

CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 14, 2009

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- ❑ **CALL TO ORDER:**
- ❑ **PRAYER:**
- ❑ **PLEDGE OF ALLEGIANCE:**
- ❑ **ROLL CALL:**
- ❑ **HONORS AND AWARDS:**
- ❑ **INTRODUCTIONS/PRESENTATION:**
- ❑ **CONSENT AGENDA:**
 - A. Approval of Minutes. CITY CLERK
 - B. City – MDOT Agreement for the Reconstruction of Getty Street from Marquette Avenue to Access Highway. ENGINEERING
 - C. City – MDOT Agreement for the Reconstruction of Harvey Street from Oak to Marquette. ENGINEERING
 - D. City – MDOT Agreement for the Traffic Signal Upgrading Work. ENGINEERING
 - E. Intake Crib Inspection. WATER FILTRATION
 - F. Annual Sodium Hypochlorite Purchase. WATER FILTRATION
 - G. Fireworks Display Permit for Muskegon Country Club. CITY CLERK
 - H. Recommendations for the Various Boards and Committees. COMMUNITY RELATIONS COMMITTEE
 - I. Multiple Special Events with Alcohol. LEISURE SERVICES
 - J. Transmittal of 2008 Comprehensive Annual Financial Report. FINANCE
 - K. First Quarter 2009 Budget Reforecast. FINANCE
- ❑ **PUBLIC HEARINGS:**
 - A. Parks and Recreation Master Plan. PLANNING & ECONOMIC DEVELOPMENT

❑ **COMMUNICATIONS:**

❑ **CITY MANAGER'S REPORT:**

❑ **UNFINISHED BUSINESS:**

❑ **NEW BUSINESS:**

A. Sale of Madison Street Fire Station, 1774 Madison. PLANNING &
ECONOMIC DEVELOPMENT

B. Sale of Parking Lot to 297 Clay Condominium Owners Association, Inc.
CITY MANAGER

C. Collective Bargaining Agreement with Service Employees International
Union (SEIU) Local 517M, Unit 2, for Years 2009 – 2011. CITY MANAGER

D. Community Action Trailer. CITY CLERK

❑ **ANY OTHER BUSINESS:**

❑ **PUBLIC PARTICIPATION:**

- **Reminder: Individuals who would like to address the City Commission shall do the following:**
- Fill out a request to speak form attached to the agenda or located in the back of the room.
- Submit the form to the City Clerk.
- Be recognized by the Chair.
- Step forward to the microphone.
- State name and address.
- Limit of 3 minutes to address the Commission.
- (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

❑ **CLOSED SESSION:**

❑ **ADJOURNMENT:**

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

Date: April 14, 2009
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve the minutes of the Regular Commission Meeting that was held on Tuesday, March 24th.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

MARCH 24, 2009

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, March 24, 2009.

Mayor Warmington opened the meeting with a prayer from Pastor Tim Cross from the Living Word Church of Muskegon after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioners Sue Wierengo, Steve Wisneski, Chris Carter, Clara Shepherd, and Lawrence Spataro, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker.

2009-26 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes for the March 9th Commission Worksession, and the March 10th Regular Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Traffic Department Materials and Services 2009. PUBLIC WORKS

SUMMARY OF REQUEST: Contract with the Muskegon County Road Commission for the joint purchase of various Traffic Department materials and services. We have bid out these items with MCRC for the past eighteen years. By bidding together with MCRC and other municipalities, we are able to get better unit prices because of larger quantity purchases.

FINANCIAL IMPACT: Sign materials and services to be jointly bid:

Sign Blanks -- \$1,100 approx.

Sign Post -- \$4,000 approx.

Ready Made Signs -- \$2,000 approx.

Centerline Painting -- \$17,000 approx.

Total: \$24,100

BUDGET ACTION REQUIRED: This item is requested each year in the appropriate Highway budgets.

STAFF RECOMMENDATION: Approve the continued joint purchasing with the Muskegon County Road Commission for sign materials and services.

C. Aggregates, Highway Maintenance Materials and Concrete. PUBLIC WORKS

SUMMARY OF REQUEST: Award bid to supply H1 and H2 limestone chip blend to Verplank Trucking Company, PO Box 8, Ferrysburg, MI 49409.

Award bid to supply road slag to Verplank Trucking Company, PO Box 8, Ferrysburg, MI 49409.

Award bid to supply Sylvox patching material (CP-6 alternative) to Asphalt Paving, Inc., 1000 E. Sherman Boulevard, Muskegon, MI 49444-0190.

Award bid for crack sealant to ASI Manufacturing, LLC, 1805 Industrial Park Dr., Grand Haven, MI 49417.

Award bid to supply bituminous asphalt product to Asphalt Paving, Inc., 1000 E. Sherman Boulevard, Muskegon, MI 49444-0190.

Award bid to supply Calcium Chloride 38% (road brine) and 32% (winter salting) to Great Lakes Chloride, 1012 E. Free Soil Rd., Free Soil, MI 49411.

Award bid to supply screened top soil to Verplank Trucking Company, PO Box 8, Ferrysburg, MI 49409.

Award bid to supply 2NS sand to Yellow Rose Transport, 3531 Busch Dr., Grandville, MI 49418.

Award bid to supply 7-sack mix concrete to Port City Redi-Mix, 1780 Sheridan Road, Muskegon, MI 49442; contingent upon product availability, timely deliveries, and prices as quoted.

FINANCIAL IMPACT: \$231,247 based on 2008 quantities at 2009 quotes.

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

D. Budgeted Vehicle Replacement – Two Ford F-450s. PUBLIC WORKS

SUMMARY OF REQUEST: Approval to purchase two 2009 Ford F-450s.

FINANCIAL IMPACT: \$44,678.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve purchase from Vanderhyde Ford.

E. Budgeted Vehicle Replacement – One Ford F-350 and Two Ford F-350 4X4. PUBLIC WORKS

SUMMARY OF REQUEST: Approval to purchase one 2009 Ford F-350 and two

Ford F-350 4X4.

FINANCIAL IMPACT: \$56,119.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve purchase from Vanderhyde Ford.

F. Request to Apply for a Grant for McGraft Park Building. CITY CLERK

SUMMARY OF REQUEST: The State of Michigan has received funding to make polling places accessible. It has been determined that the doors entering into the polling place at McGraft Park are inaccessible. Staff is asking permission to apply for a grant to have the doors replaced. It is unknown at this time if there will be a match to the grant and how much it will be. The State will make that determination after all requests have been received; the number of applications they receive will make that determination.

FINANCIAL IMPACT: Quotes have been obtained. The lowest quote is \$22,884.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To authorize staff to submit the paperwork to apply for the grant.

H. Clearwell Valve Replacement. WATER FILTRATION

SUMMARY OF REQUEST: To authorize staff to enter into contract with Franklin Holwerda Company, the lowest responsible bidder, for the replacement of the 1937 clearwell effluent valves.

FINANCIAL IMPACT: The cost proposal is a total of \$47,900 including \$3,000 for dune grass remediation.

BUDGET ACTION REQUIRED: None, the project is adequately budgeted in the capitol improvements project budget.

STAFF RECOMMENDATION: Staff recommends the Mayor and City Commission authorize staff to enter into contract with Franklin Holwerda Company for the clearwell valve replacement at the Water Filtration Plant.

J. Purchase of 519 Orchard and 525 Orchard. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the purchase of the property located at 519 Orchard, from Wes Ashton of 13 Greendale, Muskegon, MI, for \$5,000 and for the property located at 525 Orchard from James Singleton of 3925 E. Apple, Muskegon, MI, for \$10,000. Both properties are being purchased for their most recently appraised price.

The acquisition of these two properties are the beginning of the CNS office efforts to acquire property for its second phase of the Orchard Street Redevelopment Project AKA Community Uprising II, which will consist of the demolition of three to five houses on the 500 block of Orchard and the new construction of two new homes. The new construction will be funded mainly by

Neighborhood Stabilization funds that the City will receive from the Michigan State Housing Development Authority.

FINANCIAL IMPACT: Funding for purchases and the demolitions will be deducted from reprogrammed HOME funds. The construction of the new homes will be allocated mainly from the City's Neighborhood Stabilization funding.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: The information and project was reviewed with the Citizen's District Council.

K. Sanitary Pump Station at Hartshorn Marina. PUBLIC WORKS/MARINA

SUMMARY OF REQUEST: Approval to enter into a Grant Agreement with the Michigan DNR to purchase a sanitary pump station. The sanitary pump station will be located on public property adjacent to Hartshorn Marina. The unit will be enclosed in an existing facility, and would service Hartshorn Marina Customers and Muskegon Lake boaters for a fee.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None, Federal *Clean Vessel Act* funding was secured through the grant process; a twenty-five percent match totaling \$1,482.25 will be allocated from monies saved within the approved 2009 Marina budget.

STAFF RECOMMENDATION: Approval to enter into the Grant Agreement with the DNR and to authorize staff to sign.

Motion by Commissioner Spataro, second by Commissioner Carter to approve the Consent Agenda as read with the exception of items G and I.

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

Nays: None

MOTION PASSES

2009-27 ITEMS REMOVED FROM THE CONSENT AGENDA:

G. Resolution Regarding Spending of Stimulus Funds. CITY MANAGER

SUMMARY OF REQUEST: To adopt a resolution to commit to purchasing goods and services made in the United States when using Federal Stimulus Package funds. This resolution is a modified version of one from the United Steelworks Union.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution.

Motion by Commissioner Wisneski, second by Commissioner Carter to adopt the resolution to commit to purchasing goods and services made in the United States when using Federal Stimulus Package funds.

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

Nays: None

MOTION PASSES

I. Maintenance Agreement/Rite-Way Plumbing and Heating. PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety requests that the Commission consider the bid for a maintenance agreement with Rite-Way Plumbing and Heating of Grand Rapids. This is a one-year bid to provide quarterly maintenance for the heating and cooling system at Central Fire. Rite-Way was the sub-contractor who installed this system.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of this request.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the maintenance agreement with Rite-Way Plumbing and Heating of Grand Rapids.

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

Nays: None

MOTION PASSES

2009-28 UNFINISHED BUSINESS:

A. Padlock Ordinance – 287 McLaughlin. CITY MANAGER

SUMMARY OF REQUEST: The owner of the property advised that he had evicted the tenants who were the subject of the investigations at this property.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: That we not move forward with the padlock process for the property at 287 McLaughlin.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to not move forward with the padlock process for the property at 287 McLaughlin.

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

Nays: None

MOTION PASSES

B. Recommendation for Annual Renewal of Liquor Licenses – Cuti's Sports Bar & Grill, Muskegon Recreational Club, and City Café. CITY CLERK

SUMMARY OF REQUEST: To recommend approval of the renewal of the liquor license for Cuti's Sports Bar & Grill and the Muskegon Recreational Club. Ken Grant, City Income Tax Director/Deputy Treasurer checked with the County Treasurer and both establishments have agreements to pay their back taxes. We also request approval of the license for City Café (lordache Holdings, Inc.). The Liquor Control Commission does have applications pending to transfer all stock to PKT Twelve, Inc., and to drop lordache Holdings, Inc.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the liquor license renewal for Cuti's Sports Bar & Grill, Muskegon Recreational Club, and City Café.

Voted on with Item C.

C. Recommendation for Denial of Liquor License Renewal for H&J Dollar. CITY CLERK

H & J Dollar is now in compliance.

Motion by Vice Mayor Gawron, second by Commissioner Wierengo to approve the liquor license renewal for Cuti's Sports Bar & Grill, Muskegon Recreational Club, City Café, and H & J Dollar.

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

Nays: None

MOTION PASSES

2009-29 NEW BUSINESS:

A. 2009-2010 CDBG/HOME Partnership Program Allocations. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: For the City Commission to make their final allocation decision concerning the 2009-2010 Community Development Block Grant/HOME Partnership Program allocations for this coming fiscal year.

The Commission has received the recommendations from the Citizen's District Council and the City administration. The Commission made their preliminary recommendations during the March 10, 2009, City Commission meeting.

After receiving the Commissions final allocation decision, the Community and Neighborhood Services office will amend the City's 2009-2010 Action Plan, if needed, and continue the comment period until April 15, 2009. At that time, the Community and Neighborhood Services staff will request the United States Department of Housing and Urban Development for the Release of Funds for the

2009-2010 fiscal year to begin June 1, 2009.

FINANCIAL IMPACT: The decision will determine how the Community Development Block Grant/HOME Partnership Program funding will be allocated for the 2009-2010 fiscal year.

BUDGET ACTION REQUIRED: The Commission actions will establish the fiscal year's budget.

STAFF RECOMMENDATION: The Commission previously received the administration recommendations.

COMMITTEE RECOMMENDATION: The Commission also received the Citizen's District Council recommendations.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the previous recommendation to concur with Citizen's District Council regarding the Community Development Block Grant/HOME funds.

