	0.00%	
5400	Other Expenses	-	469	1,420	13	1%	1,420	-	1,420	0.00%	
5700	Capital Outlays	-	800	4,350	1,399	32%	4,350	-	4,350	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
		$ 4,100	$ 338,003	$ 436,449	$ 79,196	18%	$ 436,449	$ -	$ 436,449	0.00%	
60558	**Operating Expenditures Filtration**										
5100	Salaries & Benefits	$ 469,642	$ 440,416	$ 480,724	$ 105,772	22%	$ 480,724	$ -	$ 480,724	0.00%	
5200	Operating Supplies	121,252	115,076	107,140	22,291	21%	107,140	-	107,140	0.00%	
5300	Contractual Services	285,375	349,281	400,250	44,103	11%	400,250	-	400,250	0.00%	
5400	Other Expenses	3,546	2,374	4,150	675	16%	4,150	-	4,150	0.00%	
5700	Capital Outlays	27,339	104,236	39,950	6,776	17%	39,950	-	39,950	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
		$ 907,154	$ 1,011,383	$ 1,032,214	$ 179,617	17%	$ 1,032,214	$ -	$ 1,032,214	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	665,056	1,363,419	5,288,771	32,285	1%	5,232,771	(56,000)	5,288,771	1.07%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
		$ 665,056	$ 1,363,419	$ 5,288,771	$ 32,285	1%	$ 5,232,771	$ (56,000)	$ 5,288,771	1.07%	
		$ 4,047,743	$ 5,629,540	$ 9,091,861	$ 647,646	7%	$ 9,035,861		$ 9,091,861	0.62%	
	Available Cash Balance - EOY	$ 5,982,941	$ 5,071,320	$ 540,677	$ 4,506,943		$ 519,459	$ (21,218)	$ 540,677		

City of Muskegon
1st Quarter Budget Reforecast - Non-General Funds

590 Sewer Fund

		Actual 2000	Actual 2001	Original Budget Estimate 2002	Actual Thru March 2002	Actual As % of Revised	Revised Estimate 2002	Change From 2002 Original	Original Budget Estimate 2002	% Change From 2001 Revised	Comments
	Available Cash Balance - BOY	$ 787,448	$ 1,445,721	$ 1,266,849	$ 1,027,063		$ 1,027,063	$ (239,786)	$ 1,266,849		
	Revenues										
	Special assessments	$ -	$ -	$ -	$ -		$ -	$ -	$ -	0.00%	
	Federal grants	-	-	3,000	-		3,000	-	3,000	0.00%	
	State grants	-	-	100,000	462,131		560,000	460,000	100,000	-82.14%	SHORELINE DRIVE
	State shared revenue	-	-	-	-		-	-	-	0.00%	
	Charges for services	3,989,052	3,808,493	4,750,000	-		4,750,000	-	4,750,000	0.00%	
	Interest income	54,362	69,601	40,000	6,180		40,000	-	40,000	0.00%	
	Operating transfers in	-	-	-	-		-	-	-	0.00%	
	Other	45,967	113,201	80,000	9,388		80,000	-	80,000	0.00%	
		$ 4,089,381	$ 3,991,295	$ 4,973,000	$ 477,699		$ 5,433,000	$ 460,000	$ 4,973,000	-8.47%	
30548	**Operating Expenditures Administration**										
5100	Salaries & Benefits	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5200	Operating Supplies	-	-	-	-	N/A	-	-	-	0.00%	
5300	Contractual Services	269,957	629,842	264,062	54,479	21%	264,062	-	264,062	0.00%	INSURANCE/INDIRECT COSTS/ADMININISTRATION FEE
5400	Other Expenses	13,098	9,835	-	-	N/A	-	-	-	0.00%	
5700	Capital Outlays	45	-	-	-	N/A	-	-	-	0.00%	
5900	Other Financing Uses	216,776	651,981	176,043	-	0%	176,043	-	176,043	0.00%	INTEREST ON SEWER BONDS
	Other Cash Uses and Adjustments (e.g.. Debt Principal)	714,619	551,971	458,918	-	0%	458,918	-	458,918	0.00%	PRINCIPAL ON SEWER BONDS
		$ 1,214,495	$ 1,843,629	$ 899,023	$ 54,479	6%	$ 899,023	$ -	$ 899,023	0.00%	
60559	**Operating Expenditures Maintenance**										
5100	Salaries & Benefits	$ 551,757	$ 587,142	$ 725,420	$ 356,362	49%	$ 725,420	$ -	$ 725,420	0.00%	
5200	Operating Supplies	50,955	54,343	54,335	25,418	47%	54,335	-	54,335	0.00%	
5300	Contractual Services	1,346,297	1,684,616	2,086,204	887,343	43%	2,086,204	-	2,086,204	0.00%	
5400	Other Expenses	3,992	2,093	2,900	1,170	40%	2,900	-	2,900	0.00%	
5700	Capital Outlays	8,380	8,511	17,700	8,511	48%	17,700	-	17,700	0.00%	
5900	Other Financing Uses	-	-	-	-	N/A	-	-	-	0.00%	
		$ 1,961,381	$ 2,336,705	$ 2,886,559	$ 1,278,804	44%	$ 2,886,559	$ -	$ 2,886,559	0.00%	
90000	**Project Expenditures**										
5200	Operating Supplies	$ -	$ -	$ -	$ -	N/A	$ -	$ -	$ -	0.00%	
5300	Contractual Services	255,232	229,619	805,000	13,209	1%	1,264,000	459,000	805,000	-36.31%	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	-	N/A	-	-	-	0.00%	
		$ 255,232	$ 229,619	$ 805,000	$ 13,209	1%	$ 1,264,000	$ 459,000	$ 805,000	-36.31%	
		$ 3,431,108	$ 4,409,953	$ 4,590,582	$ 1,346,492	27%	$ 5,049,582		$ 4,590,582	-9.09%	
	Available Cash Balance - EOY	$ 1,445,721	$ 1,027,063	$ 1,649,267	$ 158,270		$ 1,410,481		$ 1,649,267		

City of Muskegon
1st Quarter Budget Reforecast
Budgeted Capital Improvements

2002 PROJECTS

		Responsibility	Original Budget	1st Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
101	**General Fund**					
91001	Community Center Design	Scott	$ 100,000	$ 8,000		NEW COMMISSION PRIORITIES; RESIDUAL COSTS FOR STUDY
91002	Relocate Central Fire (Acquisition, Demolition)	Simpson	250,000	250,000		
91003	Alternate Power Supply for City Hall	Al-Shatel	100,000	100,000		
91004	Reese Park Restroom/Maintenance Building	Scott	150,000	150,000		
99012	Geographical Information System	Moore	-	7,500		
99019	Restlawn Office Renovation (Phase II)	Scott	70,000	85,000		BIDS HIGHER THAN EXPECTED
			670,000	600,500		
404	**Public Improvement Fund**					
91005	Demolish Hackley Fire Station (Incl Repeater Relocation)	Kuhn	70,000	70,000		
99020	Seaway-Hackley Industrial Park Property Acquisition	Brubaker-Clarke	54,000	54,000		
	Property Acquisition	Brubaker-Clarke	75,000	75,000		
	Hovercraft	Simpson	25,000	25,000		
			224,000	224,000		
202	**Major Streets**					
90041	Black Creek Road, Sherman to Latimer	Al-Shatel	510,000	2,000		Special Assessment not Approved
90042	Washington, Division to Franklin	Al-Shatel	225,000	350,000		Reconstruction
90043	Laketon, Peck to Park	Al-Shatel	550,000	550,000		New Construction - Partially Funded by $440,000 STP Grant
90052	Division, Southern to Western	Al-Shatel	210,000	175,000		Mill & Resurface
90053	Southern, Division to Seaway	Al-Shatel	250,000	125,000		Mill and Resurface - Partially Funded by $130,000 TEDF Grant
90063	M-120 over Musekgon River	Al-Shatel	-	55,000		Carryover Costs from 2001
90020	Barney, Valley to Roberts	Al-Shatel	-	14,000		Carryover Costs from 2001
90011	Barclay, Sherman to Hackley	Al-Shatel	-	15,000		Carryover Costs from 2001
90056	Houston, Third to First	Al-Shatel	150,000	125,000		Mill & Resurface - CDBG
90058	Terrace St., Irwin to Iona	Al-Shatel	325,000	285,000		Reconstruction
90059	Harvey, Keating to South End (900' of Gravel Road)	Al-Shatel	100,000	100,000		New Construction
90060	Roberts, Keating to Laketon	Al-Shatel	171,000	125,000		Mill and Resurface - Partially Funded by $86,000 STP Grant
90061	State's Job (Seaway Drive, Southern to Sherman)	Al-Shatel	60,000	55,000		
90063	State's Job (US31 SB Off Ramp at Sherman)	Al-Shatel	15,000	3,000		
91013	Laketon @ Barclay Intersection	Al-Shatel	-	160,000		
96017	Shoreline Dr (incl Terrace Extension, Spring & Western)	Al-Shatel	5,850,000	5,850,000		New Construction - Funded by $11.6 millionState Grant
96059	Sidewalks - Handicap Ramps	Al-Shatel	25,000	20,000		
99020	Seaway-Hackley Industrial	Al-Shatel	114,000	114,000		Funded 60% by EDA Grant
	Unspecified Projects	Al-Shatel	200,000	260,000		
			8,755,000	8,383,000		

City of Muskegon
1st Quarter Budget Reforecast
Budgeted Capital Improvements

		Responsibility	Original Budget	1st Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
	2002 PROJECTS					
203	**Local Streets**					
90057	Leon, Harrison to Crozier (Gravel Street)	Al-Shatel	150,000	150,000		New Construction
90064	Austin, Barney to Delano	Al-Shatel	90,000	6,000		Reconstruction
90065	Sherin, Lakeshore Drive to Miner	Al-Shatel	100,000	75,000		New Construction and Reconstruction
96017	Shoreline Dr (incl Terrace Extension, Spring & Western)	Al-Shatel	50,000	50,000		New Construction - Funded by State Grant
96059	Sidewalks - Handicap Ramps	Al-Shatel	25,000	20,000		
99020	Seaway-Hackley Industrial	Al-Shatel	255,000	255,000		Funded 60% by EDA Grant
	Unspecified Projects	Al-Shatel	200,000	200,000		
			870,000	756,000		
403	**Sidewalks**					
96059	2002 Sidewalk Replacement Program	Al-Shatel	600,000	300,000		Financed With Special Assessment Bonds
482	**State Grants Fund**					
90014	Clean Michigan Initiative (Teledyne-Streets, Utilities)	Brubaker-Clarke	1,601,000	1,601,000		
90040	Lakeshore Trail Phase I (Heritage to Grand Trunk)	Scott	100,000	100,000		Continued Property Acquisition
91006	Beachwood Park Renovation	Scott	405,000	405,000		Local Match $105,000
91008	Core Communities Initiative (Teledyne-Boardwalk)	Brubaker-Clarke	1,000,000	1,000,000		Financed With Core Communities Loan
96096	Site Assessment Projects	Brubaker-Clarke	237,625	237,625		
98022	Cole's Expansion	Brubaker-Clarke	99,056	99,056		
98050	Lakeshore Trail Phase II (Laketon)	Scott	281,000	281,000		
99010	Clean Michigan Initiative (Amazon Building)	Brubaker-Clarke	100,418	100,418		
99080	Lakeshore Trail Phase IV (Shoreline Drive)	Scott	300,000	300,000		
			4,124,099	4,124,099		

City of Muskegon
1st Quarter Budget Reforecast
Budgeted Capital Improvements

2002 PROJECTS

		Responsibility	Original Budget	1st Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
590	**Sewer**					
90041	Black Creek Road, Sherman to Latimer	Al-Shatel	10,000	-		
90042	Washington, Division to Franklin	Al-Shatel	80,000	140,000		Street Project - Associated Utility Work
90043	Laketon, Peck to Park	Al-Shatel	10,000	-		Street Project - Associated Utility Work
90052	Division, Southern to Western	Al-Shatel	15,000	15,000		Street Project - Associated Utility Work
90053	Southern, Division to Seaway	Al-Shatel	10,000	1,000		Street Project - Associated Utility Work
90057	Leon, Harrison to Crozier	Al-Shatel	10,000	7,000		Street Project - Associated Utility Work
90058	Terrace St, Irwin to Iona	Al-Shatel	150,000	150,000		Street Project - Associated Utility Work
90059	Harvey, Keating to South end	Al-Shatel	80,000	145,000		Street Project - Associated Utility Work
90060	Roberts, Keating to Laketon	Al-Shatel	5,000	1,000		Street Project - Associated Utility Work
90063	M-120 over Muskegon River	Al-Shatel	-	463,000		100% Reimbursed from MDOT
90065	Sherin, Lakeshore Drive to Miner	Al-Shatel	10,000	1,000		Street Project - Associated Utility Work
90066	Randolph, Westwood to End (Sewer Extension)	Al-Shatel	50,000	16,000		Homes Currently on Septic Systems
90068	Industrial Park Liftstation	Al-Shatel	125,000	125,000		
96017	Shoreline Dr (incl Terrace Extension, Spring & Western)	Al-Shatel	100,000	100,000		Street Project - Associated Utility Work
99020	Seaway-Hackley Industrial	Al-Shatel	100,000	100,000		Funded 60% by EDA Grant
	Unspecified Projects	Al-Shatel	50,000	-		
			805,000	1,264,000		
591	**Water**					
90041	Black Creek Road, Sherman to Latimer	Al-Shatel	10,000	-		Street Project - Associated Utility Work
90042	Washington, Division to Franklin	Al-Shatel	125,000	140,000		Street Project - Associated Utility Work
90043	Laketon, Peck to Park	Al-Shatel	10,000	10,000		Street Project - Associated Utility Work
90052	Division, Southern to Western	Al-Shatel	100,000	100,000		Street Project - Associated Utility Work
90053	Southern, Division to Seaway	Al-Shatel	15,000	1,000		Street Project - Associated Utility Work
90056	Houston, Third to First	Al-Shatel	75,000	30,000		Street Project - Associated Utility Work
90057	Leon, Harrison to Crozier	Al-Shatel	10,000	7,000		Street Project - Associated Utility Work
90058	Terrace St, Irwin to Iona	Al-Shatel	150,000	190,000		Street Project - Associated Utility Work
90060	Roberts, Keating to Laketon	Al-Shatel	5,000	1,000		Street Project - Associated Utility Work
90065	Sherin, Lakeshore Drive to Miner	Al-Shatel	40,000	55,000		Street Project - Associated Utility Work
90067	Marshall St. Tank Painting	Kuhn	200,000	200,000		
96017	Shoreline Dr (incl Terrace Extension, Spring & Western)	Al-Shatel	100,000	100,000		Street Project - Associated Utility Work
97041	Water Filtration Plant Improvements	Kuhn	4,298,771	4,298,771		Financed With 1999 Water Improvement Bonds
99020	Seaway-Hackley Industrial	Al-Shatel	100,000	100,000		Funded 60% by EDA Grant
	Unspecified Projects	Al-Shatel	50,000	-		
			5,288,771	5,232,771		

City of Muskegon
1st Quarter Budget Reforecast
Budgeted Capital Improvements

		Responsibility	Original Budget	1st Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
	2002 PROJECTS					
594	**Marina & Launch Ramp**					
91007	Hartshorn Electrical Upgrade	Scott	245,000	245,000		Financed 50% With State Grant
642	**Public Service Building**					
99040	Public Service Building Renovation	Kuhn	159,350	159,350		
661	**Equipment Fund**					
	Patrol Car Replacements (10)	Kuhn	206,250	206,250		Replacement
	Plow Truck Replacements (1)	Kuhn	67,000	67,000		Replacement
	Dump Truck (1)	Kuhn	76,000	76,000		Replacement
	Pickup Trucks 3/4 Ton (2)	Kuhn	36,000	36,000		Replacement
	Mini-Pickup Trucks (2)	Kuhn	30,000	30,000		Replacement
	Excavator (1)	Kuhn	113,000	113,000		New - Will Replace Backhoe
	Holder (1)	Kuhn	75,000	75,000		Replacement
	Sedans (6)	Kuhn	96,000	96,000		Replacement
	Radios and Various Other Minor Equipment	Kuhn	67,200	67,200		Replacement
			766,450	766,450		
			$ 22,577,670	$ 22,125,170		

Date: April 12, 2002

To: Honorable Mayor and City Commissioners

From: Ric Scott

RE: Cemetery Building Renovations

SUMMARY OF REQUEST:

To award a contract to VanderVen Construction for the interior renovations to the Cemetery office

FINANCIAL IMPACT:

$81,634

BUDGET ACTION REQUIRED:

$70,000 is budgeted, so an additional $15,000 needs to be added to the budget, which includes the architects fees.

STAFF RECOMMENDATION:

Approve

COMMITTEE RECOMMENDATION:

Affirmative Action
231/724-6703
FAX/722-1214

Assessor
231/724-6708
FAX/726-5181

Cemetery
231/724-6783
FAX/726-5617

Civil Service
231/724-6716
FAX/724-4405

Clerk
231/724-6705
FAX/724-4178

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

Engineering
231/724-6707
FAX/727-6904

Finance
231/724-6713
FAX/724-6768

Fire Dept.
231/724-6792
FAX/724-6985

Income Tax
231/724-6770
FAX/724-6768

Info. Systems
231/724-6744
FAX/722-4301

Leisure Service
231/724-6704
FAX/724-1196

Manager's Office
231/724-6724
FAX/722-1214

Mayor's Office
231/724-6701
FAX/722-1214

Inspection Services
231/724-6715
FAX/726-2501

Planning/Zoning
231/724-6702
FAX/724-6790

Police Dept.
231/724-6750
FAX/722-5140

Public Works
231/724-4100
FAX/722-4188

Treasurer
231/724-6720
FAX/724-6768

Water Billing Dept.
231/724-6718
FAX/724-6768

Water Filtration
231/724-4106
FAX/755-5290

MUSKEGON

West Michigan's Shoreline City

Date: April 12, 2002

To: Honorable Mayor and City Commissioners

From: Ric Scott

Re: Cemetery Office Renovations

On Tuesday, April 9, 2002, three bids were received for the renovations to the Cemetery office. The bids were received as follows:

VanderVen Construction	$79,230 base	$2,404 alt
Wolffis Construction	$84,850 base	$1,385 alt
Quality Builders	$81,900 base	$2,050 alt

The budget for this project is $70,000 within this year's Capital Improvement budget.

The project will bring the building up to today's standards. The building will be made accessible, including two new accessible restrooms. An energy efficient heating/air-conditioning unit will be installed. New energy efficient lighting will be installed, including an updating of the electrical service. The rooms will be painted, and the walls repaired as necessary. The floors will be carpeted and most of the ceiling will be replaced.

We are requesting that the alternate of adding panel to the chapel be included, as this will make the room much nicer for the many services that are conducted there.

I would ask that you approve the bid and alternate of VanderVen Construction for $81,634 and authorize a budget adjustment of $15,000, which includes the fees to Bosma Architects.

Thank you for your consideration.

AGREEMENT

THIS AGREEMENT, made this 23rd day of April, 19 2002, by

and between: VANDER VEN CONSTRUCTION CO.
[a corporation organized and existing under the laws of the state of MICHIGAN];

or [a partnership consisting of ______________________________];

or [an individual trading as ______________________________];

hereinafter called the "Contractor", and the CITY OF MUSKEGON, MICHIGAN:

WITNESSETH, that the Contractor and the City of Muskegon, for the consideration stated herein, mutually agree as follows:

ARTICLE 1. Statement of Work. The Contractor shall furnish all supervision, technical personnel, labor, materials, machinery, tools, equipment, and services, including utility and transportation services, and perform and complete all work required for the construction of the improvements embraced in this Contract, NAMELY:

and required supplemental work for the completion of this Project, all in strict accordance with the Contract, including all Addenda.

ARTICLE 2. The Contract Price. The City of Muskegon will pay the Contractor for the performance of this Contract and the completion of the work covered therein an amount in current funds not to exceed $ 81,634.00 .

ARTICLE 3. Contract. The executed Contract shall consist of, but not be limited to, the following:

a. Invitation for Bids
b. PART 1:
   Section I - Instructions to Bidders
   Section II- Bid Proposal
c. PART 2 - Agreement
d. PART 3:
   Section I - General Specifications for Project Performance
   Section II - Equal Opp & Employment Specifications
   Section III- Adopted Labor Stnds.
   Section IV - Prevailing Wage Decision
e. PART 4 - Technical Specifications
f. PART 5 - Special Specifications
g. Construction and/or Engineering Plan

This Agreement, together with other documents enumerated in this Article 3, which said other documents are as fully a part of the Contract as if attached hereto or repeated herein, form the Contract between the parties hereto.

In the event any provision in any component part of this Contract conflicts with any provision of any other component part, the Contractor shall contact the City immediately in writing for a determination, interpretation and/or clarification of conflicting parts and priority of same. Said determination from the City shall be in writing and shall become an Addendum to this Contract.

AGREEMENT (continued) Page 2

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed in 3 original counterparts on the day and year first written above.

ATTEST:

Verley Sias

CONTRACTOR

by Scott Vander Ven

SCOTT VANDER VEN PRESIDENT
printed name and title

ATTEST:

Linda Potter

CITY OF MUSKEGON

_______________, Mayor

Gail A. Kundinger
City Clerk

(SEAL)

CERTIFICATION (if applicable)

I, VERLEY SIAS, certify that I am the SECRETARY of the Corporation named as Contractor herein;

That SCOTT VANDER VEN, who signed this Agreement on behalf of the Contractor, was then PRESIDENT of said Corporation;

That said Agreement was duly signed for and in behalf of said Corporation by authority of its governing body, and is within the scope of its corporate powers.

SIGNED:

Verley Sias

(CORPORATE SEAL)

VERLEY SIAS, SECRETARY OF CORPORATION
printed name and title

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID BS VANDE-3

DATE (MM/DD/YY): 04/25/02

PRODUCER	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
Mapes Insurance Agency, Inc. P.O. Box 1824 Grand Rapids MI 49501-1824 Phone: 616-453-8600 Fax: 616-453-8391	INSURERS AFFORDING COVERAGE
INSURED	INSURER A: Auto-Owners Insurance Co
Vander Ven Construction Co. 1154 Scenic Drive Muskegon MI 49445	INSURER B: INSURER C: INSURER D: INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC	934601 06653139	02/07/02	02/07/03	EACH OCCURRENCE	$ 1,000,000
					FIRE DAMAGE (Any one fire)	$ 100,000
					MED EXP (Any one person)	$ 10,000
					PERSONAL & ADV INJURY	$ 1,000,000
					GENERAL AGGREGATE	$ 1,000,000
					PRODUCTS - COMP/OP AGG	$ 1,000,000
A	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS	9683944000	02/07/02	02/07/03	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
					BODILY INJURY (Per person)	$
					BODILY INJURY (Per accident)	$
					PROPERTY DAMAGE (Per accident)	$
	GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT	$
					OTHER THAN AUTO ONLY: EA ACC	$
					AGG	$
A	EXCESS LIABILITY X OCCUR CLAIMS MADE DEDUCTIBLE X RETENTION $ 10,000	968394400	02/07/02	02/07/03	EACH OCCURRENCE	$ 2,000,000
					AGGREGATE	$ 2,000,000
						$
						$
						$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	931701 06642236	02/07/02	02/07/03	X WC STATU-TORY LIMITS / OTH-ER	
					E.L. EACH ACCIDENT	$ 500,000
					E.L. DISEASE - EA EMPLOYEE	$ 500,000
					E.L. DISEASE - POLICY LIMIT	$ 500,000
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Project: Cemetery Building at 1400 Kenneth St. Interior Work - City of Muskegon is Additional Insured in regard to General Liability.

CERTIFICATE HOLDER Y ADDITIONAL INSURED; INSURER LETTER: A	CANCELLATION
1MUSK-1 City of Muskegon 933 Terrace Muskegon, MI 49443-0536	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Robert B. Pollina Robert Pollina

Performance Bond

Ohio Farmers Insurance Co.

Westfield Companies
Westfield Center, Ohio 44251-5001

Bond No. 5938874

KNOW ALL MEN BY THESE PRESENTS:

That VANDER VEN CONSTRUCTION COMPANY, 1154 Scenic Drive, Muskegon, Michigan 49445
(Insert name and address, or legal title, of contractor)

as Principal, hereinafter called Contractor, and OHIO FARMERS INSURANCE COMPANY, an Ohio Corporation, with principal office at Westfield Center, Ohio, as Surety, hereinafter called Surety, are held and firmly bound unto CITY OF MUSKEGON, 993 Terrace Street, Muskegon, Michigan 49442
(Insert name and address, or legal title, of owner)

as Obligee, hereinafter called Owner in the amount of EIGHTY-ONE THOUSAND SIX HUNDRED THIRTY-FOUR AND NO/100-- Dollars ($ 81,634.00---) for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Contractor has by written agreement dated April 29, 2002

entered into a Contract with Owner for Cemetery Building at 1400 Kenneth Street - Interior Work

in accordance with drawings and specifications prepared by

(Insert full name and title)

which Contract is by reference made a part hereof, and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Contractor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Whenever Contractor shall be, and declared by Owner to be in default under the Contract, the Owner having performed Owner's obligation thereunder, the Surety may promptly remedy the default, or shall promptly

(1) Complete the Contract in accordance with its terms and conditions, or

(2) Obtain a bid or bids for submission to Owner for completing the Contract in accordance with its terms and conditions, and upon determination by Owner and Surety of the lowest responsible bidder, arrange for a contract between such bidder and Owner and make available as work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price", as used in this paragraph, shall mean the total amount payable by Owner to Contractor under the Contract and any amendments thereto, less the amount properly paid by Owner to Contractor.

Any suit under this bond must be instituted before the expiration of two (2) years from the date on which Contractor ceases work on the Contract.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Owner named herein or the heirs, executors, administrators or successors of Owner.