Motion amended by Commissioner Spataro, second amended by Vice Mayor Gawron to add \$1,000 to Red Cross Senior Transit Program from the \$4,738 cushion.

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

Nays: None

MOTION PASSES

B. Approval of Loan in the Amount of \$30,000 to Great Lakes Die Cast.

PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: To approve the loan agreement and related documents for a \$30,000 loan to Great Lakes Die Cast.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the loan to Great Lakes Die Cast.

COMMITTEE RECOMMENDATION: The Revolving Loan Fund Advisory Committee has recommended approval of the loan.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the loan in the amount of \$30,000 to Great Lakes Die Cast.

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

Nays: None

MOTION PASSES

C. Request to Revoke the Obsolete Property Rehabilitation Exemption Certificate at 585 W. Clay. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Jack McPherson was issued an Obsolete Property Rehabilitation Exemption Certificate (resolution number 2007-68(b), issued August 14, 2007) for the property located at 585 W. Clay. The timeline to complete the rehabilitation was one year, giving him until August 14, 2008, to do so. To date, only \$17,000 of the proposed \$200,000 in renovations have been made. Mr. McPherson does not currently have any plans to continue the rehabilitation, but may decide to in the future, in which case he would be eligible to reapply for another certificate.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To revoke the Obsolete Property Rehabilitation Certificate.

Motion by Vice Mayor Gawron, second by Commissioner Shepherd to revoke the Obsolete Property Rehabilitation Exemption Certificate at 585 W. Clay.

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

Nays: None

MOTION PASSES

D. Consideration of Bids for Merrill Avenue, Seventh to Sixth.
ENGINEERING

SUMMARY OF REQUEST: To waive the irregularity in Hallack Contracting bid and award them the Merrill Street project, H-1649 & W-715, since they were the lowest bidder with a total bid price of \$227,116.85. Hallack Contracting, who is out of Hart, did not use the revised bid proposal sheet which contained one less bid item.

FINANCIAL IMPACT: The construction cost of \$227,116.85 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None at this time, however, the first quarter reforecast will include revised numbers from those that were originally budgeted to account for the higher prices than originally expected.

STAFF RECOMMENDATION: It is in the City's best interest to waive the irregularity (using the wrong form) and award the bid to Hallack.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the bid for Hallack for the work on Merrill Avenue and waive the irregularity.

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

Nays: None

MOTION PASSES

E. Concurrence with the Housing Board of Appeals Notice and Order to

Demolish the Following: PUBLIC SAFETY

1035 Pine St. (Area 11b)

521 Leonard Ave. (Area 11) REMOVED PER REQUEST OF STAFF

312 Cross Ave. – Garage (Area 11) REMOVED PER REQUEST OF STAFF

724 E. Isabella Ave. (Area 11)

642 McLaughlin Ave. – Home and Garage

1505 Lakeshore Dr. – Garage

SUMMARY OF REQUEST: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structures are unsafe, substandard, a public nuisance and that they be demolished within 30 days. It is further requested that administration be directed to obtain bids for the demolition of the structures and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

FINANCIAL IMPACT: CDBG Funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To concur with the Housing Board of Appeals decision to demolish.

Motion by Commissioner Spataro, second by Commissioner Wierengo to concur with the Housing Board of Appeals decision to demolish 724 E. Isabella and 1505 Lakeshore Drive – garage only.

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

Nays: None

MOTION PASSES

Motion by Commissioner Spataro, second by Vice Mayor Gawron to concur with the Housing Board of Appeals notice and order to demolish 1035 Pine Street.

ROLL VOTE: Ayes: Spataro, Warmington, Wisneski, Carter, and Gawron

Nays: Shepherd and Wierengo

MOTION PASSES

Motion by Commissioner Carter, second by Commissioner Spataro to concur with the Housing Board of Appeals notice and order to demolish 642 McLaughlin Avenue – home and garage.

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

Nays: None

MOTION PASSES

F. Presentation by Kathy Evans – Proposed Shoreline Habitat Restoration and Public Access Improvements Projects. CITY CLERK

SUMMARY OF REQUEST: Kathy Evans has requested to make a short presentation regarding a proposed Shoreline Habitat Restoration and Public Access Improvement Project – NOAA Great Lakes Habitat Restoration Grant and US EPA Great Lakes Legacy Act.

Motion by Vice Mayor Gawron, second by Commissioner Wierengo that the City send a letter of support for these projects from the MLWP to NOAA for the proposal to be completed and sent to them by April 1st.

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

Nays: None

MOTION PASSES

2009-30 ANY OTHER BUSINESS:

Commissioner Spataro stated his concern reference Muskegon Public Schools plans for Froebel School and Phillips School. He then introduced Judy Kell, Compliance Review Supervisor, from Muskegon County who asked the Commission for a letter of support.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve a letter of support for the grant application to facilitate the County's purchase of the waterfront property from the YMCA.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Comments were heard from the public.

ADJOURNMENT: The City Commission Meeting adjourned at 7:13 p.m.

Respectfully submitted,

Ann Marie Becker, MMC
City Clerk

Date: April 14, 2009
To: Honorable Mayor and City Commissioners
From: Engineering
RE: City – MDOT Agreement for the reconstruction of:

Getty Street from Marquette Ave. to Access Highway

SUMMARY OF REQUEST:

To approve the attached contract with MDOT for the resurfacing of Getty Street from Marquette Avenue to Access Highway and to approve the attached resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT:

MDOT's participation is limited to the federal funds of \$209,500. The estimated total construction cost is \$227,800.

BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

Approve the attached contract and resolution and authorize the mayor & clerk to sign both.

COMMITTEE RECOMMENDATION:

RESOLUTION_____

RESOLUTION FOR APPROVAL OF A CONTRACT AGREEMENT BETWEEN THE MICHIGAN DEPARTMENT OF TRANSPORTATION AND THE CITY OF MUSKEGON FOR THE RESURFACING OF GETTY STREET FROM MARQUETTE AVENUE TO ACCESS HIGHWAY. TOGETHER WITH OTHER NECESSARY RELATED WORK AND AUTHORIZATION FOR MAYOR STEPHEN J. WARMINGTON AND CITY CLERK ANN BECKER TO EXECUTE SAID CONTRACT

Moved by_____and supported by

Commissioner_____that the following Resolution be adopted:

WHEREAS, entry by the City of Muskegon into Contract no. **09-5087** between the Michigan Department of Transportation and the City of Muskegon for the **resurfacing of Getty Street from Marquette Avenue to Access Highway** within the City is in the best interests of the City of Muskegon.

RESOLVED, that entry by the City into Contract Agreement Number **09-5087** 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_____day of_____, 2009.

BY

Stephen J. Warmington, Mayor

ATTEST

Ann Becker, City Clerk

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on _____, **2009**. 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_____
Ann Becker, City Clerk

HPSL

DAB

Control Section	HPSL 61407
Job Number	105779
Project	HPSL 0961(123)
Federal Item No.	RR 6722
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	09-5087

PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made and entered into this date of _____, 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 6, 2009, attached hereto and made a part hereof:

Resurfacing work along Getty Street from Marquette Avenue to Access Highway; including pavement removal, aggregate grading, hot mix asphalt paving, concrete pavement, concrete sidewalk, 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:

HIGH PRIORITY PROJECTS PROGRAM - SAFETEA LU

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, including costs incurred by the DEPARTMENT and the REQUESTING PARTY for construction engineering, construction materials testing, and inspection and any other costs incurred by the DEPARTMENT as a result of this contract.

Costs for construction engineering, construction materials testing, and inspection incurred by the REQUESTING PARTY for the PROJECT shall be limited to the lesser of: (1) 100 percent of the actual costs for construction engineering, construction materials testing, and inspection, or (2) 15 percent of the actual contracted physical construction costs.

The costs incurred by the REQUESTING PARTY for preliminary engineering 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 PROJECT COST, shall:

- A. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.
- B. Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PROJECT.

The REQUESTING PARTY shall submit biweekly pay estimates and construction contract modifications to the DEPARTMENT in a timely manner.

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.

The method of performing the work will be indicated on the work authorization. The REQUESTING PARTY will comply with PART II, Section IIF, when applicable.

The REQUESTING PARTY has designed or caused to be designed the plans for the PROJECT at no cost to the PROJECT.

5. The PROJECT COST shall be met in part by contributions from the Federal High Priority Project Program – SAFETEA LU.

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Subtitle G - High Priority Projects, authorizes Federal High Priority Project funding and establishes the maximum amount of funding for the PROJECT and associated phases under SAFETEA-LU Number 2959 to be \$2,800,000. It is understood that this amount is subject to obligational authority limitation and after applying that estimated limitation only \$2,436,000 may be available for the PROJECT and associated phases. It is further understood that according to SAFETEA-LU, funds for the PROJECT and associated phases are to be allocated over a period of 5 years.

Federal High Priority Project – SAFETEA LU Funds shall be applied to the eligible items of the PROJECT COST up to the lesser of: (1) \$220,000 subject to obligational authority limitation, or (2) an amount such that 80 percent, the normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract. 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 shall be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required from the REQUESTING PARTY for the 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 available Federal Funds as the PROJECT progresses.

Failure to make such payments within 30 days of receipt of billings from the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold without further notice an equal amount from the REQUESTING PARTY'S share of any future Act 51 monthly allocations.

In the event of any discrepancies between PART I and PART II of this contract, 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 and 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 and 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 and its agents is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT and 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 and 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 REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

16. 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.

17. 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 county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, 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 owner's 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, upon request, copies of notices and reports prepared to those insured.

18. 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 resolution 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.

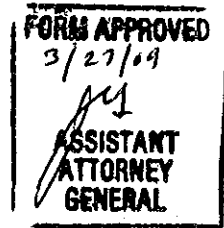
CITY OF MUSKEGON

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
Department Director MDOT

By _____
Title:



March 6, 2009

EXHIBIT I

CONTROL SECTION	HPSL 61407
JOB NUMBER	105779
PROJECT	HPSL 0961(123)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$227,800
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CONSTRUCTION ENGINEERING, CONSTRUCTION MATERIALS TESTING & INSPECTION (REQUESTING PARTY)	\$ 34,100
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GRAND TOTAL ESTIMATED COST	\$261,900
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COST PARTICIPATION

Grand Total Estimated Cost	\$261,900
Less Federal High Priority Project – SAFETEA LU Funds*	<u>\$209,500</u>
REQUESTING PARTY'S SHARE (Future fiscal year)	\$ 52,400

*Federal High Priority Project – SAFETEA LU Funds for the PROJECT are limited to an amount as described in Section 5.

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 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.
 - 1. Engineering
 - a. FAPG (6012.1): Preliminary Engineering
 - b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts
 - c. FAPG (23 CFR 635A): Contract Procedures
 - d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
 - 2. Construction
 - a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims
 - b. FAPG (23 CFR 140B): Construction Engineering Costs
 - c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies
 - d. FAPG (23 CFR 635A): Contract Procedures
 - e. FAPG (23 CFR 635B): Force Account Construction
 - f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

- g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)
 - h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways
 - i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments--Allowable Costs
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 \$100,000 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 \$500,000 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 \$500,000 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

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.

Date: April 14, 2009
To: Honorable Mayor and City Commissioners
From: Engineering
RE: City – MDOT Agreement for the reconstruction of:
Harvey Street from Oak to Marquette

SUMMARY OF REQUEST:

To approve the attached contract with MDOT for the reconstruction of Harvey street between Oak & Marquette and to approve the attached resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT:

MDOT's participation is limited to the federal funds of \$200,000. The estimated total construction cost is \$331,000.

BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

Approve the attached contract and resolution and authorize the mayor & clerk to sign both.

COMMITTEE RECOMMENDATION:

RESOLUTION _____

RESOLUTION FOR APPROVAL OF A CONTRACT AGREEMENT BETWEEN THE MICHIGAN DEPARTMENT OF TRANSPORTATION AND THE CITY OF MUSKEGON FOR THE RECONSTRUCTION OF HARVEY STREET BETWEEN OAK AVE. & MARQUETTE AVE. TOGETHER WITH OTHER NECESSARY RELATED WORK AND AUTHORIZATION FOR MAYOR STEPHEN J. WARMINGTON AND CITY CLERK ANN BECKER TO EXECUTE SAID CONTRACT

Moved by _____ and supported by _____

Commissioner _____ that the following Resolution be adopted:

WHEREAS, entry by the City of Muskegon into Contract no. **09-5066** between the Michigan Department of Transportation and the City of Muskegon for the **reconstruction of Harvey St. between Oak Ave. & Marquette Ave.** within the City is in the best interests of the City of Muskegon.

RESOLVED, that entry by the City into Contract Agreement Number **09-5066** 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 _____ day of _____, 2009.