Signed this 29th day of April, 2002

VANDER VEN CONSTRUCTION COMPANY
Principal

By [signature]

OHIO FARMERS INSURANCE COMPANY

By [signature]
JoAnn Sutherland Attorney-in-Fact

BD 5047 - L (11/97)

Michigan
Labor and
Material
Payment
Bond

Ohio Farmers Insurance Co.

WESTFIELD COMPANIES
Westfield Center, Ohio 44251-5001

NOTE: THIS BOND IS ISSUED SIMULTANEOUSLY WITH ANOTHER BOND IN FAVOR OF THE OWNER CONDITIONED FOR THE FULL AND FAITHFUL PERFORMANCE OF THE CONTRACT.

BOND NO. 5938874

KNOW ALL MEN BY THESE PRESENTS:

That VANDER VEN CONSTRUCTION COMPANY, 1154 Scenic Drive, Muskegon, Michigan 49445
(Here insert the name and address, or legal title, of the contractor)

as Principal, hereinafter called Principal, and OHIO FARMERS INSURANCE COMPANY, an Ohio Corporation, with Principal Office at Westfield Center, Ohio, as Surety, hereinafter called Surety, are held and firmly bound unto CITY OF MUSKEGON, 993 Terrace Street, Muskegon, Michigan 49442,
(Here insert the name and address, or legal title, of the owner)

as Obligee, hereinafter called Owner, for the use and benefit of claimants as hereinbelow defined, in the amount of EIGHTY-ONE THOUSAND SIX HUNDRED THIRTY-FOUR AND NO/100---------- Dollars ($81,634.00---------), for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has by written agreement dated April 29, 2002 entered into a Contract with Owner for Cemetery Building at 1400 Kenneth Street - Interior Work in accordance with drawings and specifications prepared by ....
(Here insert full name and title)

which Contract is by reference made a part hereof, and is hereafter referred to as the Contract.

AND WHEREAS, this bond is given in compliance with and subject to the provisions of Act No. 213 of the Public Acts of Michigan 1963, as amended, which provisions are by reference made a part hereof.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if the Principal shall promptly make payment to all claimants as defined in Act No. 213, who have complied with all the provisions of the Act No. 213, for labor and materials used in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect.

The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of mechanics liens which may be filed of record against said improvements, whether or not claim for the amount of such lien be presented under and against this bond.

Signed this 29th day of April A.D. 2002.

VANDER VEN CONSTRUCTION COMPANY (Seal)
Principal

By Scott Vander Ven

OHIO FARMERS INSURANCE COMPANY

By JoAnn Sutherland
JoAnn Sutherland Attorney-in-Fact

General
Power
of Attorney
CERTIFIED COPY

POWER NO. **2140662 00**

Ohio Farmers Insurance Co.

Westfield Center, Ohio

Know All Men by These Presents, That OHIO FARMERS INSURANCE COMPANY, a corporation duly organized and existing under the laws of the State of Ohio, and having its principal office in Westfield Center, Medina County, Ohio, does by these presents make, constitute and appoint **ROBERT B. POLLINA, ROBERT J. KAZMA, DENNIS E. SCULLY, M.D. PAGLIERANI, KIMBERLY A. COLLIER, CARL VANDENBOSCH, JOANN SUTHERLAND, JOINTLY OR SEVERALLY**

of **GRAND RAPIDS** and State of **MI** its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver **any and all bonds, recognizances, undertakings, or other instruments or contracts of suretyship**- -.

LIMITATION: THIS POWER OF ATTORNEY CANNOT BE USED TO EXECUTE NOTE GUARANTEE, MORTGAGE DEFICIENCY, MORTGAGE GUARANTEE, OR BANK DEPOSITORY BONDS.

and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions adopted by the Board of Directors of the Ohio Farmers Insurance Company:

"*Be It Resolved,* that the President, any Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

"*Section 1. Attorney-in-Fact.* Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements of indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed by the President and sealed and attested by the Corporate Secretary." (Adopted at a meeting held on the 3rd day of July, 1957.)

"*Be It Resolved,* that the power and authority to appoint Attorney(s)-in-Fact granted to certain officers by a resolution of this Board on the 3rd day of July, 1957, is hereby also granted to any Assistant Vice-President." (Adopted at a meeting held on the 13th day of July, 1976.)

This power of attorney and certificate is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Ohio Farmers Insurance Company at a meeting duly called and held on the 9th day of June, 1970:

"*Be It Resolved, that the signature of any authorized officer and the seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signatures or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.*"

In Witness Whereof, OHIO FARMERS INSURANCE COMPANY has caused these presents to be signed by its **Vice President,** and its corporate seal to be hereto affixed this **23rd** day of **SEPTEMBER** A.D., **1998** .

Corporate
Seal
Affixed

OHIO FARMERS INSURANCE COMPANY

By Richard L. Kinnaird, Jr.

Richard L. Kinnaird, Jr. *Vice President*

State of Ohio
County of Medina ss.:

On this **23rd** day of **SEPTEMBER** A.D., **1998** , before me personally came **Richard L. Kinnaird, Jr.,** to me known, who, being by me duly sworn, did depose and say, that he resides in **Medina, Ohio;** that he is **Vice President** of OHIO FARMERS INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.

Notarial
Seal
Affixed

James M. Walker

James M. Walker *Notary Public*

State of Ohio
County of Medina ss.:

My Commission Does Not Expire
Sec. 147.03 Ohio Revised Code

CERTIFICATE

I, **Richard A. Wallet,** Assistant Secretary of the OHIO FARMERS INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Westfield Center, Ohio, this 29th day of April A.D., 2002 .

Richard A. Wallet

Richard A. Wallet *Assistant Secretary*

BPOAO2 (03-99)

AGENDA ITEM

CITY COMMISSION MEETING April 23, 2002

TO: MAYOR AND CITY COMMISSIONERS

FROM: Lee J. Slaughter, Assistant City Manager

DATE: April 17, 2002

RE: General Employees Retirement System

SUMMARY OF REQUEST

Ordinance to be adopted by the City Commission concerning changes relating to DPW and Leisure Services union employees.

FINANCIAL IMPACT

None at this time.

BUDGET ACTION REQUIRED

None at this time.

STAFF RECOMMENDATION

To adopt changes relating to DPW and Leisure Services union employees concerning the General Employees Retirement System as amended.

*Previously discussed with contract settlement. Contract adopted February 2002.

COMMITTEE RECOMMENDATION

City of Muskegon
Muskegon County, Michigan

ORDINANCE NO. 2076

The City Commission of the City of Muskegon hereby ORDAINS:

Appendix B of the Code of Ordinances of the City of Muskegon concerning the General Employees Retirement System is amended, as follows:

1. Section 6.1. shall be amended to read, as follows:

Section 6.1. Subject to Section 6.1, the amount of the level straight life pension shall be his final average compensation multiplied by the product of the applicable factor and credited service. The credited service and pension amount shall be subject to the applicable maximums. The applicable factors and maximum are:

Retirement Date	Factor	Maximum Years of Credited Service	Maximum Pension Amount
Non-Union Employees On or Before 12/31/93	1.2% of the first $4,200 of final average compensation plus 1.7% of final average compensation in excess of $4,200.	No Limit	No Limit
On or After 01/01/94 and Before 12/31/98	1.2% of the first $4,200 of final average compensation plus 1.7% of final average compensation in excess of $4,200 for years the employee was represented by a union plus 2% for years while not represented	No Limit	No Limit

	by a labor organization.		
On or After 01/01/99 and Before 12/31/99	2.1%	No Limit	No Limit
On or After 01/01/00	2.25%	No Limit	No Limit
<u>Union Clerical Employees</u>			
On or Before 12/31/96	1.2% of the first $4,200 of final average compensation plus 1.7% of final average compensation in excess of $4,200.	No Limit	No Limit
On or After 01/01/97 and Before 01/01/2002	1.2% of the first $4,200 of final average compensation plus 1.8% of final average compensation in excess of $4,200.	No Limit	No Limit
On or Before 01/01/2002	1.9%	No Limit	No Limit
<u>Union Employees - - DPW Leisure Services</u>			
On or Before 12/31/95	1.2% of the first $4,200 of final average compensation plus 1.7% of final average compensation in excess of $4,200.	No Limit	No Limit

On or After 01/01/96	1.9%	No Limit	No Limit
On or After 01/01/98	2.1%	No Limit	No Limit
On or After 01/01/02	2.25%	No Limit	No Limit

This ordinance adopted:

Ayes: Shepherd, Spataro, Warmington, Buie, Gawron, Larson, Schweifler
Nays: None

Adoption Date: April 23, 2002

Effective Date: May 10, 2002

First Reading: April 23, 2002

Second Reading: N/A

CITY OF MUSKEGON

By: Gail A. Kundinger
Gail A. Kundinger
City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 23rd day of April, 2002, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted, and public notice was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

DATED: April 23, 2002

Gail A. Kundinger

Gail A. Kundinger, CMC/AAE
Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

CITY OF MUSKEGON
NOTICE OF ADOPTION

TO: ALL PERSONS INTERESTED

Please take notice that on __April 23__, 2002, the City Commission of the City of Muskegon adopted amendments to Appendix B of the Muskegon City Code concerning the General Employees Retirement System, summarized as follows:

1. Section 6.1 shall be amended to provide a 2.25% multiplier for DPW/Leisure Service union employees (not clerical employees) effective January 1, 2002.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten (10) days from the date of this publication.

CITY OF MUSKEGON

Published __April 30__, 2002 By____________________
Gail A. Kundinger, Its Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

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Commission Meeting Date: April 23, 2002

Date:	**April 15, 2002**
To:	**Honorable Mayor & City Commission**
From:	**Planning & Economic Development Department** CBC
RE:	**Approval of Muskegon Lakeshore Smartzone Agreement**

SUMMARY OF REQUEST: In order to proceed with the Smartzone project, an agreement between the Michigan Economic Development Corporation (MEDC), Grand Valley State University (GVSU), the City of Muskegon and the Muskegon Local Development Finance Authority (LDFA), is necessary. The Agreement outlines the rights and obligations of all parties (see attached). Therefore, the Commission is requested to approve the Agreement.

FINANCIAL IMPACT: No direct impact, although LDFA funds are pledged for the development of the Business Incubator.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the attached Muskegon Lakeshore Smartzone Agreement and authorize the Mayor to sign.

COMMITTEE RECOMMENDATION: The LDFA will be meeting on April 22 to approve the Agreement.

MUSKEGON LAKESHORE SMARTZONE AGREEMENT

2002-52(d)
4-23-02
Smart zone

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MUSKEGON LAKESHORE SMARTZONE[SM]

This Muskegon Lakeshore SmartZone Agreement (hereinafter called "Agreement") is entered into as of this _____ day of April, 2002, by and among the Michigan Economic Development Corporation, a public body corporate, with offices at 300N. Washington Square, Lansing, Michigan 48913 (hereinafter called "MEDC"), the City of Muskegon, a Municipal Corporation, with offices at 933 Terrace Street, Muskegon, Michigan 49443-0530, (hereinafter called the "City") the Muskegon Local Development Finance Authority with offices at 933 Terrace Street, Muskegon, Michigan 49443-0530 (hereinafter called the "Authority") and Grand Valley State University, a Michigan institution of higher education, with offices at 1 Campus Drive, Allendale, Michigan 49401-9403 (hereinafter called the "University").

RECITALS

WHEREAS, the Michigan Legislature passed and the Governor signed Public Act 248 of 2000 to promote, *inter alia*, the development of high technology businesses throughout the State of Michigan; and

WHEREAS, the MEDC has been authorized by Public Act 281 of 1986, as amended, being MCL 125.2151 et seq., to designate a certain number of certified technology parks ("Certified Technology Parks") within the State of Michigan, by December 31, 2002; and

WHEREAS, the MEDC, for strategic marketing purposes, has chosen to designate the aforementioned Certified Technology Parks as "SmartZones"; and

WHEREAS, on July 26, 2000, the MEDC issued a request for proposals for SmartZone designation; and

WHEREAS, on October 16, 2000, the City, the Authority, and the University submitted a proposal to the MEDC requesting designation as a SmartZone for certain areas located within the City's jurisdiction (the "Proposal"); and

WHEREAS, the Authority was established on November 13, 2001; and

WHEREAS, the MEDC, the City, the Authority, and the University have entered into productive discussions regarding their Proposal; and

WHEREAS, the MEDC, the City, the Authority, and the University desire to enter into this Agreement to designate the Authority District (as herein after defined) as a Certified Technology Park and to establish terms and conditions of this designation.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the MEDC, the City, the Authority, and the University (collectively referred to hereinafter, at times, as the "Parties") agree as follows:

ARTICLE I
DEFINITIONS

The Parties agree that the following words and expressions, as used in this Agreement, whenever initially capitalized, whether used in the singular or plural, possessive or non-possessive, either within or without quotation marks, shall be defined and interpreted as follows:

Section 1.01 Act. "Act" means 1986 PA 281, as amended, being MCL 125.2151 et seq.

Section 1.02 Affiliated Parties. "Affiliated Parties" means public and private individuals, businesses and organizations with which the Local Representatives or the Muskegon LakeShore SmartZone enters into letters of intent, memoranda of understanding, contractual agreements or other types of arrangement to provide, or induce opportunities for, support, market access, assistance or other types of direct or in-kind assistance for tenants of the Business Incubator or to the development of high technology activity within the Certified Technology Park.

Section 1.03 Agreement. "Agreement," "herein," "hereby," "hereunder," or other like terms shall mean this Muskegon LakeShore SmartZone Agreement.

Section 1.04 Agreement Date. "Agreement Date" means the date set forth above as the date as of which this Agreement is entered into by the Parties.

Section 1.05 Appendix(es). "Appendix(es)" means the appendix(es) serially identified in this Agreement and attached hereto and incorporated herein by this reference.

Section 1.06 Authority. "Authority" means the Local Development Finance Authority of the City of Muskegon.

Section 1.07 Authority District. "Authority District" means the area described in the document attached hereto as Appendix A, within which the Authority exercises its powers.

Section 1.08 Business Incubator. "Business Incubator" means that facility or facilities identified in the TIFP, and used in a manner provided by the TIFP and authorized by the Act for a business incubator.

Section 1.09 Certified Technology Park. "Certified Technology Park," means the area or the areas, within the Authority District, described in the document attached hereto as Appendix A.

Section 1.10 City. "City" means the City of Muskegon located in the County of Muskegon.

Section 1.11 Due Diligence Review. "Due Diligence Review" means such investigations to be completed no later than July 1, 2002 (unless such time period is extended pursuant to Section 3.04(d)), with respect to the property to be leased to the University pursuant to the Technology Center Lease as it deems to be reasonably necessary, including, but not limited to, zoning investigations, environmental investigations and assessments, wetlands reports, title investigations and exceptions, availability of title insurance, design and construction plans, and structural inspections.

Section 1.12 Initial Taxable Value. "Initial Taxable Value" means the taxable value of that property identified in the Authority's TIFP as property as included within the Plan for purposes of determining, as of the date the resolution establishing the tax increment financing plan was approved by the City, tax increment revenues for the Authority.

Section 1.13 Lakefront Development LLC. "Lakefront Development LLC" means a Michigan limited liability company that will be the owner and the developer of the real estate on which the SmartZone is located.

Section 1.14 Local Representatives. "Local Representatives" means the City, the Authority, and the University.

Section 1.15 MEDC. "MEDC" means the Michigan Economic Development Corporation, a public body corporate created under section 28 of Article VII of the State Constitution of 1963 and the Urban Cooperation act of 1967, 1967 PA 7, MCL 124.501 to 124.512, by a contractual interlocal agreement effective April 5, 1999 between participating local economic development corporations created under 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan Strategic Fund or its successor as provided for in the Act.

Section 1.16 Operating Costs. "Operating Costs" means Business Incubator expenses, and other operational and planning costs authorized by the Act and Public Act 291 of 2000, including, but not limited to, executive management and other expenses directly related to the central administration of the Business Incubator such as expenses for insurance, salaries, repairs and maintenance, marketing, supplies, and utilities.

Section 1.17 Public facilities. "Public facilities" means that term as defined by the Act.

Section 1.18 Ratification. "Ratification" means the document substantially in the form, attached hereto as Appendix B, evidencing the State Treasurer's approval of the Authority's TIFP and of the capture by the Authority tax increment revenues authorized by the TIFP.

Section 1.19 Resolution. "Resolution" means the document creating the Authority and filed with the Michigan Secretary of State, a copy of which is attached hereto as Appendix C.

Section 1.20 School Taxes. "School Taxes" means the amounts levied by the State pursuant to the state education act, Public Act 331 of 1993, MCL 211.901 to 211.906, and operating levies of local and intermediate school districts.

Section 1.21 State. "State" means the State of Michigan.

Section 1.22 SmartZone or SmartZones. "SmartZone" or "SmartZones" means the official Service Mark designation owned and adopted by the MEDC that refers to a "Certified technology park" or "Certified Technology Parks," respectively.

Section 1.23 Statewide SmartZone Council. "Statewide SmartZone Council" means the SmartZone advisory group comprised of representatives of each SmartZone and MEDC representatives.

Section 1.24 Tax Increment Revenues. "Tax Increment Revenues" means that term as defined by the Act.

Section 1.25 Technology Center. "Technology Center" means the approximately 40,000 square foot building to be constructed and leased by the Authority to the University pursuant to the terms of the Technology Center Lease.

Section 1.26 Technology Center Lease. "Technology Center Lease" means the Lease with Purchase Option in a form mutually agreeable to the University, the City, and the Authority pursuant to which the University would lease the Technology Center from the Authority.

Section 1.27 TIFP. "TIFP" means the tax increment-financing plan to be approved by the Authority, the City, and the MEDC, which will be attached hereto as Appendix D.

Section 1.28 University. "University" means Grand Valley State University or its permitted assigns.

ARTICLE II
RIGHTS AND OBLIGATIONS OF THE MEDC

Section 2.01 Designation of the Authority's Certified Technology Park.

(a) The MEDC designates the Muskegon Lakeshore SmartZone, as described in Appendix A, as the area in which the Authority may establish a Certified Technology Park

(b) Subject to Section 5.03 of this Agreement, the subsequent failure of any party to comply with the terms of this Agreement shall not result in the termination or rescission of the designation of the Lakeshore SmartZone as a Certified Technology Park.

(c) The designation of the Lakeshore SmartZone as a Certified Technology Park pursuant to Section 2.01 (a) shall survive the terms of this Agreement, and shall continue as long as tax increment revenues are received by the Authority.

Section 2.02 Marketing of the SmartZone Program. The MEDC shall market the SmartZone program. The marketing, if any, undertaken by the Local Representatives of the Muskegon Lakeshore SmartZone shall be consistent with the purposes and objectives of the SmartZone program. It is understood that the marketing funds to be expended by the MEDC in fulfillment of its obligation to market the SmartZone program under this Section 2.02 shall be determined by the MEDC.

Section 2.03 CCF Grant Commitment. If this Agreement is executed by the Parties on or before July 1, 2002, the MEDC shall grant Core Communities Funds (CCF") to the City in the amount of $1 million ("CCF Grant"), in accordance with terms of the CCF grant agreement (the "CCF Grant Agreement") agreed to by the MEDC and the City, as specified in Appendix E. The MEDC understands and agrees that the University shall not be bound by the terms of the CCF Grant Agreement, and that nothing in this Agreement shall be construed, interpreted, or intended to impose any of the obligations set forth in the CCF Grant Agreement upon the University. No CCF Grant proceeds shall be disbursed to the City prior to the approval of the TIFP by the City, the Authority, and the MEDC.

Section 2.04 Ratification by State Treasurer. The MEDC will use its best efforts to promptly obtain State Treasury ratification of the Muskegon LakeShore Certified Technology Park and the TIFP.

ARTICLE III
RIGHTS AND OBLIGATIONS OF THE LOCAL REPRESENTATIVES

Section 3.01 Authorized Capture and Use of Tax Increment Revenues.

(a) All Tax Increment Revenues received by the Authority from the Certified Technology Park during the term of this Agreement may be expended by the Authority for all purposes and in those amounts authorized by the TIFP. The Authority may capture the maximum amount of School Taxes allowed under the Act for purposes authorized by this Agreement and the TIFP for a period of fifteen (15) years for levies imposed on or after July 1, 2005, subject to an annual review by the MEDC. Said MEDC review shall be limited to assessment of consistency with the TIFP and the Act by the Authority and shall be completed within sixty (60) days of the delivery by the Authority of the reports required by Section 3.07 below. In the event that MEDC identifies material inconsistency/ies during such review, the MEDC shall provide written notice to the Authority and the other Local Representatives of it within such sixty (60) day period. Such notice shall detail with particularity any such failure. The Authority shall have the opportunity to respond to any such notification in a manner consistent with Section 5.03(a) of this Agreement. Should the Authority fail to perform as described in Section 5.03(a), then MEDC may exercise its options as provided for in Article V of this Agreement. Tax Increment Revenues shall be determined on the basis of an initial taxable value determined as of December 31, 2000, as authorized by the State Treasurer and pursuant to the TIFP and the Ratification.

(b) The Authority may enter into one or more contracts with a Local Representative, an Affiliated Party, or both, to assume, on behalf of the Authority, the responsibility of operating and planning the activities supported by the Authority, providing administrative services to the Authority, conducting an integrated marketing study, generating specific marketing plans, identifying methods of facilitating technology commercialization, and implementation of the integrated marketing program.

(c) The Authority shall create a Technology Center, staffed and operated, or caused to be staffed and operated, by the University pursuant to the Technology Center Lease, which will contain research and development laboratories, teleconferencing facilities, a business incubator with business assistance programs, a technical training and skills center, and an office of technology transfer.

Section 3.02 Authorized Use of CCF Grant Proceeds. Proceeds from the CCF Grant received by the Authority may be expended or disbursed by the Authority, subject to the City's approval, to the extent not inconsistent with the CCF Grant Agreement, the Act, and the Operating Costs.

Section 3.03 Prohibited Uses of Tax Increment Revenues and CCF Grant Proceeds. Tax Increment Revenues and CCF Grant Proceeds shall not be used to fund the costs of direct subsidies, programs or services provided to or for tenants in the Business Incubator such as research stipends or grants, employee compensation subsidies, or grant proposal assistance.

Section 3.04 University Programs and Participation. The University shall develop and implement such programs designed to foster the use of the Business Incubator and development of other high technology enterprises located within the Certified Technology Park which are reasonably consistent with the University's mission and the goals of the SmartZone. Such programs shall include the following:

(a) A program to support student involvement and assistance in identifying students and graduates for potential employment.

(b) Technology transfer consultation for proponents of technologies coming out of the University.

(c) To provide the tenants of the Business Incubator with:

(i) Non-exclusive access to meeting facilities at the Technology Center;

(ii) Access to such library services as would not violate the University's existing rights to authorize such access or would materially increase the University's cost to acquire the right to access such services; and

(iii) Notice of publicly advertised open faculty positions.

(d) Staff and manage the Technology Center pursuant to the terms of the Technology Center Lease. Notwithstanding anything to the contrary contained in this Agreement, the University's obligation to enter into the Technology Center Lease is subject to satisfactory completion by the University of its Due Diligence Review. The University shall have until July 1, 2002 (the "Due Diligence Period") within which to conduct its Due Diligence Review. The University shall have the right to extend the Due

Diligence Period until the *earlier* of (1) a date specified in writing by the University or (2) September 1, 2002, by delivering written notice to the MEDC and the other Local Representatives of such election. If the University is not satisfied in its discretion with any material aspect of its Due Diligence Review, then the University shall provide written notice to the MEDC and the other Local Representatives specifying the due diligence issues with respect to which the University is not satisfied. The City and the Authority shall have thirty (30) days from the date of the notice to cure or correct the issues identified by the University. During such thirty (30) day period, the University, the City and the Authority agree to negotiate in good faith regarding the resolution of any identified due diligence issues. If all such issues are not cured or corrected to the satisfaction of the University within such thirty (30) day period or if the University, the City and the Authority do not agree on the form of Technology Center Lease, then the University shall be under no obligation to enter into the Technology Center Lease and may withdraw from this Agreement.

Section 3.05 Private Sector Participation. The following actions shall be taken to encourage and support private sector support and participation in the development and attraction of high technology activities to the Muskegon LakeShore SmartZone:

(a) The Local Representatives shall use commercially reasonable efforts to develop and implement strategies to facilitate the commercialization of technologies in the Muskegon LakeShore SmartZone.

(b) The Local Representatives shall use commercially reasonable efforts to continue their support of the Business Incubator pursuant to the terms and conditions of this Agreement.

(c) The Local Representatives shall use commercially reasonable efforts to obtain written statements with Affiliated Parties to provide: funding or in-kind contributions to the Muskegon LakeShore SmartZone; and services, market access and assistance to tenants of the Business Incubator and towards the development of high technology activity within the Muskegon LakeShore SmartZone.

(d) The Local Representatives shall use commercially reasonable efforts to encourage an Affiliated Party to establish a Venture Capital Fund in the amount of at least $ 250,000 in support of the Muskegon Lakeshore SmartZone start-up companies.

(e) The Local Representatives shall use commercially reasonable efforts to obtain an agreement with Lakefront Development, LLC, under which agreement, Lakefront Development, LLC shall donate to the Authority the land upon which the Technology Center will be constructed.

(f) The Local Representatives will provide the MEDC with a business plan for the Technology Center, no later than November 1, 2002.

The obligations of the Local Representatives under this Section 3.05 may be fulfilled even if all Local Representatives have not engaged in each such activity provided that at least one Local Representative has engaged in each such activity.

Section 3.06 MEDC Membership on the board of the Authority. The Authority shall appoint an MEDC representative, selected by the MEDC, as an ex-officio non voting member to its board.