BY

Stephen J. Warmington, Mayor

ATTEST

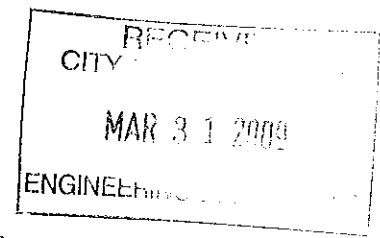
Ann Becker, City Clerk

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on _____, **2009**. 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 _____
Ann Becker, City Clerk



HPSL

DAB

Control Section	HPSL 61407
Job Number	105626
Project	HPSL 0961(122)
Federal Item No.	RR 6702
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	09-5066

PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made and entered into this date of _____, 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 February 20, 2009, attached hereto and made a part hereof:

Reconstruction work along Harvey Street from Oak Avenue to Marquette Avenue; including pavement removal, drainage improvements, aggregate grading, hot mix asphalt paving, 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:

HIGH PRIORITY PROJECTS PROGRAM - SAFETEA LU

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, including any other costs incurred by the DEPARTMENT as a result of this contract, except construction engineering and inspection.

No charges will be made by the DEPARTMENT to the PROJECT for any inspection work or construction engineering.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering, construction materials testing, 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, construction materials testing, 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 from the Federal High Priority Project Program – SAFETEA LU.

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Subtitle G - High Priority Projects, authorizes Federal High Priority Project funding and establishes the maximum amount of funding for the PROJECT and associated phases under SAFETEA-LU Number 2959 to be \$2,800,000. It is understood that this amount is subject to obligational authority limitation and after applying that estimated limitation only \$2,436,000 may be available for the PROJECT and associated phases. It is further understood that according to SAFETEA-LU, funds for the PROJECT and associated phases are to be allocated over a period of 5 years.

Federal High Priority Project – SAFETEA LU Funds shall be applied to the eligible items of the PROJECT COST up to the lesser of: (1) \$200,000 subject to obligational authority limitation, or (2) an amount such that 80 percent, the normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract. 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 shall be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required from the REQUESTING PARTY for the 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 available Federal Funds as the PROJECT progresses.

Failure to make such payments within 30 days of receipt of billings from the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold without further notice an equal amount from the REQUESTING PARTY'S share of any future Act 51 monthly allocations.

In the event of any discrepancies between PART I and PART II of this contract, 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 and 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 and 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 and its agents is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT and 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 and 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 REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

16. 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.

17. 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 county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, 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 owner's 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, upon request, copies of notices and reports prepared to those insured.

18. 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 resolution 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

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
Department Director MDOT

By _____
Title:



February 20, 2009

EXHIBIT I

CONTROL SECTION	HPSL 61407
JOB NUMBER	105626
PROJECT	HPSL 0961(122)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$331,000
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COST PARTICIPATION

Grand Total Estimated Cost	\$331,000
Less Federal High Priority Project – SAFETEA LU Funds*	<u>\$200,000</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$131,000

*Federal High Priority Project – SAFETEA LU Funds for the PROJECT are limited to an amount as described in Section 5.

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 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.
 - 1. Engineering
 - a. FAPG (6012.1): Preliminary Engineering
 - b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts
 - c. FAPG (23 CFR 635A): Contract Procedures
 - d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
 - 2. Construction
 - a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims
 - b. FAPG (23 CFR 140B): Construction Engineering Costs
 - c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies
 - d. FAPG (23 CFR 635A): Contract Procedures
 - e. FAPG (23 CFR 635B): Force Account Construction
 - f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

- g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)
 - h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways
 - i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
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 \$100,000 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 \$500,000 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 \$500,000 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

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.

Date: April 14, 2009
To: Honorable Mayor and City Commissioners
From: Engineering
**RE: City – MDOT Agreement for the Traffic Signal
Upgrading work**

SUMMARY OF REQUEST:

To approve the attached contract with MDOT for the Traffic Signal upgrading work and to approve the attached resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT:

MDOT's participation is limited to the federal funds of \$247,700. The estimated total construction cost is \$247,700.

BUDGET ACTION REQUIRED:

None at this time.

STAFF RECOMMENDATION:

Approve the attached contract and resolution and authorize the mayor & clerk to sign both.

COMMITTEE RECOMMENDATION:

RESOLUTION_____

RESOLUTION FOR APPROVAL OF A CONTRACT AGREEMENT BETWEEN THE MICHIGAN DEPARTMENT OF TRANSPORTATION AND THE CITY OF MUSKEGON FOR THE TRAFFIC SIGNAL UPGRADING WORK TOGETHER WITH OTHER NECESSARY RELATED WORK AND AUTHORIZATION FOR MAYOR STEPHEN J. WARMINGTON AND CITY CLERK ANN BECKER TO EXECUTE SAID CONTRACT

Moved by_____and supported by

Commissioner_____that the following Resolution be adopted:

WHEREAS, entry by the City of Muskegon into Contract no. **09-5110** between the Michigan Department of Transportation and the City of Muskegon for the **traffic signal upgrading work** within the City is in the best interests of the City of Muskegon.

RESOLVED, that entry by the City into Contract Agreement Number **09-5110** 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_____day of_____, 2009.

BY

Stephen J. Warmington, Mayor

ATTEST

Ann Becker, City Clerk

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on _____, **2009**. 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_____
Ann Becker, City Clerk

CMAQ

DAB

Control Section	CMG 61407
Job Number	101639
Project	CMG 0961(127)
Federal Item No.	JJ 3202
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	09-5110

PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made and entered into this date of _____, 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 19, 2009, attached hereto and made a part hereof:

Traffic signal upgrading work; and all together with necessary related work; at the following locations:

Marquette Avenue at Getty Street
Marquette Avenue at Quarterline Road
Evanston Avenue at Getty Street
Irwin Avenue at Wood Street
Clay Avenue at Third Street
Western Avenue at Fourth Street
Hackley Avenue at Henry Street
Sherman Boulevard at Henry Street
Sherman Boulevard at Lincoln Street
Sherman Boulevard at McCracken Street
Sherman Boulevard at Glenside Boulevard

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:

CONGESTION MITIGATION AND AIR QUALITY

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, including any other costs incurred by the DEPARTMENT as a result of this contract, except construction engineering and inspection.

No charges will be made by the DEPARTMENT to the PROJECT for any inspection work or construction engineering.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering, construction materials testing, 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, construction materials testing, 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 Congestion Mitigation and Air Quality Funds shall be applied to the eligible items of the PROJECT COST up to the lesser of: (1) \$270,000, or (2) an amount such that 100 percent, the normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract. 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 shall 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 of this contract, the provisions of PART I shall prevail.

7. 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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) rests with the REQUESTING PARTY and other local agencies having respective jurisdiction.

13. 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.

14. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

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 county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their

employees, for the duration of the PROJECT and to provide, upon request, 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 owner's 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, upon request, 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.

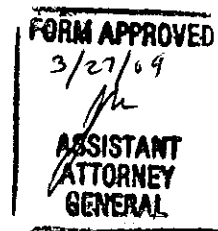
CITY OF MUSKEGON

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
Department Director MDOT

By _____
Title:



March 19, 2009

EXHIBIT I

CONTROL SECTION	CMG 61407
JOB NUMBER	101639
PROJECT	CMG 0961(127)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$247,700
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COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$247,700
Less Federal Funds*	<u>\$247,700</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$ 0

*Federal Funds for the PROJECT are limited to an amount as described in Section 5.

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 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.
 - 1. Engineering
 - a. FAPG (6012.1): Preliminary Engineering
 - b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts
 - c. FAPG (23 CFR 635A): Contract Procedures
 - d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
 - 2. Construction
 - a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims
 - b. FAPG (23 CFR 140B): Construction Engineering Costs
 - c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies
 - d. FAPG (23 CFR 635A): Contract Procedures
 - e. FAPG (23 CFR 635B): Force Account Construction
 - f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

- g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)
 - h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways
 - i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments--Allowable Costs
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 \$100,000 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 \$500,000 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 \$500,000 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

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.

Date: April 14, 2009
To: Honorable Mayor and City Commission
From: Water Filtration
RE: Intake Crib Inspection

SUMMARY OF REQUEST:

To authorize staff to enter into contract with Solomon Diving, Incorporated to perform the intake crib inspection project.

FINANCIAL IMPACT:

The bid cost is \$12,225.00 and is included in this year's budget.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Staff recommends the Mayor and City Commission authorize staff to enter into contract with Solomon Diving Incorporated, the lowest responsible bidder, to perform the Intake Crib Inspection project at a cost of \$12,225.00.

MEMORANDUM

4/1/09

TO: M. AL-SHATEL – DEPUTY DIRECTOR
FROM: R. VENEKLASSEN, WATER FILTRATION
RE: INTAKE CRIB INSPECTION/CLEANING

Periodically we hire a diving firm to inspect the intake crib and chlorine application line. Every third inspection includes a complete penetration of the 6000' of 60" intake conduit. We have increased the interval between inspections from annual to every two years.

This year we planned an inspection of the crib with removal of zebra mussel growth and removal of any sand and silt that typically accumulates in the elbow where the pipeline meets the intake funnel. Additionally, this year we will be cleaning the chlorine application halo and replacing one of the support brackets. I have included a copy of the bid specifications for your review.

We solicited bids from diving contractors with the following results:

FIRM	COST
Global Infrastructure 17951 Chappel Avenue Lansing, IL 60438	\$33,457.00
Sea Brex Marine, Inc. 4610 Red Arrow Hwy. Stevensville, MI 49127	\$14,500.00
Solomon Diving, Inc. 1571 Beechwood St. Monroe, MI 48162-4101	\$12,225.00
Veolia Env. Services 785 County CB, Suite 100 Neenah, WI 54956	no bid

We have had similar work performed by three of the firms providing bid pricing, including the lowest bidder, Solomon Diving, Inc.

It is my recommendation that we enter into contract with Solomon Diving, Inc. for the 2009 Intake Crib Inspection project at a cost of \$12,225.00.

CITY OF MUSKEGON WATER FILTRATION PLANT

INTAKE CRIB INSPECTION

The City of Muskegon Water Filtration Plant, located at 1900 Beach Street, Muskegon, Michigan, is seeking written bids from qualified marine contractors to perform an inspection of the intake crib and clean the orifices on the chemical application halo. The inspection is to include video (color, DVD format) of the intake crib and surrounding area, chemical application halo and its anchoring system, and the intake conduit elbow inferior to the funnel for sand and silt deposition following completion of all work. Additionally, the condition of the wooden louvers is to be documented. A written report of the conditions observed and any recommendations for additional repairs is to be included with the videotape. The contractor is responsible for locating the intake crib. Assistance may be requested from City staff but is dependent on staff schedules so must be scheduled in advance.

The expansion band and chemical application line clamp located inferior to the pipe elbow is to be replaced. The proposed design is to be submitted for approval prior to manufacture. The mussel growth on the crib and timber louvers is to be removed with the debris to be disposed of at least a yard from the rock supporting the intake crib. Remove any sand, silt, and any other debris that has accumulated in the intake conduit elbow and inward for one-hundred (100) feet by vacuum or other means. The material is to be disposed of at least a yard from the rock supporting the intake crib. The chemical application halo is to be removed and the interior cleaned. The orifices are to be cleaned to insure no obstruction and adequate flow verified. The chemical application halo is to be reinstalled following cleaning with new bolts and hardware including gaskets in all locations.

The purpose of the inspection is to determine the overall condition of the intake crib, conduit funnel, and chemical application halo and perform preventative maintenance to insure the system is in working order. The City is interested in determining the amount of zebra mussel growth on the intake crib and insuring the ability for chemical application to deter zebra mussel growth. The contractor will be familiar with underwater construction and have a minimum of five (5) years experience in said construction. The contractor shall be prepared to show evidence of prior work performed and be able to make recommendations for any remedial actions needed.

All work performed under the bid shall be started within 30 calendar days of the City's notice to proceed unless mutually agreed upon change in date but no later than May 15, 2009. The contractor shall include in the proposal the expected calendar dates for project start and completion and the expected number of working days. The work is to be completed within a two-week period (weather dependent).

The City of Muskegon will provide yacht berthing at the City's Hartshorn Marina, located on the south shore of Muskegon Lake, at no cost to the chosen contractor while performing this work for the City. Any arrangements for yacht berthing such as reservations and availability are the sole responsibility of the chosen contractor. The contractor should contact Mr. Kevin Santos, Harbor Master, at (231) 724-6785 to make arrangements.

A copy of the required insurance coverage is included.

Drawings and video of the intake crib are available for review at the Water Filtration Plant by appointment by calling (231) 724-4106.

Bids must be received on, or before, 4:00 PM, EST on Tuesday, March 31, 2009 at the Water Filtration Plant, 1900 Beach Street, Muskegon, MI 49441.

Sincerely,

Robert Veneklasen, Supv.
City of Muskegon
Water Filtration Plant
1900 Beach Street
Muskegon, MI 49441
(231) 724-4106 voice
(231) 755-5290 facsimile

Date: April 14, 2009
To: Honorable Mayor and City Commission
From: Water Filtration
RE: Annual Sodium Hypochlorite Purchase

SUMMARY OF REQUEST:

Authorize staff to endorse the lowest responsible bidder and enter into the necessary agreement for Rowell Chemical to supply the needed sodium hypochlorite to the Water Filtration Plant.