Section 3.07 Reporting Requirements. The Authority shall provide, or cause to be provided to, MEDC and the University with an annual report containing the following information:

(a) A summary of the Muskegon LakeShore SmartZone operations, including, but not limited to, good faith estimates of the following: number of businesses assisted, number of businesses locating or expanding in the Muskegon LakeShore SmartZone, number of jobs created/retained, number of on-going and completed research projects, number of on-going and completed commercialization projects, and amount of investments in the Muskegon LakeShore SmartZone.

(b) The use of Tax Increment Financing funds during the prior fiscal year of the Authority.

(c) The proposed use of tax Increment Financing funds for the next fiscal year of the Authority.

(d) Any modifications sought to this Agreement or to the TIFP.

Section 3.08 Use of SmartZone Service Mark. The Local Representatives shall use the SmartZone Service Marking in conformity with the specifications set forth in the document attached as Appendix F.

Section 3.09 Amendments to the TIFP. The Authority and the City shall not amend the TIFP without the approval of the MEDC and the University, which approval shall not be unreasonably withheld, conditioned or delayed.

Section 3.10 Statewide SmartZone Council. The Local Representatives agree to appoint a representative to the Statewide SmartZone Council and shall assist the MEDC in developing a marketing plan for the SmartZone program; provided, however, that nothing in this Section 3.10 shall constitute a commitment on the part of the Local Representatives to expend any of their own funds on any such marketing plan.

ARTICLE IV
INTELLECTUAL PROPERTY

Section 4.01 Service Mark. The MEDC owns the Service Mark SmartZone and SmartZones and hereby grants a limited license to use the mark SmartZones, in accordance with guidelines established by the MEDC, to the Local Representatives and the Muskegon Lakeshore Certified Technology Park. The MEDC retains the exclusive right to revoke the Service Mark license or to suspend or revoke the designation of SmartZone to any Certified Technology Park.

ARTICLE V
TERM, TERMINATION, AND DEFAULT

Section 5.01 Term. The term of this Agreement shall commence on the Agreement Date and shall expire December 31, 2025, and shall continue until termination by the first to occur of the following:

(a) Expiration of the Term of the Agreement.

(b) An action, other than one caused by an Event of Default by any of the Parties, by any of the following means that voids, suspends, terminates or revokes the approval by MEDC of the Authority District as the area in which the Authority may establish a Certified Technology Park or the authorization for the Authority to capture and use of Tax Increment Revenues for all purposes permitted under Section 3.01.

(i) Court order;

(ii) Any ruling, bulletin, order, administrative, or executive decision of the State, State Tax Commission, any State official, or State commission, authority, body or employee with authority to make such determination or take such action;

(iii) State or federal legislative action.

(c) The involuntary dissolution or liquidation of the Authority

(d) The voluntary termination of this Agreement by the MEDC and the Local Representatives. It is understood that none of the Parties shall unreasonably withhold their consent to terminate this Agreement under this Section 5.01 (d), if it should be in the best interest, under good business practice standards, to terminate this Agreement.

(e) Withdrawal from this Agreement pursuant to Section 5.06.

(f) Refusal by the State Treasurer to ratify the Muskegon LakeShore Certified Technology Park and the TIFP pursuant to Section 2.04 of this Agreement.

Section 5.02 Rights of the Authority. The expiration of the Term of this Agreement shall not affect the rights of the MEDC in connection with its SmartZone Service Mark.

Section 5.03 Default

(a) An event of default under this Agreement and the term "Event of Default" or "Default" shall mean, whenever they are used in this Agreement, the failure by the University, the Authority, or the City to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement for a period of forty-five (45) days after written notice, specifying such failure and requesting that it be remedied, shall have been given by the party providing notice of Default to all other parties; provided, however, that if the failure is such that it can be corrected but not within such 45-day period, and corrective action is instituted within such period and diligently pursued until such failure is corrected, then such period shall be increased to such extent necessary to enable the party failing to observe or perform any covenant, condition or agreement to observe or perform such covenant, condition, undertaking or agreement through the exercise of due diligence. The MEDC is not bound by the period for cure described herein in the event of a failure by the Authority to comply with Section 3.01(a) of this Agreement.

(b) Except as provided herein, whenever an Event of Default referred to in Section 5.03(a) above shall have occurred and be continuing, any non-defaulting party may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance of this Agreement.

(c) Subject to Section 5.04 of this Agreement, whenever an Event of Default is caused by the failure of a Local Representatives, the MEDC shall have the right to exercise any one or more of the following remedies:

(i) Suspend or revoke of the SmartZone Service Mark designation granted to the Muskegon Lakeshore Certified Park or any portion thereof.

(ii) Cease to market, as otherwise agreed to by the MEDC under Section 2.02, or revoke permission to market, under Section 3.08, the Muskegon Lakeshore Certified Technology Park as a SmartZone. If the MEDC exercises this remedy, the Local Representatives shall be able to continue to market and operated the Muskegon Lakeshore SmartZone as the Muskegon Lakeshore Certified Technology Park during the term of this Agreement.

(iii) Suspend or revoke of the limited license granted under Section 4.01, above, of the use of the Service Mark "SmartZone" to any of the local Representatives, or the Muskegon Lakeshore SmartZone.

(d) Whenever an Event of Default is caused by a failure of the Authority under Section 3.01(a), the MEDC, in addition to its rights under Section 5.03(b) or (c) above, shall have the right to suspend or revoke the capture of School Taxes, in whole or in part, to the extent that said School taxes are not applied to satisfy existing outstanding obligations.

Section 5.04 Dispute Resolution.

(a) Disputes related to the CCF Grant Agreements. Any act of default by the City in connection with the CCF Grant Agreements, shall be governed exclusively by the terms set forth in the CCF Grant Agreement.

(b) All other disputes. If a dispute arises under this Agreement, which cannot be resolved within the period for cure provided in Section 5.03(a), subject to the exception provided therein, before exercising any of the rights contained in Section 5.03(c), the Parties agree to first try to resolve the dispute with the help of a mutually agreed-upon mediator in Lansing, Michigan, prior to exercising any rights or remedies under Section 5.03. Any costs and fees other than attorney fees associated with the mediation shall be shared equally by the Parties. If the Parties cannot agree on the selection of a mediator within ten (10) calendar days, then the Parties shall ask the American Arbitration Association to appoint a mediator to serve them in resolving their dispute.

Section 5.05 Limitations upon Obligations and Remedies.

(a) The amendment, revocation or suspension by the State Treasurer of the Ratification or any authorization conferred upon the Authority by Section 3.01 above, shall waive all obligations imposed upon a Local Representative under Article III above.

(b) If the State Treasurer refuses, for any reason whatsoever, to approve the capture of Tax Increment Revenues attributable to School Taxes, revokes or suspends its approval of such capture in whole or in part, or requires reimbursement, for any reason, from a Local Representative in connection with the capture of Tax Increment Revenues attributable to School Taxes which the State Treasurer subsequently determines to be impermissible, the MEDC will have no liability to a Local Representative for damages caused by such action of the State Treasurer and this Agreement will not be construed to impose any liability upon or require the MEDC or a Local Representative to repay the CCF Grant or any obligation or reimbursement payable from Tax Increment Revenues.

(c) The authorization to use the MEDC's Service Mark "SmartZone" extended to the Local Representatives shall cease immediately upon termination or dissolution of the MEDC, without requiring any action of the MEDC.

Section 5.06 Withdrawal.

(a) If the City and the Authority fail to approve the TIFP by July 1, 2002, then any Party to this Agreement shall have the right to withdraw from this Agreement after July 1, 2002 until the *earlier* of (1) the date the TIFP is approved by the City and the Authority and (2) August 1, 2002.

(b) If the University extends the Due Diligence Period past July 1, 2002 pursuant to Section 3.04(d), then the MEDC may withdraw from this Agreement at any time after July 1, 2002 until the *earlier* of (1) the date the University ends its Due Diligence Period or (2) September 1, 2002.

(c) If the Technology Center Lease is terminated pursuant to its terms, then the parties to the Technology Center Lease may withdraw from this Agreement.

(d) The University may withdraw pursuant to the terms of Sections 3.04(d).

Section 5.07 Liability is not joint. Notwithstanding anything to the contrary contained in this Agreement, (1) the liability of the Local Representatives is not joint, and (2) each Local

Representative is only liable for its specific obligations set forth in this Agreement and is not liable for the obligations of any other Local Representative.

Section 5.08. University Liability. THE SOLE AND EXCLUSIVE REMEDIES FOR BREACH BY THE UNIVERSITY OF ITS OBLIGATIONS UNDER THIS AGREEMENT AND THE SOLE REMEDIES FOR THE UNIVERSITY'S LIABILITY OF ANY KIND (INCLUDING LIABILITY FOR NEGLIGENCE) WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT AND ALL OTHER PERFORMANCE BY THE UNIVERSITY RELATED TO THIS AGREEMENT SHALL BE THE REMEDIES SET FORTH IN SECTION 5.03 AND IN THE TECHNOLOGY CENTER LEASE. IN NO EVENT SHALL THE UNIVERSITY'S LIABILITY OF ANY KIND INCLUDE ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSSES OR DAMAGES, EVEN IF THE UNIVERSITY SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE.

ARTICLE VI
MISCELLANEOUS

Section 6.01 Designation of MEDC Chief Executive Officer. The Chief Executive Officer of MEDC, or his designee, is designated as the authorized officer to make determinations and approvals on behalf of the MEDC related to the satisfaction of any condition imposed by this Agreement upon a Local Representative, the terms of any performance required by a Local Representative, or the terms of any agreement entered into by a Local Representative with another person or organization which is subject to MEDC approval.

Section 6.02 Entire Agreement. This Agreement, including all its Appendixes and Exhibits, sets forth the entire agreement between the Parties and supersedes any and all prior agreements or understandings between them in any way related to the subject matter hereof. It is further understood and agreed that the terms and conditions herein are contractual and are not a mere recital and that there are no other agreements, understandings, contracts, or representations between the Parties in any way related to the subject matter hereof, except as expressly stated herein.

Section 6.03 No Presumption. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Agreement to be drafted.

Section 6.04 Severability of Provisions. If any provision of this Agreement, or its application to any Party or circumstance, is invalid or unenforceable, the remainder of this Agreement and the application of that provision to other Parties or circumstances is not affected but will be enforced to the extent permitted by law.

Section 6.05 Governing Law. This Agreement is made and entered into in the State of Michigan and shall in all respects be interpreted, enforced and governed under the laws of the State of Michigan without regard to the doctrines of conflict of laws. The language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning, and not construed strictly for or against any Party.

Section 6.06 Captions. The captions, headings, and titles in this Agreement are intended for the convenience of the reader and not intended to have any substantive meaning and not to be interpreted as part of this Agreement.

Section 6.07 Terminology. All terms and words used in this Agreement, regardless of the numbers or gender in which they are used, are deemed to include any other number and any other gender as the context may require.

Section 6.08 Cross-References. References in this Agreement to any Article include all Sections, subsections, and paragraphs in the Article; references in this Agreement to any Section include all subsections and paragraphs in the Section.

Section 6.09 Jurisdiction and Venue. In the event of any disputes between the Parties over the meaning, interpretation, or implementation of the terms, covenants or conditions of this Agreement, the matter under dispute, unless resolved between the Parties, shall be submitted to the courts of the State of Michigan.

Section 6.10 Amendment. The Agreement may be amended or an alternative form of the Agreement adopted only upon written agreement of the Parties.

Section 6.11 Independent Contractor. The Parties agree that at all times and for all purposes under the terms of this Agreement each Party's relationship to any other Party shall be that of an independent contractor. Each Party will be solely responsible for the acts of its own employees, agents, and servants. No liability, right, or benefit arising out of any employer/employee relationship, either express or implied, shall arise or accrue to any Party as a result of this Agreement.

Section 6.12 Counterpart Signatures. This Agreement may be signed in counterpart. The counterparts taken together shall constitute a single agreement. It is understood that the Parties may execute this Agreement pending the approval of the TIFP by the Authority, the City and the MEDC.

Section 6.13 Notices. Any notice, request or other communication to be given by any party hereunder shall be in writing and shall be sent by registered or certified mail, postage prepaid, or by hand delivery or facsimile transmission to the following address:

To the Authority:	Muskegon Local Development Finance Authority 933 Terrace Street Muskegon, Michigan 49443-0530 Telephone No.: (231) 724-6702 Facsimile No.: (231) 724-6790
To the City:	City of Muskegon 933 Terrace Street Muskegon, Michigan 49443-0530

Attn: City Manager
Telephone No.: (231) 724-6724
Facsimile No.: (231) 722-1214

To the MEDC:

Michigan Economic Development Corporation
300N. Washington Square
Lansing, Michigan 48913
Attn: General Counsel
Telephone No.: (517) 335-5883
Facsimile No.: (517) 241-5968

To the University:

Grand Valley State University
158 Lake Michigan Hall
Grand Valley State University
Allendale, MI 49401
Attn.: General Counsel
Telephone No.: (616) 895-2067
Facsimile No.: (616) 895-3950

And with copy to (which shall not constitute notice):

Dykema Gossett PLLC
300 Ottawa Avenue, N.W., Suite 700
Grand Rapids, MI 49503
Attn: Mark E. Derwent
Telephone No.: (616) 776-7500
Facsimile No.: (616) 776-7573

or to such other address as either party may hereafter designate. Notice shall be deemed to have been given on the date of delivery if such delivery is made on a business day, or if not, on the first business day after delivery. Notice sent by facsimile transmission shall be deemed given upon confirmation that such notice was received at the number specified above or in a notice to the sender.

Section 6.14 No Waiver. No waiver by MEDC or a Local Representative of any breach of obligations, agreements or covenants herein shall be a waiver of any subsequent breach of any obligation, agreement or covenant, nor shall any forbearance by the MEDC or a Local Representative to seek a remedy for any breach by the another party to this Agreement be a waiver of any rights or remedies with respect to such or any subsequent breach, nor shall any express waiver by the MEDC or a Local Representative be deemed to apply to any other existing or subsequent right to remedy any default by another party to this Agreement. nor shall any waiver by MEDC or a Local Representative of any default or breach by another party to this Agreement in the performance of any of the covenants or obligations under this Agreement be deemed to have been made by the MEDC unless contained in a writing executed by the waiving party. None of the Parties waive any immunities provided by law.

Section 6.15 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the MEDC and the Local Representatives. Except as otherwise provider herein, this Agreement and the rights and obligations hereunder shall not be assignable or transferable by the Local Representatives without the prior written consent of the MEDC.

Signatures on the following page.

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

WITNESSES:

____

____

BY: Doug Rothwell
Doug Rothwell

ITS: President & Chief Executive Officer

DATE: _______________________________

Address: 300 N. Washington Square
Lansing, Michigan 48913

CITY MUSKEGON

WITNESSES:

____

Catherine R. Brubaker-Clarke

BY: Steve Warmington
Steve Warmington

ITS: Mayor

DATE: May 9, 2002

Address: 933 Terrace Street
Muskegon, Michigan 49443-0530

MUSKEGON LOCAL DEVELOPMENT FINANCE AUTHORITY

WITNESSES:

____

____

BY: ______________________________
Donald Seifert

ITS: Chairperson

Address: 933 Terrace Street
Muskegon, Michigan 49443-0530

GRAND VALLEY STATE UNIVERSITY

WITNESSES:

____

____

BY: ______________________________
Mark A. Murray

ITS: President

Address: 158 Lake Michigan Hall
Grand Valley State University
Allendale, MI 49401

<u>Appendixes</u>

Appendix A .... Description of the Authority District, Certified Technology Park and Public Facilities.

Appendix B .... Ratification by State Treasurer.

Appendix C .... Copy of Resolution creating the Authority

Appendix D .... Authority's Tax Increment Financing Plan

Appendix E .... Copy of Core Community Fund Grant Agreement

Appendix F .... Service Mark Specifications

APPENDIX A

TO BE PROVIDED BY THE CITY OF MUSKEGON.

EXHIBIT A

Description of Boundaries of District 3 (Muskegon Lakeshore SmartZone)

The boundaries of the proposed district as revised within which the local development finance authority shall exercise its powers are as follows:

Parcel Description:

Block 554, and Lots 6, 7 and 8 of Block 558, of the Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, lying Northerly of a line described as: Commence at the intersection of the Northeasterly line of Terrace Street, being the Southwesterly line of Block 557 extended to the centerline of vacated Water Street; thence North 62°44'00" West 381.45 feet along the northeasterly right of way line of Terrace Street; thence Westerly 269.86 Feet, along said northeasterly right of way line, said line being a 302.48 foot radius curve to the left with a central angle of 51°07'00" and a chord which bears North 88°17'30" West 261.00 feet, to the line between Lots 5 and 6 of said Block 558; thence North 46°09'15" West 85.84 feet, along said line, to the PLACE OF BEGINNING OF THIS DESCRIPTION: Thence Northeasterly 635.15 feet along a 803.25 foot radius curve to the right, having a central angle of 45°18'19" and a chord which bears North 70°04'05" East 618.73 feet; thence South 87°16'46" East 222.59 feet; thence North 02°43'14" East 55.00 feet; thence South 87°16'46" East 120.00 feet; thence South 02°43'14" West 55.00 feet; thence South 87°16'46" East 904.15 feet; thence Northeasterly 548.72 feet, along a 1272.34 foot radius curve to the left, having a central angle of 24°42'35" and a chord which bears North 80°21'56" East 544.48 feet to the place of ending.

EXCEPT THE FOLLOWING

Part of Block 558, commence at the intersection of the Northeasterly line of Terrace Street extended to the centerline of vacated Water Street; thence North 62 degrees 44 minutes 00 seconds West along the Northeasterly line of Terrace Street extended 381.45 feet; thence Westerly along the arc of a 302.48 foot radius curve to the left 269.86 feet to the line between Lots 5 and 6 of said Block 558 (long chord bears North 88 degrees 17 minutes 30 seconds West 261 feet); thence North 46 degrees 9 minutes 15 seconds West along said line between Lots 5 and 6, 534.25 feet to the place of beginning; thence North 27 degrees 25 minutes 55 seconds East 925.82 feet to a point referred to as Point "A"; thence continue North 27 degrees 25 minutes 55 seconds East 5 feet, more or less, to the shore of Muskegon Lake; thence Northwesterly and Southwesterly along the shore of Muskegon Lake 1350 feet, more or less; thence South 46 degrees 9 minutes 15 seconds East along said line between Lots 5 and 6, 820 feet, more or less, to the place of beginning.

Property Commonly Known As: Former Teledyne Continental Motors Site

DELIB:2247223.1\063684-00024

APPENDIX B

RATIFICATION AGREEMENT BY THE MICHIGAN DEPARTMENT OF TREASURY

WHEREAS, the Michigan Legislature passed and the Governor signed Public Act 248 of 2000 to promote, *inter alia*, the development of high technology businesses throughout the State of Michigan; and

WHEREAS, the Michigan Economic Development Corporation ("MEDC") has been authorized by Public Act 281 of 1986, as amended, being MCL 125.2151 et seq. (the "Act"), to designate a certain number of certified technology parks within the State of Michigan, by December 31, 2002; and

WHEREAS, the MEDC, for strategic marketing purposes, has chosen to designate the aforementioned certified technology parks as "SmartZones"; and

WHEREAS, the MEDC issued a Request for Proposals for SmartZone designation; and

WHEREAS, the City of Muskegon ("City"), Grand Valley State University ("University"), and the Muskegon Local Development Finance Authority ("Authority") submitted a Proposal the to the MEDC requesting designation as a Certified Technology Park of certain areas located within the City's jurisdiction; and

WHEREAS, the Authority and the City approved a the tax increment financing plan ("TIFP"), pursuant to the Act; and

WHEREAS, the MEDC, the City, the Authority, and the University have entered into an agreement ("The Muskegon Lakeshore SmartZone Agreement"), which contemplates the capture of fifty percent (50%), of the amounts levied by the State pursuant to the state education act, Public Act 331 of 1993, being MCL 211.901 to 211.906, and local and intermediate school districts for a period of fifteen (15) years for levies imposed on or after July 1, 2005, (such levies collectively referred to as the "Capture"), on the basis of an initial taxable value determined as of December 31, 2000, for all purposes and in those amounts authorized under the Act by the TIFP; and

WHEREAS, a condition of the effectiveness of the Muskegon Lakeshore SmartZone Agreement under the Act, is that the Michigan Department of Treasury, through the State Treasurer, would accept and approve the Capture for the purpose of reducing unemployment, promoting economic growth, and increasing capital investment in the City, as determined by the State Treasurer; and

WHEREAS, the State Treasurer has reviewed the terms and conditions of the Capture and found them to be acceptable.

NOW THEREFORE, the Michigan Department of Treasury by its State Treasurer, ratifies, confirms and agrees by this instrument to accept and approve, the Capture under the following terms and conditions:

1. The Muskegon Lakeshore Certified Technology Park shall be allowed to capture fifty percent (50%), of the amounts levied by the State pursuant to the state education act, Public Act 331 of 1993, being MCL 211.901 to 211.906, and local and intermediate school districts for a period of fifteen (15) years for levies imposed on or after July 1, 2005, on the basis of an initial taxable value determined as of December 31, 2000, for all purposes and in those amounts as detailed in the TIFP and authorized under the Act.

Signed on behalf of the Michigan Department of Treasury this ____ day of ________, 2002.

MICHIGAN DEPARTMENT OF TREASURY

By: ________________________
Douglas B. Roberts
State Treasurer

This ratification is agreed to and accepted this ____ day of _______, 2002 in full compliance with Section 2 of Public Act 281 of 1986, as amended, being MCL 125.2151 et seq.

THE MUSKEGON LAKESHORE LOCAL DEVELOPMENT FINANCE AUTHORITY

By: Donald A. Seifert
Donald Seifert
Chairperson

The CITY OF MUSKEGON

By: ________________________
Steve Warmington
Mayor

APPENDIX C

TO BE PROVIDED BY THE CITY OF MUSKEGON.

RESOLUTION CREATING LDFA DISTRICT

2001-133(c)

Minutes of a regular meeting of the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, held at the City Hall in said City on the 13th day of November, 2001, at 5:30 o'clock p.m. prevailing Eastern Time.

PRESENT: Members Shepherd, Spataro, Aslakson, Benedict, Buie,

Nielsen, Schweifler

ABSENT: Members None

The following preamble and resolution were offered by Member Spataro and supported by Member Schweifler:

WHEREAS, pursuant to the provisions of Act 281, Public Acts of Michigan, 1986, as amended ("Act 281") the City of Muskegon (the "City") created the Local Development Finance Authority of the City of Muskegon (the "Authority") by a resolution adopted by the City Commission (the "LDFA Resolution"); and

WHEREAS, the City Commission has decided to create a new district, the Muskegon Lakeshore SmartZone, District 3 ("District 3") within which the Authority exercises its powers (the "District"); and

WHEREAS, pursuant to Act 281 the City is required to hold a public hearing on the proposed establishment of District 3; and

WHEREAS, on August 28, 2001, the City Commission conducted a public hearing on the proposed establishment of District 3; and

WHEREAS, more than 60 days have elapsed since the public hearing and the City Clerk has not received any resolutions from a taxing unit subject to capture exempting its taxes from capture; and

WHEREAS, after consideration the City Commission has determined to approve the establishment of District 3.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Determination of Necessity. The City Commission hereby determines that it is necessary for the best interests of the City to create District 3 in order to eliminate the causes of unemployment, underemployment and joblessness and to promote economic growth in the City.

2. Designation of Boundaries of District. The boundaries of the District in which the Authority shall exercise its powers as provided in Act 281 shall consist of the territory of the

City described in Exhibit A (District 3) attached hereto and made a part hereof, subject to such changes as may hereinafter be made pursuant to Act 281.

3. <u>Amendment of the LDFA Resolution; Conflict and Severability</u>. The LDFA Resolution is hereby amended to incorporate the amended boundaries of the District as stated above and is otherwise ratified and confirmed as being in full force and effect. All other ordinances, resolutions and orders or parts thereof in conflict with the provisions of this resolution are to the extent of such conflict hereby repealed.

4. <u>Publication, Recording and Filing</u>. This resolution shall be published once after its adoption in full in the <u>Muskegon Chronicle</u>, a newspaper of general circulation in the City of Muskegon and the City Clerk shall file a certified copy of the resolution with the Michigan Secretary of State promptly after its adoption.

5. <u>Effective Date</u>. This resolution shall take effect immediately upon its publication.

CERTIFICATES

I hereby certify that the foregoing is a true and complete copy of a Resolution duly adopted by the City Commission of the City of Muskegon, County of Muskegon, State of Michigan, at a regular meeting held on November 13, 2001, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

I further certify that the following Members were present at said meeting Shepherd, Spataro, Aslakson, Benedict, Buie, Nielsen, Schweifler

And that the following Members were absent None

I further certify that Member Spataro moved adoption of said resolution and that Member Schweifler supported said motion.

I further certify that the following Members voted for adoption of said resolution Aslakson, Benedict, Buie, Nielsen, Schweifler, Shepherd, Spataro and that the following Members voted against adoption of said resolution None.

Gail A. Kundinger

City Clerk

I hereby certify that the foregoing resolution received legal publication in the Muskegon Chronicle on November 22, 2001, and that a certified copy of the foregoing resolution was filed with the Michigan Secretary of State on November 16, 2001.

Gail A. Kundinger

City Clerk

APPENDIX D

Authority's Tax Increment Financing Plan

THIS DOCUMENT WILL BE ATTACHED UPON APPROVAL BY THE AUTHORITY'S BOARD, THE CITY, AND THE MEDC.