FINANCIAL IMPACT:

The cost of the sodium hypochlorite is \$140.40 per ton.

BUDGET ACTION REQUIRED:

None. This item is a planned budget purchase.

STAFF RECOMMENDATION:

Authorize staff to endorse the bid of \$140.40 per ton from Rowell Chemical to supply sodium hypochlorite for the Water Filtration Plant.

Veneklasen, Bob

From: Yost, Amy [ayost@hollandbpw.com]
Sent: Thursday, April 02, 2009 3:50 PM
To: Van De Wege, Jim; Horn, Larry; Nuismer, David; gcaron@ci.wyoming.mi.us; Veneklasen, Bob; dvandyke@cityofmuskegonheights.org
Cc: Koster, Dave; VerHoef, David
Subject: Liquid Sodium Hypochlorite Bid Results
Attachments: LSH Bid Tab - April 2009.xls

Attached are the results from today's bid opening for the liquid sodium hypochlorite. Only bids from Rowell Chemical and Alexander Chemical were received. The following companies did not submit a bid: K. A. Steel Chemicals, Webb Chemical, Univar USA and Mineral Masters Corporation.

Finally, the price has gone down. Our current price is \$233.63 per gallon – new price effective 4/15/09 will be \$140.40 per gallon.

Amy Yost
Holland Board of Public Works
616-355-1582
ayost@hollandbpw.com

This e-mail and any attachments may contain confidential and privileged information. If you are not the intended recipient, please notify the sender immediately by return e-mail, delete this e-mail and destroy any copies. Any dissemination or use of this information by a person other than the intended recipient is unauthorized and may be illegal.

4/3/2009

Liquid Sodium Hypochlorite - April 2, 2009

Rowell Chemical Alexander Chemical

Cities of Holland, Wyoming,
Muskegon and Muskegon Heights
1 Year:

Cost Per Ton:	\$	140.40	\$	157.87
Cost Per Gallon:	\$	0.71	\$	0.79

MEMORANDUM

4/3/09

TO: M. AL-SHATEL, DEPUTY DIRECTOR

FROM: R. VENEKLASEN, WATER FILTRATION

RE: SODIUM HYPOCHLORITE ANNUAL BID RESULTS

Sodium Hypochlorite, often referred to as bleach, is used as the disinfectant for the water treated at the Water Filtration Plant. This is a much safer form of chlorine than liquid/gaseous chlorine as it's concentration is typically 15 to 17% strength. Although it is referred to as bleach, the concentration is three to four times the strength of household bleach.

We bid sodium hypochlorite annually with an option to extend the current pricing following verification of fair market value. The bidding process is performed by the City of Holland Board of Public Works on behalf of the West Michigan Cooperative Purchasing Group. This group consists of water and wastewater plants located in the following cities in West Michigan; City of Holland, City of Wyoming, City of Muskegon Heights, and the City of Muskegon. Historically this group is able to garner more favorable pricing by representing a larger product need, or greater purchasing power.

Included are the bid results as received at the City of Holland. The bids received are very favorable as the cost per ton has fallen by 60% from last year. The lowest responsible bidder is Rowell Chemical, our current supplier. Rowell has been the successful low bidder for a number of years and has performed well in that capacity.

It is my recommendation that we endorse Rowell Chemical to supply sodium hypochlorite to the Water Filtration Plant for the coming year at a cost of 140.40 per ton.

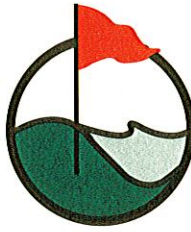
Date: April 14, 2009
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Fireworks Display Permit for Muskegon Country Club

SUMMARY OF REQUEST: Melrose Pyrotechnics, Inc. is requesting approval of a fireworks display permit for July 4, 2009, at the Muskegon Country Club, 2801 Lakeshore Drive. Fire Marshall Metcalf will inspect the fireworks on the day of the event. The insurance coverage has been approved.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks.



Muskegon Country Club

March 12, 2009

Linda Potter, CMC
Deputy Clerk, City of Muskegon
933 Terrace Street
Muskegon, MI 49440

Dear Ms. Potter,

Muskegon Country Club is in the process of planning our annual Fourth of July Celebration. I am enclosing the fireworks permit, certificate of liability insurance and the application fee of \$50.00.

Our fireworks display is planned for Saturday, July 4, 2009. Please call me if you have any questions. I can be reached at 231-755-3737.

Most Sincerely,

Rebecca Harding
Banquet Coordinator

C: Major

APPLICATION FOR FIREWORKS DISPLAY PERMIT

☒ PUBLIC DISPLAY		☐ AGRICULTURAL PEST CONTROL	Date of Application <i>11/17/08</i>
Name of Applicant <i>MELROSE PYROTECHNICS, INC.</i>	Address <i>P.O. BOX 302, KINGSBURY, IN 46345</i>		Age (18 or over)
If a Corporation, Name of President <i>MICHAEL CARTOLANO</i>	Address <i>P.O. BOX 302, KINGSBURY, IN 46345</i>		
If a Non-resident Applicant: Name of MI Attorney or Resident Agent <i>MIKE VAN LOO</i>	Address <i>P.O. BOX 123, BELDING, MI 48809</i>		Phone No. <i>(616) 794-0205</i>
Name of Pyrotechnic Operator <i>MIKE VAN LOO</i>	Address <i>P.O. BOX 123, BELDING, MI 48809</i>		Age (18 or over) <i>39</i>
No. Years Experience No. Displays <i>16 YEARS 260+</i>	Where <i>MICHIGAN, ILLINOIS, INDIANA, KENTUCKY, OHIO</i>		
Name of Assistant: <i>JOHN KLAPKO</i>	Address <i>P.O. BOX 123, BELDING, MI 48809</i>		Age <i>45</i>
Name of Other Assistant: <i>SCOTT FERMAN</i>	Address <i>P.O. BOX 123, BELDING, MI 48809</i>		Age <i>41</i>
Exact Location of Proposed Display <i>Muskegon Country Club grounds</i>			
Date of Proposed Display <i>July 4, 2009</i>		Time of Proposed Display <i>Dusk</i>	
No. Of Fireworks	Kind of Fireworks to be Displayed		
<i>Approximately 1,200</i>	<i>Aerial display shells ranging in size from 1 1/4 inches to 8 inches in diameter</i>		
Manner & Place of Storage Prior to Display (Subject to Approval of Local Fire Authorities) <i>NO STORAGE NECESSARY, DELIVERED ON DATE OF DISPLAY</i>			
Amount of Bond of Insurance (to be set by local gov't) <i>\$5,000,000.00</i>		Name of Bonding Corporation or Insurance Company <i>BRITTON-GALLAGHER & ASSOCIATES</i>	
Address of Bonding Corporation or Insurance Company <i>6240 SOM CENTER RD., CLEVELAND, OH 44139</i>			
Signature of Applicant		<i>Wanda Schoof</i> For Melrose Pyrotechnics, Inc.	

SEE OTHER SIDE FOR INSTRUCTIONS

Authority: 1968 PA 358
Compliance: Voluntary but a permit will not be issued without an application.

ACORD CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 3/6/2009
PRODUCER Phone: 440-248-4711 Fax: 440-248-5406 Britton-Gallagher and Associates, Inc. 6240 SOM Center Rd. Cleveland OH 44139		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.
INSURED Melrose Pyrotechnics, Inc. P.O. Box 302 Kingsbury IN 46345		INSURERS AFFORDING COVERAGE INSURER A: Lexington Insurance Co INSURER B: Granite State Insurance Co. 23809 INSURER C: Arch Specialty Insurance Co INSURER D: Travelers Indemnity Co 25658 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 ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS		
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☐ LOC	1619273	1/15/2009	1/15/2010	EACH OCCURRENCE	\$1,000,000	
					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$50,000	
					MED EXP (Any one person)	\$	
					PERSONAL & ADV INJURY	\$1,000,000	
					GENERAL AGGREGATE	\$2,000,000	
					PRODUCTS - COMP/OP AGG	\$2,000,000	
B	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ☒ NON-OWNED AUTOS	CA93487531	1/15/2009	1/15/2010	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	\$	
C	EXCESS/UMBRELLA LIABILITY ☒ OCCUR ☐ CLAIMS MADE ☐ DEDUCTIBLE ☒ RETENTION \$10,000	ULP0005662	1/15/2009	1/15/2010	EACH OCCURRENCE	\$4,000,000	
					AGGREGATE	\$4,000,000	
						\$	
						\$	
						\$	
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	401X5907 (MI)	4/1/2009	4/1/2010	☒ WC STATU- TORY LIMITS ☐ OTH- ER		
					EL EACH ACCIDENT	\$1,000,000	
					EL DISEASE - EA EMPLOYEE	\$1,000,000	
					EL DISEASE - POLICY LIMIT	\$1,000,000	

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

DISPLAY DATE: July 4, 2009 LOCATION: Muskegon Country Club, Muskegon, Michigan ADDITIONAL INSURED: Muskegon Country Club; City of Muskegon, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof

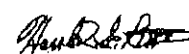
CERTIFICATE HOLDER

City of Muskegon
933 Terrace Street
Muskegon MI 49440

CANCELLATION

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



Date: April 14, 2009
To: Honorable Mayor and City Commissioners
From: Community Relations Committee
RE: Recommendations for the Various Boards and Committees

SUMMARY OF REQUEST: Concur with the Community Relations Committee decision to appointment to the Citizen's Police Review Board Charlotte Bradshaw (Citizen at Large) and Carlos Flores (Minority Based Organization).

FINANCIAL IMPACT: None.

STAFF RECOMMENDATION: Approval

COMMITTEE RECOMMENDATION: Recommends Approval

Date: April 14, 2009
To: Honorable Mayor and City Commissioners
From: Leisure Services
RE: Multiple Special Events with Alcohol

SUMMARY OF REQUEST: To approve the attached request for organizations who are requesting a temporary liquor license or an extension of their liquor license.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval

COMMITTEE RECOMMENDATION: The Leisure Services Board has approved the requests.

Multiple Special Events with Alcohol
(Events that need to go to Commission for final approval)
April 14, 2009

Independent Order of Vikings National Convention (June 11-13th)
Submitted by: Dianell Majors, Independent Order of Vikings
Event location: Independent Order of Vikings, 931 E. Wedgewood
Annual event, Leisure Services Board approved on February 16th
First licenses issued to the following:
June 12th - Party in the Park (Muskegon Rotary)
June 13th - SKEE Town Live! (Spread the Music Foundation)

97th Anniversary Gala, Muskegon Museum of Art (June 13th)
Submitted by: Judith Hayner, Muskegon Museum of Art
Event location: 296 W. Webster Ave.
Annual event, LSB will review at their April 20th meeting
First license to Skee Town Live (Spread the Music Foundation)

Taste of Muskegon (June 20th & 21st)
Submitted by: Dan Rinsema-Sybenga, Muskegon Main St.
Event location: Western between Third & 5th St.
Annual event, Leisure Services Board approved on March 16th
First license issued to the following:
June 20-21st - Racquets Downtown Grill

Muskegon RockStock (June 20th)
Submitted by: Brandon Baskin, B. Baskin Enterprises, LLC
Event location: Hackley Park
Annual event, Leisure Services Board approved on March 16th
First license issued to the following:
June 20th-21st -Taste of Muskegon (Muskegon Main Street)

C.I.O. Hall Bike Time (July 17-19th)
Submitted by: Jeffrey Hepler, Port City C.I.O. Building Assoc.
Event location: C.I.O. Hall, 490 W. Western Ave.
Annual event, Leisure Services Board approved on March 20th
Commission approval needed for more than one license on this weekend
(July 16, 17, 18, and 19th)

Mike's Bike Time (July 17th-July 19th) (multiple)
Submitted by: Bill Ingalls, Mike's Inn
Event location: Parking lot side of building
Annual event, Leisure Services Board approved on February 16th

Tipsy Toad Bike Time (July 17-19th) (multiple)
Submitted by: Ed Pizunski, Tipsy Toad Tavern
Event location: Alley between 605 & 609 W. Western
Annual event, Leisure Services Board approved on March 20th

The MAC Bike Time (July 17-19)
Submitted by: Andrew Buck, Muskegon Athletic Club, LLC
Partnering Non-Profit: Muskegon Main St.
Event location: 2nd St., between Western & Clay Ave.
First time event, Leisure Services board approved on March 20th
Commission approval needed for more than one license on this weekend
(July 16, 17, 18, and 19th)

Chaps N Thongs (Hospice Fundraiser) (July 17th & 18th)
Submitted by: Tammy Slater, Pop-A-Top Tavern
Event location: Pop-A-Top, 2185 Henry St.
Annual event, Leisure Services Board approved on Feb. 16th
Commission approval needed for more than one license on this weekend
July 16, 17, 18, and 19th - Muskegon Bike Time

NEED COMMISSION APPROVAL FOR OVERNIGHT PARKING/CAMPING AT PERE MARQUETTE PARK

CRAM Muskegon Regatta
Submitted by: Andy Kursch, Commodore of Catamaran Racing Assoc.
Event location: Pere Marquette Park
Annual event, Leisure Services approved on Feb. 16th
Commission approval needed for overnight camping
August 1 and 2nd for overnight camping

Date: April 14, 2009

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Transmittal of 2008 *Comprehensive Annual Financial Report*

SUMMARY OF REQUEST: The City's 2008 *Comprehensive Annual Financial Report* (CAFR) has been distributed to City Commissioners and made available for public review. At this time, the CAFR is being formally transmitted to the Commission in accordance with state law. The 2008 CAFR also includes the "single-audit" of federal grant programs.