APPENDIX E

Michigan Economic Development Corporation
Core Communities Fund (CCF) Program

ECONOMIC DEVELOPMENT CCF GRANT AGREEMENT

Preamble

The Michigan Economic Development Corporation, a public body corporate (called "MEDC"), having its principal offices at 300 North Washington Square, 4th Floor, Lansing, Michigan 48913, and the City of Muskegon, a Municipal Corporation, with offices at 933 Terrace Street, Muskegon, Michigan 49443-0530, (hereinafter called the "City"), enter into this agreement, referenced as project number CCF-118 effective ________, 200_.

Section A. Purpose and Term

1. The purpose of this agreement is to assist the Grantee in financing infrastructure improvements under a certain local economic development project (called "Project"), as more specifically identified in the City of Muskegon's grant application dated _____, 2001, and set forth in the attached Exhibits "A" and "B". Such assistance shall be provided by MEDC in the form of Core Communities Fund funding, pursuant to Public Act 291 of 2000 and Public Act 281 of 1986.

2. The project shall be completed by ____________, ____. The term of the Project shall be twelve months (12) from the effective date of ________, 200_ to _______, 200_, although as specified elsewhere in this agreement, certain rights and obligations of the parties shall survive the term of the Project.

Section B. Funding

1. MEDC shall provide the Grantee the lesser of $1,000,000 or the actual cost of completing the Project plus an additional amount of $350 in Core Communities Fund monies for a project sign. The parties acknowledge that such amount is Core Communities Fund monies which have been appropriated under Public Act 291 of 2000 to the MEDC, and which MEDC administers to qualifying communities for qualifying projects, and that such funds are subject to applicable state and federal laws, rules, and policies. This grant is dependent upon the MEDC's continued receipt of Core Communities Fund monies. This agreement is serially identified as Appendix F to the Muskegon Lakeshore SmartZone Agreement.

2 . Periodic disbursements of the grant funds by MEDC to Grantee shall be for the project costs set forth in the attached Exhibit "B" Project's Authorized Budget, and shall be made from time to time in the manner and method prescribed by MEDC.

Section C. Administration

1. All reports, approvals, and correspondence from the Grantee to the MEDC shall be sent to the Grant Administrator, as follows:

Grant Administrator
Core Communities Fund Program
Michigan Economic Development Corporation
300 North Washington Square, Fourth Floor
Lansing, Michigan 48913

Correspondence from the MEDC to the Grantee shall be sent to the address noted in the preamble to this agreement.

2. Grantee shall secure written approval of the MEDC's Grant Administrator for all amendments, including but not limited to:

a. all changes of substance in the Scope of Work, as such phrase is defined in Section D, paragraph 1, including new activities or alteration of existing approved activities;

b. all extensions of time for performance under this agreement;

c. Changes among approved Core Communities Fund funded items in the Project Budget approved by MEDC, which exceed $10,000.

Amendment requests made by the Grantee must be submitted in writing to the Grant Administrator by an authorized local official of the Grantee. Approval of amendment requests by the MEDC shall be in writing and signed by the Grant Administrator.

3. Should any ambiguities exist between the provisions of this agreement, including the attached exhibits, and those of any previous agreements, offers, bids or other documents, the provisions of this agreement shall govern. The headings used in this agreement are for convenience only and are not expressive of any substantive intentions or agreement of the parties.

Section D. Scope of Work and Compliance Activities

1. The activities identified in the application dated ___________, 2001, and set forth in Exhibits "A" and "B" shall be completed.

2. Any work performed in completing the Project will be or was done in compliance with applicable state and federal laws, rules, and policies.

3. Beginning _______, 200_, and every six (6) months thereafter during the term of the Project, the Grantee shall provide the Grant Administrator with a program progress report. Within 60 days after completion of the term of the Project, the Grantee shall file a

final program progress report with the Grant Administrator.

4. During each of the Grantee's fiscal years in which a disbursement of MEDC funds is made under this agreement, the Grantee shall file an Audit Report that must be prepared by an independent auditor. The audit shall be submitted to the Grant Administrator within 30 days after completion of the audit, but not later than nine months after the close of the Grantee's fiscal year. The audit report should also identify the source and uses of the Core Community Fund monies.

5. A project sign shall be erected on the project within thirty (30) days after the Grant Agreement is executed by the Grantee. The Grantee is responsible for contacting the sign vendor and providing the city name, project name, and shipping address. The sign vendor is: Mr. Scott Hildebrant, ImageLine Productions, (517) 729-7446, whose offices are located at 811 West Main, Owosso, Michigan 48867. CCF administration funds may be used to cover the cost of the sign. The CCF budget has been adjusted to reflect this cost, which is expected to be approximately $350. The sign must be located on the project site in the most visually accessible place to ensure maximum public exposure.

Section E. Breach and Termination

1. If the Grantee fails to comply with any provision of this agreement, MEDC shall have the option to suspend or restrict disbursements under this agreement and shall notify Grantee of the same. Once notice has been sent to Grantee, Grantee agrees that it will not incur any new obligations until notified in writing by MEDC that the suspension or restriction has been terminated; provided however, that MEDC will allow all necessary and proper costs which the Grantee could not reasonably avoid during the period of any suspension or restriction.

2. The MEDC may terminate this agreement in whole or in part, at any time, if MEDC determines that Grantee has failed to comply with any provision of this agreement. In such an event, MEDC shall notify Grantee of the termination.

3. Should MEDC terminate this agreement because of the Grantee's noncompliance, the Grantee shall be responsible for repayment of any funds received under this agreement.

4. The MEDC and Grantee may terminate this agreement in whole or in part, if both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. In such event, the parties shall agree upon the conditions of termination, and amend this agreement accordingly. In no event, shall the Grantee incur new obligations for any non-terminated portion until after the effective date of termination. MEDC shall not be obligated to pay any new obligations incurred by the Grantee after the effective date of termination although MEDC will allow full credit to the Grantee for the MEDC's share of noncancellable obligations, if any exist, which were properly incurred by the Grantee prior to termination. The Grantee shall use its best efforts to cancel as many outstanding obligations as possible in the event of termination.

5. The rights and remedies of MEDC specified in this agreement shall be in addition to all other rights and remedies available to MEDC, including those listed at Section 5.04(a) of the Muskegon Lakeshore SmartZone Agreement; nothing contained in this agreement shall be construed as a waiver of MEDC's rights unless agreed to in writing by the Grant Administrator.

6. Should any portion of this agreement or the attached exhibits be declared void or unenforceable, the remaining portions shall remain in full force and effect.

7. The relationship between the MEDC and the Grantee is that of independent contractors. Neither of the parties nor their respective agents and employers shall under any circumstances be deemed to be agents, representatives, partners or joint venturers of the other party and neither of the parties shall enter into any contract or commitment in the nature or on behalf of the other party.

8. If the MEDC is unable for any reason whatsoever to perform the duties under this agreement those duties may be exercised by the Michigan Strategic Fund.

9. This agreement shall be governed and construed in accordance with the laws of the State of Michigan other than it's conflict of laws, rules, and the Grantee consents to the exclusive jurisdiction of the state courts and federal courts located in Lansing Michigan for any controversy or clause arising out of or relating to this agreement or the breach thereof, whether involving remedies at law or in equity.

10. The MEDC and the Grantee agree to perform any further acts to execute and deliver any further documents, which may be reasonably necessary to carry out the provisions of this agreement.

11. The Grantee may not assign this agreement or any interest herein without the MEDC's express prior written consent and approval.

12. This agreement may be executed in one or more counterparts each of which shall be deemed as original but all of which together shall constitute one and the entire agreement.

This agreement is executed on this ____ day of _____________, 200_, and is effective on December 1, 2001.

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

BY: ______________________

Doug Rothwell

ITS: President and Chief Executive Officer

WITNESSES

____

CITY OF MUSKEGON

BY: ______________________

Steve Warmington

ITS: Mayor

____

ECONOMIC DEVELOPMENT CCF GRANT AGREEMENT

Exhibits

Attachment 3

PROJECT BUDGET
CORE COMMUNITIES INITIATIVE

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

1. Applicant City of Muskegon

2. Project Title Muskegon Lakeshore Smartzone Shoreline Boardwalk

3. Project Cost Elements	4. Project Funding Sources (identify all other funding sources)				
Activities	CCI	Project Developer			TOTAL
					$0
1. Shoreline Dredging: Stabilization 55,000 cu. yd. @ $10/cu. yd.	200,000.	350,000.			$0 $0 550,000. $0
2. Seawall Sheet Piling 70,000 sq. ft. @ $19/sq. ft.		1,330,000.			$0 $0 1,330,000.
3. Boardwalk Construction 32,000 sq. ft. @ $25/sq. ft.	800,000.				800,000.
TOTAL	1,000,000 $0	1,680,000 $0	$0	$0	2,680,000. $0

21-Jul-00

APPENDIX F

SmartZones^{SM}
SERVICE MARK HANDBOOK

This Service Mark handbook has been developed to answer basic questions about Service Mark usage in connection with the Michigan SmartZones.

What is a Service Mark?

A service mark is a word, phrase, symbol or design, or combination of those, which identifies and distinguishes the source of a service of one party from those of others. It is the same thing as a trademark, except it is for a service rather than a product.

Examples of Service Marks:

- Two Men and a Truck
- Comerica
- Tuffy Auto Service Centers
- Stanley Steamer
- SmartZone, SmartZones

How do you get a Service Mark?

There are two ways to get a Service Mark. One is to simply use the mark commercially. The second is to file an application with the Patent and Trademark Office and use the mark in commerce across state lines.

The MEDC has done both. We are using the mark commercially and we have filed an application with the Patent and Trademark Office.

What are the benefits of a Service Mark?

Establishing Service Mark rights gives the owner the ability to keep others from trading off of the value it builds up in the mark and the value of public recognition of the owner's services.

Using the examples of Service Marks from above most people know:

that Two Men and a Truck is a moving service,
that Comerica is a bank,
that Tuffy Auto Service Centers are known for their mufflers,
that Stanley Steamer is associated with rug cleaners

Our goal is that SmartZones be associated with very innovative clusters of technology-based businesses and research institutions throughout the state.

When do you use a Service Mark?

Use the Service Mark any time you want the public to identify the services being offered with the owner of the mark.

You should use the SM symbol any time the mark stands out as the source of the services, such as in:

Advertising	Letterhead
Headings	Business Cards
Titles	Signs

The broader the public exposure, the more you should prominently display the SM.

In longer marketing material, the use of the Service Mark symbol every time "SmartZone" (known as "the mark") is used in a document can disrupt the flow of normal text. Therefore, use an * after the mark and denote at the bottom that "SmartZone" is a Service Mark of The Michigan Economic Development Corporation.

Why did the MEDC Service Mark SmartZones?

In two words: Quality and Innovation

SmartZones are a very innovative approach to stimulating and supporting the growth of technology-based businesses and jobs. These technology clusters, building on Michigan's strong scientific, engineering, educational, and research capabilities, will bring to market the application of scientific and technological innovation to help drive Michigan's economic development strategy for years to come. Therefore, it is critical that each SmartZone reflect a high level of quality in its businesses, research activities, training and support services, and marketing. It is necessary, then, to ensure that quality services are offered under a Service Mark the public recognizes.

Can we name the SmartZone?

During the selection process and awarding of the SmartZone designation, the MEDC and the local applicants have already agreed to the name of the SmartZone. The approved names of the local SmartZones are:

Battle Creek Aviation and e-Learning
Grand Rapids
Kalamazoo
Lansing Regional
Michigan Tech Enterprise
Mount Pleasant
Muskegon Lakeshore
Oakland Automation Alley
Pinnacle
Ann Arbor/Ypsilanti
Woodward Technology Corridor

The use of the local name combined with the SmartZone service mark is allowed but must meet Service Mark criteria by visually separating SmartZone through spacing, different font, a line, etc. from the name when used in a title, logo, or other identifier.

The following example would **meet** the Service Mark criteria for the use of the local identifier with the SmartZone Service Mark:

Battle Creek Aviation and e-Learning
SmartZone^{SM}

Battle Creek Aviation and e-Learning
SmartZone^{SM}

In this example, Battle Creek Aviation and e-Learning is on a different line than SmartZone, it is separated by a line, it is in italics and in a different font.

The following examples would not meet the Service Mark criteria when used in a title, logo, or other identifier.

Battle Creek Aviation and e-Learning SmartZone^{SM}
Battle Creek Aviation and e-Learning SmartZone^{SM}

In each of these examples Battle Creek Aviation and e-Learning is on the same line as SmartZone, which can lead the reader to believe the whole line is Service Marked, not just the SmartZone.

Can we use the business, research or governmental entities in identifying the SmartZone?

SmartZones are associated with an educational institution or a private research institution ("University"). Therefore, it is not unreasonable to identify the university with the SmartZone. In order to meet the Service Mark criteria, the following format must be used:

Kalamazoo SmartZone^{SM*} at Western Michigan University

*SmartZones is a Service Mark of The Michigan Economic Development Corporation.

Can you combine Trademarks with Service Marks?

Yes, this is done frequently. A good example is Microsoft® and their various software programs. Microsoft is Service Marked and the software programs are Trademarked.

A number of the educational institutions involved with the SmartZones have logos that are Service Marked as well as some of the major contributors to the SmartZones. These various logos can be combined in marketing material and signage. We request that the SmartZone logo be the predominate image/wording.