FINANCIAL IMPACT: The CAFR report summarizes the City's financial activities for 2008 and includes the independent auditor's unqualified opinion on the City's financial statements.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Acceptance of the 2008 CAFR.

COMMITTEE RECOMMENDATION: There is no committee recommendation at this time. The City's independent auditor (Brickley DeLong) will give a presentation on the 2008 audit at Monday's Committee of the Whole meeting.

Date: April 14, 2009

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: First Quarter 2009 Budget Reforecast

SUMMARY OF REQUEST: At this time staff is transmitting the ***First Quarter 2009 Budget Reforecast*** which outlines proposed changes to the original budget that have come about as result of changes in economic conditions, policy priorities, labor contracts or other factors.

Since the budget was adopted in September 2008, dramatic changes in the economic/financial outlook for the City have taken place (and continue to take place). This budget reforecast reflects a drop in projected 2009 revenues, offset by the recommended transfer of \$500,000 from the city's budget stabilization fund. In addition, a number of program cuts (as outlined in the city manager's previous memo) are incorporated in the reforecast.

Given economic conditions and trends, it is likely further budget adjustments will be needed as the year progresses. Among other things, we are awaiting word on the status of revenue sharing in the state budget process currently underway.

FINANCIAL IMPACT: Major financial impacts of the budget reforecast are:

- Income tax revenues estimated to \$300,000 less than projected; \$600,000 less than 2008 collections
- \$500,000 transfer from BSF recommended; leaves BSF balance at \$1.5 million
- \$615,737 in program cuts and other general fund expenditure reductions

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: The First Quarter Budget Reforecast will be reviewed in detail at Monday's work session meeting.

CITY OF MUSKEGON
GENERAL FUND

HISTORICAL SUMMARY

Year		Revenues & Transfers In		Expenditures & Transfers Out		Fund Balance at Year-End
1999	\$	21,451,681	\$	22,011,881	\$	1,498,875
2000		23,685,516		22,232,657		2,951,734
2001		23,446,611		23,235,978		3,162,367
2002		23,617,163		23,971,534		2,807,996
2003		23,328,756		23,705,334		2,431,418
2004		23,401,793		23,388,019		2,445,192
2005		23,732,641		23,658,227		2,519,606
2006		24,669,210		24,498,776		2,690,040
2007		25,031,403		24,800,810		2,920,633
2008		25,563,632		26,100,539		2,383,726

Fiscal 2009 Budget Summary

FUND BALANCE AT START OF YEAR **\$ 2,383,726**

MEANS OF FINANCING:

Taxes	15,225,259	60.1%
Licenses and Permits	1,025,000	4.0%
Federal Grants	41,602	0.2%
State Grants	28,000	0.1%
State Shared Revenue	4,450,000	17.6%
Other Charges	2,540,917	10.0%
Interest & Rentals	464,800	1.8%
Fines and Fees	537,000	2.1%
Other Revenue	426,619	1.7%
Other Financing Sources	<u>610,000</u>	<u>2.4%</u>
	25,349,197	100.0%

ESTIMATED REQUIREMENTS:

Customer Value Added Activities	18,777,616	74.2%
Business Value Added Activities	4,581,273	18.1%
Fixed Budget Items	<u>1,931,391</u>	<u>7.6%</u>
	25,290,280	100.0%

ESTIMATED FUND BALANCE AT END OF YEAR **\$ 2,442,643**

OPERATING DEFICIT (USE OF FUND BALANCE)	\$ 58,917
TARGET FUND BALANCE (10% PRIOR YEAR EXPENDITURES)	\$ 2,610,054
ESTIMATED EXCESS (SHORTFALL) vs. TARGET	\$ (167,411)

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original
Available Fund Balance - BOY	\$ 2,690,039	\$ 2,920,633	\$ 3,274,347	\$ 2,383,726	\$ 2,383,726	\$ (890,621)

Taxes

City income tax	\$ 7,618,461	\$ 7,694,780	\$ 7,400,000	\$ 1,751,389	\$ 7,100,000	\$ (300,000)
Property taxes - general	5,686,706	5,935,022	6,017,515	-	6,017,515	-
Property taxes - sanitation	1,658,845	1,731,623	1,769,857	-	1,769,857	-
Industrial facilities taxes	364,628	276,203	242,887	-	242,887	-
Payments in lieu of taxes	91,392	91,225	90,000	-	90,000	-
Delinquent chargeback collected	-	6	5,000	-	5,000	-
	\$ 15,420,032	\$ 15,728,859	\$ 15,525,259	\$ 1,751,389	\$ 15,225,259	\$ (300,000)

Licenses and permits

Business licenses	\$ 32,025	\$ 32,314	\$ 33,000	\$ 1,500	\$ 33,000	\$ -
Liquor licenses	37,000	38,957	37,000	18,720	37,000	-
Cable TV franchise fees	296,701	304,812	300,000	-	300,000	-
Rental property registration	695	61,600	100,000	19,065	100,000	-
Property Maintenance Inspection Fees	81,640	-	-	-	-	-
Burial permits	117,703	86,515	120,000	24,165	110,000	(10,000)
Building permits	348,349	353,042	250,000	54,706	250,000	-
Electrical permits	106,607	98,914	95,000	21,426	95,000	-
Plumbing permits	34,540	41,711	40,000	8,242	40,000	-
Mechanical permits	56,016	68,002	52,500	8,459	52,500	-
Franchise fees	500	-	-	-	-	-
Cat licenses	3,740	3,315	2,500	2,175	2,500	-
Vacant building	-	-	-	5,150	5,000	5,000
Police gun registration	2	5	-	-	-	-
	\$ 1,115,518	\$ 1,089,187	\$ 1,030,000	\$ 163,608	\$ 1,025,000	\$ (5,000)

Federal grants

Federal operational grant	\$ 84,162	\$ 40,622	\$ 16,602	\$ -	\$ 41,602	\$ 25,000	Add: Byrne LE Grant Funds
	\$ 84,162	\$ 40,622	\$ 16,602	\$ -	\$ 41,602	\$ 25,000	

State grants

Act 302 police training grant	\$ 18,373	\$ 17,702	\$ 18,000	\$ -	\$ 18,000	\$ -
State operational grant	-	10,000	10,000	-	10,000	-
	\$ 18,373	\$ 27,702	\$ 28,000	\$ -	\$ 28,000	\$ -

State shared revenue

State sales tax	\$ 4,475,462	\$ 4,487,698	\$ 4,552,462	\$ -	\$ 4,450,000	\$ (102,462)
	\$ 4,475,462	\$ 4,487,698	\$ 4,552,462	\$ -	\$ 4,450,000	\$ (102,462)

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original
Other charges for sales and services						
Tax administration fees	\$ 212,530	\$ 315,261	\$ 276,215	\$ -	\$ 310,000	\$ 33,785
Utility administration fees	180,000	180,000	200,000	45,000	200,000	-
Reimbursement for elections	22,042	12,006	-	-	14,000	14,000
Reimbursement for school police officer	-	16,012	19,000	7,028	19,000	-
Indirect cost reimbursement	1,024,932	1,021,500	1,140,717	285,180	1,140,717	-
Site-plan review fee	5,870	4,245	4,000	700	4,000	-
Sale of cemetery lots	34,982	20,307	25,000	5,702	25,000	-
Sale of columbarium niches	3,200	927	2,400	-	2,400	-
Police miscellaneous	120,470	81,243	100,000	6,662	100,000	-
Police impound fees	43,234	39,375	45,000	10,654	45,000	-
Landlord's alert fee	220	290	300	80	300	-
Fire protection-state property	87,601	127,590	80,000	-	80,000	-
Zoning fees	10,362	8,360	8,000	1,170	8,000	-
Clerk fees	3,115	5,550	3,500	146	3,500	-
Clerk - passport fees	8,240	7,830	8,000	1,575	8,000	-
Tax abatement application fees	16,411	11,711	10,000	25	10,000	-
Treasurer fees	61,277	43,279	90,000	6,631	60,000	(30,000)
False alarm fees	12,525	10,415	12,000	675	12,000	-
Miscellaneous cemetery income	20,536	19,282	22,000	1,671	22,000	-
Senior transit program fees	9,254	10,149	9,000	2,621	9,000	-
Fire miscellaneous	3,494	14,700	3,000	803	3,000	-
Sanitation stickers	84,735	81,702	75,000	15,942	80,000	5,000
Lot cleanup fees (trash)	70,987	63,733	70,000	14,164	70,000	-
Reimbursements for mowing and demolitions	55,484	85,905	70,000	12,578	70,000	-
Special events reimbursements	92,041	15,278	100,000	-	200,000	100,000
Recreation program fees	41,457	42,959	45,000	6,422	45,000	-
	\$ 2,224,999	\$ 2,239,609	\$ 2,418,132	\$ 425,429	\$ 2,540,917	\$ 122,785
Interest and rental income						
Interest	\$ 456,224	\$ 374,525	\$ 250,000	\$ -	\$ 250,000	\$ -
Procurement Card Rebate	-	35,043	32,000	-	32,000	-
Fire Station Lease - Central Dispatch	6,180	45,450	42,000	7,965	42,000	-
Flea market	22,064	27,880	29,000	-	29,000	-
Farmers market	40,325	39,519	32,000	849	32,000	-
City right of way rental	4,400	6,800	6,800	4,800	6,800	-
Arena revenue	-	-	-	-	-	-
Advertising revenue	-	123	500	-	500	-
Parking rentals	2,800	2,800	2,500	700	2,500	-
McGraft park rentals	42,114	39,043	45,000	2,734	40,000	(5,000)
Other park rentals	30,920	33,795	30,000	6,496	30,000	-
	\$ 605,027	\$ 604,978	\$ 469,800	\$ 23,544	\$ 464,800	\$ (5,000)

Includes Past Due 2008 Amount

City of Muskegon**Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund**

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original
Fines and fees						
Income tax - penalty and interest	\$ 240,315	\$ 284,629	\$ 225,000	\$ 69,932	\$ 225,000	\$ -
Late fees on current taxes	38,931	28,158	40,000	-	40,000	-
Interest on late invoices	2,151	1,774	2,000	297	2,000	-
Parking fines	113,354	90,360	125,000	30,140	100,000	(25,000)
Court fines	190,651	154,765	185,000	27,230	170,000	(15,000)
	\$ 585,402	\$ 559,686	\$ 577,000	\$ 127,599	\$ 537,000	\$ (40,000)
Other revenue						
Sale of land and assets	\$ -	\$ 14,488	\$ 1,000	\$ -	\$ 1,000	\$ -
Police sale and auction proceeds	-	277	-	-	-	-
CDBG program reimbursements	225,149	329,756	354,119	40	354,119	-
Contributions	50,499	50,224	11,000	5,286	11,000	-
Contributions - Veteran's Park Maintenance	18,328	15,399	18,500	-	18,500	-
Fisherman's Landing Repayment	-	15,066	14,500	-	14,500	-
Muskegon County Community Foundation	3,000	37,543	1,500	-	1,500	-
Miscellaneous reimbursements	-	-	1,000	-	1,000	-
Miscellaneous and sundry	53,794	28,635	15,000	1,093	25,000	10,000
	\$ 350,770	\$ 491,388	\$ 416,619	\$ 6,419	\$ 426,619	\$ 10,000
Other financing sources						
Operating transfers in						
Cemetery Perpetual Care	\$ 80,185	\$ 57,631	\$ 45,000	\$ 14,381	\$ 50,000	\$ 5,000
DDA for Administration	-	-	-	-	-	-
PIF (PY Fisherman's Landing Payments)	-	50,000	-	-	-	-
General Insurance Fund	-	136,272	-	-	-	-
Budget Stabilization Fund	-	-	-	-	500,000	500,000
State Grants Fund	11,473	-	-	-	-	-
TIFA Fund (Arena Operations)	60,000	50,000	50,000	12,500	60,000	10,000
	\$ 151,658	\$ 293,903	\$ 95,000	\$ 26,881	\$ 610,000	\$ 515,000
Total general fund revenues and other sources						
	\$ 25,031,403	\$ 25,563,632	\$ 25,128,874	\$ 2,524,869	\$ 25,349,197	\$ 220,323

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund
General Fund Expenditure Summary By Function

		Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	
I. Customer Value Added Activities								
40301 Police Department								
5100	Salaries & Benefits	\$ 7,141,759	\$ 7,633,448	\$ 7,637,452	\$ 1,782,656	\$ 7,493,452	\$ (144,000)	Freeze 3 Vacancies; Eliminate NRT
5200	Operating Supplies	108,679	95,149	115,024	11,112	115,024	-	
5300	Contractual Services	942,510	1,025,211	996,000	266,123	996,000	-	
5400	Other Expenses	24,877	25,580	20,000	1,505	20,000	-	
5700	Capital Outlays	17,947	26,233	35,000	892	15,000	(20,000)	Defer Segway Purchase
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 8,235,772	\$ 8,805,621	\$ 8,803,476	\$ 2,062,288	\$ 8,639,476	\$ (164,000)	
		\$ 8,235,772	\$ 8,805,621	\$ 8,803,476	\$ 2,062,288	\$ 8,639,476	\$ (164,000)	
50336 Fire Department								
5100	Salaries & Benefits	\$ 3,285,855	\$ 3,406,826	\$ 3,298,007	\$ 866,677	\$ 3,259,007	\$ (39,000)	Reclass Fire Inspector & 3 Lt. Positions
5200	Operating Supplies	90,479	139,937	96,500	15,877	96,500	-	
5300	Contractual Services	216,418	225,014	200,000	26,853	185,000	(15,000)	
5400	Other Expenses	4,757	7,622	12,500	3,304	8,500	(4,000)	Reduce Training
5700	Capital Outlays	55,014	57,206	40,361	13,840	40,361	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 3,652,523	\$ 3,836,605	\$ 3,647,368	\$ 926,551	\$ 3,589,368	\$ (58,000)	
50387 Fire Safety Inspections								
5100	Salaries & Benefits	\$ 830,275	\$ 890,135	\$ 913,058	\$ 219,632	\$ 913,058	\$ -	
5200	Operating Supplies	12,157	15,448	15,000	2,148	13,000	(2,000)	
5300	Contractual Services	107,713	107,928	141,949	9,499	129,949	(12,000)	
5400	Other Expenses	11,328	24,243	10,000	1,334	10,000	-	
5700	Capital Outlays	4,663	3,753	3,000	-	2,000	(1,000)	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 966,136	\$ 1,041,507	\$ 1,083,007	\$ 232,613	\$ 1,068,007	\$ (15,000)	
		\$ 4,618,659	\$ 4,878,112	\$ 4,730,375	\$ 1,159,164	\$ 4,657,375	\$ (73,000)	
60523 General Sanitation								
5100	Salaries & Benefits	\$ 70,782	\$ 74,638	\$ 74,553	\$ 19,005	\$ 74,553	\$ -	
5200	Operating Supplies	1,425	74	-	-	-	-	
5300	Contractual Services	1,551,132	1,554,230	1,628,347	11,513	1,628,347	-	
5400	Other Expenses	-	10	-	60	-	-	
5700	Capital Outlays	26,149	-	-	-	-	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 1,649,488	\$ 1,628,952	\$ 1,702,900	\$ 30,578	\$ 1,702,900	\$ -	
60528 Recycling								
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200	Operating Supplies	-	-	3,000	-	3,000	-	
5300	Contractual Services	163,699	164,568	163,368	-	163,368	-	
5400	Other Expenses	-	-	-	-	-	-	
5700	Capital Outlays	-	-	-	-	-	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 163,699	\$ 164,568	\$ 166,368	\$ -	\$ 166,368	\$ -	

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund
General Fund Expenditure Summary By Function

		Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	
60550	Stormwater Management							
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
5200	Operating Supplies	-	327	-	-	-	-	-
5300	Contractual Services	16,991	17,427	17,786	4,000	17,786	-	-
5400	Other Expenses	-	-	-	-	-	-	-
5700	Capital Outlays	-	-	-	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-	-
		\$ 16,991	\$ 17,754	\$ 17,786	\$ 4,000	\$ 17,786	\$ -	-
60448	Streetlighting							
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
5200	Operating Supplies	-	-	-	-	-	-	-
5300	Contractual Services	593,486	643,477	625,000	5,526	625,000	-	-
5400	Other Expenses	-	-	-	-	-	-	-
5700	Capital Outlays	-	-	10,000	-	10,000	-	-
5900	Other Financing Uses	-	-	-	-	-	-	-
		\$ 593,486	\$ 643,477	\$ 635,000	\$ 5,526	\$ 635,000	\$ -	-
60707	Senior Citizen Transit							
5100	Salaries & Benefits	\$ 50,164	\$ 50,001	\$ 55,104	\$ 12,418	\$ 55,104	\$ -	-
5200	Operating Supplies	-	-	-	-	-	-	-
5300	Contractual Services	9,660	9,620	11,287	2,280	11,287	-	-
5400	Other Expenses	-	-	-	-	-	-	-
5700	Capital Outlays	-	-	-	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-	-
		\$ 59,824	\$ 59,621	\$ 66,391	\$ 14,698	\$ 66,391	\$ -	-
60446	Community Event Support							
5100	Salaries & Benefits	\$ 13,848	\$ 19,636	\$ 17,500	\$ 3,805	\$ 17,500	\$ -	-
5200	Operating Supplies	1,069	1,130	1,100	-	1,100	-	-
5300	Contractual Services	13,920	11,579	12,500	2,208	12,500	-	-
5400	Other Expenses	-	-	-	-	-	-	-
5700	Capital Outlays	-	-	-	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-	-
		\$ 28,837	\$ 32,345	\$ 31,100	\$ 6,013	\$ 31,100	\$ -	-
70751	Parks Maintenance							
5100	Salaries & Benefits	\$ 389,710	\$ 423,774	\$ 478,589	\$ 89,882	\$ 478,589	\$ -	-
5200	Operating Supplies	117,237	146,487	184,900	6,866	184,900	-	-
5300	Contractual Services	822,713	871,920	707,062	61,620	677,062	(30,000)	Defer Irrigation Improvements - Reese Park
5400	Other Expenses	138	283	2,000	-	2,000	-	-
5700	Capital Outlays	11,027	12,575	25,168	7,990	25,168	-	-
5900	Other Financing Uses	-	-	-	-	-	-	-
		\$ 1,340,825	\$ 1,455,039	\$ 1,397,719	\$ 166,358	\$ 1,367,719	\$ (30,000)	-

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund
General Fund Expenditure Summary By Function

		Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original
70757	Mc Graft Park Maintenance						
5100	Salaries & Benefits	\$ 4,928	\$ 5,770	\$ 6,438	\$ 919	\$ 6,438	\$ -
5200	Operating Supplies	1,760	2,407	1,600	7	1,600	-
5300	Contractual Services	39,688	49,956	45,905	1,060	45,905	-
5400	Other Expenses	-	-	-	-	-	-
5700	Capital Outlays	-	-	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 46,376	\$ 58,133	\$ 53,943	\$ 1,986	\$ 53,943	\$ -
70276	Cemeteries Maintenance						
5100	Salaries & Benefits	\$ 187,185	\$ 204,063	\$ 222,379	\$ 53,448	\$ 222,379	\$ -
5200	Operating Supplies	6,839	5,126	6,750	72	6,750	-
5300	Contractual Services	340,379	279,623	292,812	17,625	292,812	-
5400	Other Expenses	50	23	-	-	-	-
5700	Capital Outlays	11,522	9,515	10,500	-	10,500	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 545,975	\$ 498,350	\$ 532,441	\$ 71,145	\$ 532,441	\$ -
70585	Parking Operations						
5100	Salaries & Benefits	\$ 2,637	\$ 1,564	\$ 1,979	\$ 419	\$ 1,979	\$ -
5200	Operating Supplies	-	109	-	-	-	-
5300	Contractual Services	3,968	3,758	3,000	116	3,000	-
5400	Other Expenses	-	-	-	-	-	-
5700	Capital Outlays	-	-	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 6,605	\$ 5,431	\$ 4,979	\$ 535	\$ 4,979	\$ -
70357	Graffiti Removal						
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200	Operating Supplies	823	2,143	1,000	-	1,000	-
5300	Contractual Services	2,390	1,797	3,861	-	3,861	-
5400	Other Expenses	-	-	-	-	-	-
5700	Capital Outlays	-	-	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 3,213	\$ 3,940	\$ 4,861	\$ -	\$ 4,861	\$ -
70863	Farmers' Market & Flea Market						
5100	Salaries & Benefits	\$ 17,993	\$ 17,337	\$ 18,500	\$ 59	\$ 18,500	\$ -
5200	Operating Supplies	970	2,904	1,250	-	1,250	-
5300	Contractual Services	24,615	23,569	23,550	537	23,550	-
5400	Other Expenses	-	75	150	35	150	-
5700	Capital Outlays	-	-	6,000	-	6,000	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 43,578	\$ 43,885	\$ 49,450	\$ 631	\$ 49,450	\$ -
		\$ 4,498,897	\$ 4,611,495	\$ 4,662,938	\$ 301,470	\$ 4,632,938	\$ (30,000)

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund
General Fund Expenditure Summary By Function

		Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	
70775	General Recreation							
5100	Salaries & Benefits	\$ 88,539	\$ 126,835	\$ 131,331	\$ 31,644	\$ 131,331	\$ -	
5200	Operating Supplies	24,170	29,715	29,000	3,357	29,000	-	
5300	Contractual Services	150,924	153,665	143,027	12,827	108,027	(35,000)	Reduce Summer Playground Programs 11 to 9
5400	Other Expenses	889	1,479	5,000	374	5,000	-	
5700	Capital Outlays	-	2,348	7,000	-	7,000	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 264,522	\$ 314,042	\$ 315,358	\$ 48,202	\$ 280,358	\$ (35,000)	
80387	Environmental Services							
5100	Salaries & Benefits	\$ 123,848	\$ 132,228	\$ 146,784	\$ 32,515	\$ 146,784	\$ -	
5200	Operating Supplies	7,047	9,998	7,200	1,671	7,200	-	
5300	Contractual Services	199,019	260,853	251,110	3,547	205,110	(46,000)	Reduce Mowings (8 to 6) Public Property; Increase Cor
5400	Other Expenses	-	40	500	-	500	-	
5700	Capital Outlays	2,852	267	4,500	1,740	4,500	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 332,766	\$ 403,386	\$ 410,094	\$ 39,473	\$ 364,094	\$ (46,000)	
		\$ 597,288	\$ 717,428	\$ 725,452	\$ 87,675	\$ 644,452	\$ (81,000)	
10875	Other - Contributions to Outside Agencies							
	Muskegon Area Transit (MATS)	\$ 80,163	\$ 80,164	\$ 80,164	\$ 20,041	\$ 80,164	-	
	Neighborhood Association Grants	22,000	19,252	19,500	20,966	21,000	1,500	
	Muskegon Area First	45,566	45,660	45,660	22,784	45,660	-	
	Veterans Memorial Day Costs	-	6,827	7,000	-	7,000	-	
	Great Lakes Water	-	-	3,000	-	3,000	-	
	Mainstreet	-	-	10,000	10,000	10,000	-	
	Lakeside Business District	2,500	2,500	2,500	2,500	2,500	-	
	211 Service	2,500	2,500	2,500	2,500	2,500	-	
	Institute for Healing Racism	-	-	-	-	-	-	
	MLK Diversity Program	-	1,000	1,000	-	1,000	-	
	Muskegon Area Labor Management (MALMC)	1,000	1,000	1,000	1,000	1,000	-	
	Muskegon County and Humane Society - Feral Cats	27,151	27,250	29,551	6,840	29,551	-	
	Other	-	-	-	-	-	-	
	Contributions To Outside Agencies	\$ 180,880	\$ 186,153	\$ 201,875	\$ 86,631	\$ 203,375	\$ 1,500	
		\$ 180,880	\$ 186,153	\$ 201,875	\$ 86,631	\$ 203,375	\$ 1,500	
	Total Customer Value Added Activities	\$ 18,131,496	\$ 19,198,809	\$ 19,124,116	\$ 3,697,228	\$ 18,777,616	\$ (346,500)	
	As a Percent of Total General Fund							
	Expenditures	73.1%	73.6%	73.8%	72.9%	74.2%		

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund
General Fund Expenditure Summary By Function

		Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original
II. Business Value Added Activities							
10101 City Commission							
5100	Salaries & Benefits	\$ 62,251	\$ 66,313	\$ 67,258	\$ 14,889	\$ 67,258	\$ -
5200	Operating Supplies	11,824	15,037	12,000	116	12,000	-
5300	Contractual Services	2,335	1,741	2,023	135	2,023	-
5400	Other Expenses	3,064	2,604	4,000	605	4,000	-
5700	Capital Outlays	988	1,082	1,000	300	1,000	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 80,462	\$ 86,777	\$ 86,281	\$ 16,045	\$ 86,281	\$ -
10102 City Promotions & Public Relations							
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200	Operating Supplies	985	455	200	92	200	-
5300	Contractual Services	10,708	7,727	11,150	3,023	11,150	-
5400	Other Expenses	2	-	-	-	-	-
5700	Capital Outlays	-	-	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 11,695	\$ 8,182	\$ 11,350	\$ 3,115	\$ 11,350	\$ -
10172 City Manager							
5100	Salaries & Benefits	\$ 208,363	\$ 221,512	\$ 325,462	\$ 63,259	\$ 255,462	\$ (70,000)
5200	Operating Supplies	1,613	1,478	3,000	122	3,000	-
5300	Contractual Services	2,446	1,463	7,600	176	7,600	-
5400	Other Expenses	1,153	638	1,850	80	1,850	-
5700	Capital Outlays	272	473	1,000	-	1,000	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 213,847	\$ 225,564	\$ 338,912	\$ 63,637	\$ 268,912	\$ (70,000)
10145 City Attorney							
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200	Operating Supplies	790	808	2,000	-	2,000	-
5300	Contractual Services	439,644	479,745	440,508	116,241	440,508	-
5400	Other Expenses	-	-	-	-	-	-
5700	Capital Outlays	-	-	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 440,434	\$ 480,553	\$ 442,508	\$ 116,241	\$ 442,508	\$ -
		\$ 746,438	\$ 801,076	\$ 879,051	\$ 199,038	\$ 809,051	\$ (70,000)
20173 Administration							
5100	Salaries & Benefits	\$ 117,263	\$ 31,721	\$ -	\$ 6,123	\$ -	\$ -
5200	Operating Supplies	1,083	36	-	8	-	-
5300	Contractual Services	7,782	6,329	-	385	-	-
5400	Other Expenses	109	70	-	-	-	-
5700	Capital Outlays	206	516	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 126,443	\$ 38,672	\$ -	\$ 6,516	\$ -	\$ -

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund
General Fund Expenditure Summary By Function

		Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	
20228	Affirmative Action							
5100	Salaries & Benefits	\$ 68,661	\$ 75,308	\$ 79,913	\$ 18,063	\$ 79,913	\$ -	
5200	Operating Supplies	512	588	750	41	750	-	
5300	Contractual Services	1,533	1,705	3,027	33	3,027	-	
5400	Other Expenses	856	707	1,500	166	1,500	-	
5700	Capital Outlays	163	1,625	500	-	500	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 71,725	\$ 79,933	\$ 85,690	\$ 18,303	\$ 85,690	\$ -	
20744	Julia Hackley Internships							
5100	Salaries & Benefits	\$ 5,374	\$ 7,988	\$ 1,948	\$ -	\$ 1,948	\$ -	
5200	Operating Supplies	-	-	-	-	-	-	
5300	Contractual Services	-	-	-	-	-	-	
5400	Other Expenses	-	-	-	-	-	-	
5700	Capital Outlays	-	-	-	-	-	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 5,374	\$ 7,988	\$ 1,948	\$ -	\$ 1,948	\$ -	
20215	City Clerk & Elections							
5100	Salaries & Benefits	\$ 241,725	\$ 272,252	\$ 265,002	\$ 57,115	\$ 275,002	\$ 10,000	Additional School Election; Revenue Offset
5200	Operating Supplies	21,443	22,953	30,622	1,664	30,622	-	
5300	Contractual Services	11,670	19,741	15,750	1,304	15,750	-	
5400	Other Expenses	1,383	3,580	3,000	106	1,500	(1,500)	Reduce Travel
5700	Capital Outlays	1,388	1,022	1,200	139	1,200	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 277,609	\$ 319,548	\$ 315,574	\$ 60,328	\$ 324,074	\$ 8,500	
20220	Civil Service							
5100	Salaries & Benefits	\$ 131,159	\$ 153,656	\$ 163,488	\$ 37,825	\$ 163,488	\$ -	
5200	Operating Supplies	5,621	5,554	7,000	2,607	7,000	-	
5300	Contractual Services	22,713	22,246	19,223	2,393	19,223	-	
5400	Other Expenses	3,651	4,029	3,000	72	3,000	-	
5700	Capital Outlays	617	888	1,000	-	1,000	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 163,761	\$ 186,373	\$ 193,711	\$ 42,897	\$ 193,711	\$ -	
		\$ 644,912	\$ 632,514	\$ 596,923	\$ 128,044	\$ 605,423	\$ 8,500	
30202	Finance Administration							
5100	Salaries & Benefits	\$ 331,273	\$ 352,627	\$ 367,740	\$ 93,914	\$ 367,740	\$ -	
5200	Operating Supplies	5,488	5,009	6,195	658	6,195	-	
5300	Contractual Services	78,509	83,921	81,480	12,488	76,480	(5,000)	Move Investment Safekeeping/Reporting to 5/3
5400	Other Expenses	413	2,442	3,000	17	3,000	-	
5700	Capital Outlays	7,829	1,661	8,000	110	5,000	(3,000)	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 423,512	\$ 445,660	\$ 466,415	\$ 107,187	\$ 458,415	\$ (8,000)	

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund
General Fund Expenditure Summary By Function

		Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original
30209	Assessing Services						
5100	Salaries & Benefits	\$ 6,703	\$ 6,345	\$ 6,365	\$ 5,139	\$ 6,365	\$ -
5200	Operating Supplies	-	-	-	-	-	-
5300	Contractual Services	453,134	463,935	459,300	116,873	459,300	-
5400	Other Expenses	-	-	-	-	-	-
5700	Capital Outlays	-	-	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 459,837	\$ 470,280	\$ 465,665	\$ 122,012	\$ 465,665	\$ -
30805	Arena Administration						
5100	Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200	Operating Supplies	-	-	-	-	-	-
5300	Contractual Services	267,883	239,815	235,000	50,000	235,000	-
5400	Other Expenses	129	3	-	-	-	-
5700	Capital Outlays	1,422	1,784	-	-	-	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 269,434	\$ 241,602	\$ 235,000	\$ 50,000	\$ 235,000	\$ -
30205	Income Tax Administration						
5100	Salaries & Benefits	\$ 287,511	\$ 306,084	\$ 323,692	\$ 78,156	\$ 323,692	\$ -
5200	Operating Supplies	18,228	17,997	17,260	4,113	17,260	-
5300	Contractual Services	66,375	77,878	66,636	14,527	66,636	-
5400	Other Expenses	960	743	800	-	800	-
5700	Capital Outlays	360	1,606	1,500	-	1,500	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 373,434	\$ 404,308	\$ 409,888	\$ 96,796	\$ 409,888	\$ -
30253	City Treasurer						
5100	Salaries & Benefits	\$ 245,360	\$ 279,040	\$ 301,421	\$ 74,803	\$ 301,421	\$ -
5200	Operating Supplies	28,725	35,237	35,000	6,643	35,000	-
5300	Contractual Services	66,420	72,557	70,000	12,269	70,000	-
5400	Other Expenses	553	368	1,500	24	1,500	-
5700	Capital Outlays	-	2,016	2,921	-	2,921	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 341,058	\$ 389,218	\$ 410,842	\$ 93,739	\$ 410,842	\$ -
30248	Information Systems Administration						
5100	Salaries & Benefits	\$ 250,554	\$ 269,070	\$ 280,543	\$ 75,456	\$ 280,543	\$ -
5200	Operating Supplies	170	500	6,302	-	6,302	-
5300	Contractual Services	50,392	54,730	67,093	7,393	67,093	-
5400	Other Expenses	328	8,976	3,000	969	3,000	-
5700	Capital Outlays	62,801	14,486	27,040	382	27,040	-
5900	Other Financing Uses	-	-	-	-	-	-
		\$ 364,245	\$ 347,762	\$ 383,978	\$ 84,200	\$ 383,978	\$ -
		\$ 2,231,520	\$ 2,298,830	\$ 2,371,788	\$ 553,934	\$ 2,363,788	\$ (8,000)

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund
General Fund Expenditure Summary By Function

		Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	
60265	City Hall Maintenance							
5100	Salaries & Benefits	\$ 67,232	\$ 73,368	\$ 69,039	\$ 19,541	\$ 69,039	\$ -	
5200	Operating Supplies	10,883	19,138	12,475	2,187	12,475	-	
5300	Contractual Services	177,747	187,421	205,670	10,328	205,670	-	
5400	Other Expenses	-	-	-	-	-	-	
5700	Capital Outlays	719	4,532	2,000	-	2,000	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 256,581	\$ 284,459	\$ 289,184	\$ 32,056	\$ 289,184	\$ -	
		\$ 256,581	\$ 284,459	\$ 289,184	\$ 32,056	\$ 289,184	\$ -	
80400	Planning, Zoning and Economic Development							
5100	Salaries & Benefits	\$ 403,843	\$ 455,659	\$ 479,377	\$ 120,264	\$ 479,377	\$ -	
5200	Operating Supplies	4,821	6,062	6,100	473	6,100	-	
5300	Contractual Services	44,965	57,353	49,350	4,629	22,350	(27,000)	Defer Zoning Ordinance Revisions
5400	Other Expenses	3,391	2,767	6,000	235	4,000	(2,000)	Reduce Travel
5700	Capital Outlays	5,093	2,086	2,000	-	2,000	-	
5900	Other Financing Uses	-	-	-	-	-	-	
		\$ 462,113	\$ 523,927	\$ 542,827	\$ 125,601	\$ 513,827	\$ (29,000)	
		\$ 462,113	\$ 523,927	\$ 542,827	\$ 125,601	\$ 513,827	\$ (29,000)	
	Total Business Value Added Activities	\$ 4,341,564	\$ 4,540,806	\$ 4,679,773	\$ 1,038,673	\$ 4,581,273	\$ (98,500)	
	As a Percent of Total General Fund							
	Expenditures	17.5%	17.4%	18.1%	20.5%	18.1%		

Quarterly Budget Reforecast - 1st Quarter 2009 - General Fund
General Fund Expenditure Summary By Function

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	
III. Fixed Budget Items							
30999 Transfers To Other Funds							
Major Street Fund	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	
Local Street Fund	480,000	480,000	510,000	127,500	510,000	-	
Budget Stabilization Fund	250,000	250,000	-	-	-	-	
L.C. Walker Arena Fund (Operating Subsidy)	-	-	-	-	-	-	
Arena Improvement Fund	-	-	-	-	-	-	
Public Improvement Fund (Fire Equipment Reserve)	150,000	150,000	150,000	37,500	100,000	(50,000)	
State Grants Fund (Grant Matches)	154,880	-	-	-	-	-	
Marina	40,000	40,000	-	-	-	-	
Sidewalk	300,000	150,000	-	-	-	-	
MOD State Rehab Loan Fund	-	-	-	-	-	-	
LDFA Debt Service Fund (Smartzone)	100,000	150,000	150,000	37,500	130,000	(20,000)	
General Insurance	28,046	28,046	28,046	7,012	28,046	-	
	\$ 1,702,926	\$ 1,448,046	\$ 838,046	\$ 209,512	\$ 768,046	\$ (70,000)	
30851 General Insurance	\$ 350,385	\$ 386,191	\$ 403,737	\$ -	\$ 300,000	\$ (103,737)	Skip Contribution to SIR Fund - Has Healthy Balance
30906 Debt Retirement	208,859	275,833	267,345	111,403	267,345	-	
10891 Contingency and Bad Debt Expense	-	76,100	400,000	-	400,000	-	
90000 Major Capital Improvements	65,580	174,754	193,000	12,697	196,000	3,000	
Total Fixed-Budget Items	\$ 2,327,750	\$ 2,360,924	\$ 2,102,128	\$ 333,612	\$ 1,931,391	\$ (170,737)	
As a Percent of Total General Fund							
Expenditures	9.4%	9.0%	8.1%	6.6%	7.6%		
Total General Fund	\$ 24,800,810	\$ 26,100,539	\$ 25,906,017	\$ 5,069,513	\$ 25,290,280	\$ (615,737)	

Recap: Total General Fund By Expenditure Object

5100	Salaries & Benefits	\$ 14,634,795	\$ 15,557,198	\$ 15,732,922	\$ 3,777,626	\$ 15,489,922	\$ (243,000)
5200	Operating Supplies	484,841	581,806	601,228	59,834	599,228	(2,000)
5300	Contractual Services	7,434,746	7,830,946	8,005,986	864,162	7,733,749	(272,237)
5400	Other Expenses	58,031	86,282	77,800	8,886	70,300	(7,500)
5700	Capital Outlays	276,612	320,428	382,690	38,090	361,690	(21,000)
5900	All Other Financing Uses	1,911,785	1,723,879	1,105,391	320,915	1,035,391	(70,000)
	Total General Fund	\$ 24,800,810	\$ 26,100,539	\$ 25,906,017	\$ 5,069,513	\$ 25,290,280	\$ (615,737)