The MEDC is willing to work with you on these issues, but we want to review all marketing materials, including signage, prior to their publication, per your SmartZone agreement.

What is the difference between an ^{SM} and a ®?

Once the Service Mark application has been through the process at the Patent and Trademark Office and an official Registration Certificate has been issued, the owner may use the ® at the end of the mark instead of ^{SM}.

Will signs and other marketing materials have to be changed from ^{SM} to ®?

Signs are of a permanent nature and usually very costly to change. We will not require the centers to change the ^{SM} to a ®. You can still use the ^{SM} even after it is registered. The ® indicates it is on the Patent and Trademark Office Register.

As you update or reprint marketing material the ^{SM} should be changed to the ®.

Who owns the Service Mark for the SmartZones?

The Michigan Economic Development Corporation owns the Service Marks and contractually licenses individual SmartZones to use them.

How do we give attribution to the MEDC that is a requirement of our contracts?

Please use the following:
SmartZones is a Service Mark of The Michigan Economic Development Corporation.

If you have further specific questions regarding Service Mark usage, please contact Kirsten Tava at 517-241-0813.

Commission Meeting Date: April 23, 2002

Date: **April 15, 2002**

To: **Honorable Mayor & City Commission**

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

RE: **CMI Brownfield Redevelopment Grant- Smartzone Property**

SUMMARY OF REQUEST: Anne Couture is working with Lakefront LLC to secure a CMI Brownfield Redevelopment Grant from the Michigan Department of Environmental Quality. Although Lakefront LLC is contracting with Ms. Couture for the grant preparation, the City of Muskegon must approve the resolution applying for the grant funds.

FINANCIAL IMPACT: If approved for the grant, the funds will be used to cover the costs of environmental remediation on the site which is not currently covered by the current owner and other grant and private funds. The amount being applied for is up to $1 Million.

BUDGET ACTION REQUIRED: None.

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

COMMITTEE RECOMMENDATION: None.

Resolution No. 2002-52(e)

MUSKEGON CITY COMMISSION

RESOLUTION AUTHORIZING THE SUBMITTAL OF A
CLEAN MICHIGAN INITIATIVE
BROWNFIELD REDEVELOPMENT GRANT APPLICATION

WHEREAS, the Michigan Department of Environmental Quality provides grants to communities through its Brownfield Redevelopment Grant program to fund environmental response activities necessary to facilitate redevelopment projects; and

WHEREAS the former Teledyne/Continental Motors facility located on Muskegon Lake along the City's lakeshore is known to be contaminated by hazardous substances, and is therefore determined to be a Part 201 "facility"; and

WHEREAS environmental response activities are necessary in order to facilitate economic development, to assure that the property can be used in a safe and environmentally sound manner; and

WHEREAS, the proposed use of the Teledyne property for office, commercial, and residential development, including public walkways ("Project"), is consistent with the City of Muskegon's Waterfront Redevelopment Plan, including its overall Master Land Use Plan; and

WHEREAS, it is the intention of the City that the Project will be undertaken if a CMI Brownfield Redevelopment Grant is awarded;

NOW, THEREFORE, BE IT RESOLVED, THAT the City Commission authorizes the City Manager to apply for and secure a grant for up to $1,000,000 from, and enter into a grant agreement with, the Michigan Department of Environmental Quality.

Adopted this 23rd of April, 2002.

AYES: Buie, Gawron, Larson, Schweifler, Shepherd, Spataro, Warmington

NAYS: None

ABSTAIN: None

By: [signature]
Stephen J. Warmington, Mayor

Attest: Gail Kundinger
Gail Kundinger, Clerk

CERTIFICATION
2002-52(e)

This resolution was adopted at a regular meeting of the City Commission, held on April 23, 2002. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By Gail A. Kundinger
Gail A. Kundinger, City Clerk

Commission Meeting Date: April 23, 2002

Date: **April 15,2002**

To: **Honorable Mayor & City Commission**

From: **Community and Neighborhood Services Department**

RE: **Approval of contractor for completion of Rehabilitation of structure at 1838 Jarman**

SUMMARY OF REQUEST: To approve the contract with Holden Construction of Muskegon for the completion of the rehabilitation of 1838 Jarman for **Thirty Thousand Nine Hundred Twenty ($30,920)**. The structure was obtained by the City of Muskegon through the "Good Neighbor Program" from the U.S. Department of Housing and Urban Development for the total cost of one dollar. ($1.00) The Lead base Paint Abatement has been completed, after the final rehabilitation is completed the property will be sold to a qualified family in accord with the City's neighborhood revitalization efforts

FINANCIAL IMPACT: The funding for this project will be taken from the City's HOME funds from fiscal year 2001.

BUDGET ACTION REQUIRED: None required

STAFF RECOMMENDATION: To approve the Community and Neighborhood Services selection.

COMMITTEE RECOMMENDATION: The Commission previously approved the Lead Base Paint Abatement for this project .

CITY OF MUSKEGON
COMMUNITY & NEIGHBORHOOD SERVICES
RESIDENTIAL PROPERTY CONTRACT AGREEMENT

2002-52(f)

AGREEMENT made this 23rd day of April, 2002 between City of Muskegon hereinafter called "Owner" and Holden Construction herein after called "Contractor". WITNESSETH, that the Contractor and the Owner for the considerations stated herein mutually agree as follows:

STATEMENT OF WORK. The construction or rehabilitation of residential structures with assistance provided under this Residential Property Contract Agreement is subject to the Department of Housing and Urban Development Lead Based Paint Regulations, (24CFR Part 35) expressly prohibiting the use of lead based paint. Any funds made available by the grantee for the rehabilitation of structures with assistance provided under this Agreement shall be made subject to the provisions for the elimination of lead based paint hazards under Subpart B of said regulations.

General Conditions

1. The Bid and Proposal must be accepted by the Owner within 30 days from the date set forth in the preceding paragraph. however, no work shall commence until the Contractor has received a written Proceed Order from the Owner.

2. The Contractor shall receive the Proceed Order within ten (10) days from the date of acceptance by the Owner of the Bid and Proposal. If the order is not received by the Contractor within this period, the Contractor reserves the right to withdraw his Bid and Proposal.

3. The Contractor must commence work within ten (10) days after the issuance of the Proceed Order. Extensions of this time period must be approved in writing by the Owner. Failure to begin work within said specified period without an approved extension may result in an award of the contract to the next lowest qualified bidder.

4. The Contractor must satisfactorily complete the work within 90 days after issuance of the Proceed Order. In the event of failure to complete work within said specified period without an approved extension, the City of Muskegon as lender, reserves the right to withhold sufficient funds from final payment to retain another contractor for satisfactory completion of work to be performed. Inexcusable and unapproved delays in completion may result in per diem surcharges against the Contractor, to be deducted from final payment.

5. The Contractor shall furnish all supervision, labor, materials, machinery, tools, equipment, and services and perform and complete all work in an efficient and workmanlike manner, in accordance with standard specifications of Housing Rehab Services.

6. A. The Contractor shall be paid the contract price in one lump sum payment after work is satisfactorily completed, or as follows: **Bi-monthly draws after approval by the CNS staff and the City of Muskegon**

Inspection division, with a ten percent hold back to be paid at end of contract at completion. (See items C and B**)**

7. Contractor and all required personnel must possess proper documentation to work on projects funded with HOME funds which includes all regulations related to CFR24. 35 Subpart C Elimination of Lead -Based paint Hazards in HUD- Associated Housing.

FINAL

B. Progress payments will be paid within 20 days from the receipt of the invoice of the Contractor together with satisfactory release of liens or claims for liens by subcontractors, laborers, and materials suppliers for completed work or installed materials. Such progress payments shall be paid on the basis of the percentage of work satisfactorily completed. Progress payments shall not exceed 80% of the value of work satisfactorily completed. Payment shall be made only after inspection and acceptance by the Owner and Housing Rehab Services.

C. Final Payment on this Contract shall be made only after final inspection and acceptance of all work performed by the Contractor and/or his subcontractors and after the Contractor has furnished the Owner satisfactory releases of liens or claims for liens by the Contractor, subcontractors, laborers, and materials suppliers.

8. The premises will be **vacant** during the period of rehabilitation construction.

9. The Contractor shall:

A. Furnish evidence of comprehensive public liability insurance coverage protecting the Owner, the City of Muskegon, the Contractor and any subcontractor performing work covered by the Contract from any and all claims which may arise from the performance, inspection, or acceptance of the work covered by this Contract whether such claims arise as a result of the alleged act or omission of the Owner, the City of Muskegon, the Contractor, any subcontractor, or anyone directly or indirectly employed by any of them.

The amounts of insurance shall be as follows:

Bodily Injury, Including Death

Each Person	$50,000.00	Each Accident	$100,000.00

Property Damage

Each Accident	$25,000.00	Aggregate	$ 50,000.00

Proof of such insurance coverage shall be evidenced by submitting a certificate of insurance. The Contractor shall also provide satisfactory evidence of Worker's Compensation for himself and for his subcontractors.

B. Obtain and pay for all permits and licenses necessary for the completion and execution of the work and labor to be performed.

C. Perform all work in conformance with applicable ordinances and code requirements whether or not covered by the drawings and specifications for the work.

D. Keep the premises clean and orderly during the course of the work and remove all debris at the completion of the work. Materials and equipment that have been removed and replaced as part of the work shall belong to the Contractor.

E. Not assign the Contract or enter into any special arrangement with the Owner without the written consent of the Owner and the Director of Neighborhood and Construction Services or a designated representative.

F. Guarantee such work and material for a period of one year from the date of final inspection and acceptance of all work required by this Contract, and furnish the Owner with all manufacturers' and suppliers' written guarantees and warranties covering materials and equipment furnished under this Contract.

10. The Owner shall:

A. Permit the contractor to use at no cost, existing utilities such as light, heat, power and water necessary to the carrying out and completion of the work.

B. Cooperate with the contractor to facilitate the performance of the work including the removal and replacement of rugs, covering, furniture, etc.

11. Further provisions as applicable to this instrument are described below by general subject and attachment designation and are a part of this instrument. (For example: the identities, addresses and specific trades of all subcontractors) **WORKFORCE ANALYSIS**

12. This contract consists of the Bid and Proposal, the Statement of Work including the general conditions, the Owners' and Contractors' responsibilities, and any attachments designated above.

13. In the event a dispute arises between Owner and Contractor over the quality or adequacy of Contractors' performance of the work, resulting in Owners' refusal to approve any progress payment or final payment as provided herein, the City of Muskegon's Director of the Department of Community Development or his/her designee shall become the sole judge of the quality or adequacy of Contractors performance of the work. In the event the Director or his/her designee determine that the Contractor has performed the work in a good and workmanlike manner and in accordance with the standards set forth in the Contract, the City of Muskegon may make such progress payment or final payment for the Owners' grant/loan proceeds as though Owner had approved the same, and with like effect, and, absent fraud or bad faith on the part of the City or its employees, Owner hereby releases the City of Muskegon of and from any liability to Owner by reason of such payment.

14. The undersigned Contractor offers to do the rehabilitation work specified in the Contractors' Bid and Proposal, or Work Write-Up attachment hereto and made a part thereof, on the parcel described as Parcel # 61-24-255-004-0006-00 Located AT **1838 Jarman** or the compensation itemized in said Bid and Proposal or Work Write-Up, under the Labor Group(s) as follows: General Contractor .

With total for entire project of $30,920.00 .

CONTRACTOR	ACCEPTANCE BY OWNER
Contractor Holden Construction	Name: City of Muskegon
Curtis R Holden	
Contractor Signature	Steve Warmington, Mayor
	Gail Kundinger
	Gail Kundinger, City Clerk
Contractor Address	Owner 933 Terrace
4-30-02	4-29-02
Date of Bid and Proposal	Date of Acceptance

RAP-701 - 1985

Bid Comparison for Rehabilitation of 1838 Jarman

The bid amount does not include items that were included under Lead Base Paint Abatement.

Holden Construction	$30,920
Success Builders	$37,564.80
Cotton Builders (ineligible)	$26,522
Price Construction	$49,998

Date: April 23, 2002

To: Honorable Mayor and City Commissioners

From: Engineering

RE: Consideration of Proposals for Construction Engineering Services on: Shoreline Dr. East

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SUMMARY OF REQUEST:

To enter into a construction engineering services agreement with Fleis & Vandenbrink to perform the necessary plans review, construction inspection, construction staking and testing. Furthermore, it is requested that the award be contingent upon the successful execution of the funding agreements between the City & MDOT.

We are anticipating the arrival of a costed proposal from Fleis & Vandenbrink prior to the 23 of April. Upon receiving that proposal we will present you with the information during the meeting

Fleis & Vandenbrinck is being recommend as a result of reviewing their uncosted proposal as well as the interviews that included FTC&H and V3 consulting.

FINANCIAL IMPACT:

The cost for the engineering services would be from the grant to construct Shoreline Dr.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Enter into an engineering agreement with Fleis & Vandenbrink Engineering.