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
202 Major Streets and State Trunklines Fund							
Available Fund Balance - BOY	\$ 708,102	\$ 1,169,135	\$ 523,856	\$ 284,912	\$ 284,912	\$ (238,944)	
Means of Financing							
Special assessments	\$ 272,291	\$ 248,582	\$ 250,000	\$ -	\$ 250,000	\$ -	
Federal & state grants	2,303,829	2,100,723	1,095,000	-	1,895,000	800,000	
State shared revenue	2,629,710	2,564,204	2,827,811	244,069	2,700,000	(127,811)	
Interest income	116,227	70,691	50,000	607	50,000	-	
Operating transfers in	200,000	200,000	-	-	200,000	-	From PIF - Stimulus Match
Other	370,376	87,620	75,000	6,900	75,000	-	
	\$ 5,892,433	\$ 5,271,820	\$ 4,297,811	\$ 251,576	\$ 5,170,000	\$ 872,189	
60900 Operating Expenditures							
5100 Salaries & Benefits	\$ 663,738	\$ 742,133	\$ 963,501	\$ 198,014	\$ 963,501	\$ -	
5200 Operating Supplies	284,582	208,422	260,600	85,708	260,600	-	
5300 Contractual Services	1,093,974	1,184,346	1,022,300	218,869	1,022,300	-	
5400 Other Expenses	1,803	8,339	5,000	60	5,000	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	968,638	399,907	-	-	-	-	
	\$ 3,012,735	\$ 2,543,147	\$ 2,251,401	\$ 502,651	\$ 2,251,401	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	2,418,665	3,612,896	2,090,000	80,279	2,885,000	795,000	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700 Capital Outlays	-	-	-	-	-	-	
	\$ 2,418,665	\$ 3,612,896	\$ 2,090,000	\$ 80,279	\$ 2,885,000	\$ 795,000	
	\$ 5,431,400	\$ 6,156,043	\$ 4,341,401	\$ 582,930	\$ 5,136,401		
Available Fund Balance - EOY	\$ 1,169,135	\$ 284,912	\$ 480,266	\$ (46,442)	\$ 318,511	\$ (161,755)	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
203 Local Streets Fund							
Available Fund Balance - BOY	\$ 648,231	\$ 1,389,910	\$ 845,727	\$ 396,406	\$ 396,406	\$ (449,321)	
Means of Financing							
Special assessments	\$ 705,740	\$ 56,669	\$ 120,000	\$ -	\$ 120,000	\$ -	
Federal & state grants	240,000	934,909	-	-	-	-	
Metro act fees	140,010	142,692	142,000	-	142,000	-	
State shared revenue	658,387	635,728	649,240	50,269	649,240	-	
Interest income	243,947	43,178	25,000	436	25,000	-	
Operating transfers in	780,000	480,000	510,000	127,500	510,000	-	FROM GENERAL FUND
Other	15,747	25,878	5,000	1,781	15,000	10,000	
	\$ 2,783,831	\$ 2,319,054	\$ 1,451,240	\$ 179,986	\$ 1,461,240	\$ 10,000	
60900 Operating Expenditures							
5100 Salaries & Benefits	\$ 607,155	\$ 642,207	\$ 574,265	\$ 180,669	\$ 574,265	\$ -	
5200 Operating Supplies	110,130	235,172	118,000	2,161	118,000	-	
5300 Contractual Services	863,047	905,676	818,000	183,551	818,000	-	
5400 Other Expenses	384	499	1,000	48	1,000	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ 1,580,716	\$ 1,783,554	\$ 1,511,265	\$ 366,429	\$ 1,511,265	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	461,436	1,529,004	600,000	7,543	440,000	(160,000)	DEPENDENT ON BID RESULTS, A PROJECT MAY BE DROPPED
	\$ 461,436	\$ 1,529,004	\$ 600,000	\$ 7,543	\$ 440,000	\$ (160,000)	
	\$ 2,042,152	\$ 3,312,558	\$ 2,111,265	\$ 373,972	\$ 1,951,265		
Available Fund Balance - EOY	\$ 1,389,910	\$ 396,406	\$ 185,702	\$ 202,420	\$ (93,619)	\$ (279,321)	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
257 Budget Stabilization Fund							
Available Fund Balance - BOY	\$ 1,500,000	\$ 1,750,000	\$ 1,750,000	\$ 2,000,000	\$ 2,000,000	\$ 250,000	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	-	
Interest income	-	-	-	-	-	-	
Operating transfers in - General Fund	250,000	250,000	-	-	-	-	
Operating transfers in - TIFA Fund	-	-	-	-	-	-	
Operating transfers in - Insurance Fund	-	-	-	-	-	-	
Other	-	-	-	-	-	-	
	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	
70805 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	-	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	500,000	500,000	TRANSFER TO GENERAL FUND
	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ 500,000		
Available Fund Balance - EOY	\$ 1,750,000	\$ 2,000,000	\$ 1,750,000	\$ 2,000,000	\$ 1,500,000	\$ (250,000)	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
260 Farmers' Market Improvement Fund							
Available Fund Balance - BOY	\$ 25,465	\$ 26,755	\$ 14,455	\$ 17,565	\$ 17,565	\$ 3,110	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	-	
Interest income	1,290	710	700	57	700	-	
Operating transfers in - General Fund	-	-	-	-	-	-	
Operating transfers in - TIFA Fund	-	-	-	-	-	-	
Operating transfers in - Insurance Fund	-	-	-	-	-	-	
Other	-	-	-	-	-	-	
	\$ 1,290	\$ 710	\$ 700	\$ 57	\$ 700	\$ -	
70805 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	-	9,900	15,155	-	15,155	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ -	\$ 9,900	\$ 15,155	\$ -	\$ 15,155	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ 9,900	\$ 15,155	\$ -	\$ 15,155		
Available Fund Balance - EOY	\$ 26,755	\$ 17,565	\$ -	\$ 17,622	\$ 3,110	\$ 3,110	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
264 Criminal Forfeitures Fund							
Available Fund Balance - BOY	\$ 157,835	\$ 138,160	\$ 94,160	\$ 81,856	\$ 81,856	\$ (12,304)	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	-	
Interest income	7,566	3,518	3,000	285	3,000	-	
Operating transfers in - General Fund	-	-	-	-	-	-	
Operating transfers in - TIFA Fund	-	-	-	-	-	-	
Operating transfers in - Insurance Fund	-	-	-	-	-	-	
Other	21,143	10,840	15,000	4,330	15,000	-	
	\$ 28,709	\$ 14,358	\$ 18,000	\$ 4,615	\$ 18,000	\$ -	
70805 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	949	-	45,000	-	45,000	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	47,435	70,662	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ 48,384	\$ 70,662	\$ 45,000	\$ -	\$ 45,000	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 48,384	\$ 70,662	\$ 45,000	\$ -	\$ 45,000		
Available Fund Balance - EOY	\$ 138,160	\$ 81,856	\$ 67,160	\$ 86,471	\$ 54,856	\$ (12,304)	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
285 Tree Replacement Fund							
Available Fund Balance - BOY	\$ 10,210	\$ 9,108	\$ 9,108	\$ 10,043	\$ 10,043	\$ 935	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	5,000	3,000	-	-	(3,000)	
State shared revenue	-	-	-	-	-	-	
Charges for services	-	-	400	-	400	-	
Interest income	522	249	500	25	500	-	
Operating transfers in - General Fund	-	-	-	-	-	-	
Operating transfers in - TIFA Fund	-	-	-	-	-	-	
Operating transfers in - Insurance Fund	-	-	-	-	-	-	
Other	1,400	1,045	-	-	-	-	
	\$ 1,922	\$ 6,294	\$ 3,900	\$ 25	\$ 900	\$ (3,000)	
70805 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	3,024	5,359	3,900	104	4,000	100	
5300 Contractual Services	-	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ 3,024	\$ 5,359	\$ 3,900	\$ 104	\$ 4,000	\$ 100	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 3,024	\$ 5,359	\$ 3,900	\$ 104	\$ 4,000		
Available Fund Balance - EOY	\$ 9,108	\$ 10,043	\$ 9,108	\$ 9,964	\$ 6,943	\$ (2,165)	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
295 Brownfield Redevelopment Authority (Betten Project)							
Available Fund Balance - BOY	\$	-	\$	-	\$	(17,862)	\$ (17,862)
Means of Financing							
Property taxes	\$	-	\$	-	\$	175,000	\$ -
Federal & state grants		-		-		-	-
State shared revenue		-		-		-	-
Charges for services		-		-		-	-
Interest income		-		-		-	-
Operating transfers in - General Fund		-		-		-	-
Operating transfers in - TIFA Fund		-		-		-	-
Operating transfers in - Insurance Fund		-		-		-	-
Other		-		-		-	-
	\$	-	\$	-	\$	175,000	\$ -
70805 Operating Expenditures							
5100 Salaries & Benefits	\$	-	\$	-	\$	-	\$ -
5200 Operating Supplies		-		-		-	-
5300 Contractual Services		-	17,862	175,000	2,303	150,000	(25,000)
5400 Other Expenses		-	-	-		-	-
5700 Capital Outlays		-	-	-		-	-
5900 Other Financing Uses		-	-	-		-	-
	\$	-	\$	17,862	\$	2,303	\$ 150,000 (25,000)
90000 Project Expenditures							
5200 Operating Supplies	\$	-	\$	-	\$	-	\$ -
5300 Contractual Services		-		-		-	-
	\$	-	\$	-	\$	-	\$ -
	\$	-	\$	17,862	\$	2,303	\$ 150,000
Available Fund Balance - EOY							
	\$	-	\$	(17,862)	\$	-	\$ (20,165) 7,138 7,138

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
289 Local Development Finance Authority I Fund - Port City Industrial Park							
Available Fund Balance - BOY	\$ 323	\$ 335	\$ 345	\$ 347	\$ 347	\$ 2	
Means of Financing							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	-	
Interest income	12	12	10	-	10	-	
Operating transfers in - General Fund	-	-	-	-	-	-	
Operating transfers in - TIFA Fund	-	-	-	-	-	-	
Operating transfers in - Insurance Fund	-	-	-	-	-	-	
Other	-	-	-	-	-	-	
	\$ 12	\$ 12	\$ 10	\$ -	\$ 10	\$ -	
70805 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	-	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Available Fund Balance - EOY	\$ 335	\$ 347	\$ 355	\$ 347	\$ 357	\$ 2	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
288 Local Development Finance Authority II Fund - Medendorp Industrial Park							
Available Fund Balance - BOY	\$ 23,216	\$ 24,393	\$ 25,393	\$ 25,092	\$ 25,092	\$ (301)	
Means of Financing							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	-	
Interest income	1,177	699	1,000	65	1,000	-	
Operating transfers in - General Fund	-	-	-	-	-	-	
Operating transfers in - TIFA Fund	-	-	-	-	-	-	
Operating transfers in - Insurance Fund	-	-	-	-	-	-	
Other	-	-	-	-	-	-	
	\$ 1,177	\$ 699	\$ 1,000	\$ 65	\$ 1,000	\$ -	
70805 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	-	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Available Fund Balance - EOY	\$ 24,393	\$ 25,092	\$ 26,393	\$ 25,157	\$ 26,092	\$ (301)	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
290 Local Development Finance Authority III Fund - Edison Landing (Smartzone)							
Available Fund Balance - BOY	\$ 104,991	\$ 27,275	\$ 8,228	\$ 8,752	\$ 8,752	\$ 524	
Means of Financing							
Property taxes	\$ 28,901	\$ 38,249	\$ 67,603	\$ -	\$ 67,603	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	-	
Interest income	4,881	1,126	300	63	300	-	
Operating transfers in - General Fund	100,000	150,000	150,000	37,500	130,000	(20,000)	
Other	75,000	75,000	75,000	-	75,000	-	COMMUNITY FOUNDATION CONTRIBUTION
	\$ 208,782	\$ 264,375	\$ 292,903	\$ 37,563	\$ 272,903	\$ (20,000)	
70805 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	1,000	350	1,000	-	1,000	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	285,498	282,548	279,747	-	279,747	-	
	\$ 286,498	\$ 282,898	\$ 280,747	\$ -	\$ 280,747	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 286,498	\$ 282,898	\$ 280,747	\$ -	\$ 280,747		
Available Fund Balance - EOY	\$ 27,275	\$ 8,752	\$ 20,384	\$ 46,315	\$ 908	\$ (19,476)	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
305 Tax Increment Finance Authority Fund							
Available Fund Balance - BOY	\$ 8,758	\$ 6,352	\$ 3,552	\$ 13,983	\$ 13,983	\$ 10,431	
Means of Financing							
Property taxes	\$ 56,835	\$ 57,458	\$ 53,919	\$ -	\$ 53,919	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	-	
Interest income	759	173	200	8	200	-	
Operating transfers in - General Fund	-	-	-	-	-	-	
Operating transfers in - TIFA Fund	-	-	-	-	-	-	
Operating transfers in - Insurance Fund	-	-	-	-	-	-	
Other	-	-	-	-	-	-	
	\$ 57,594	\$ 57,631	\$ 54,119	\$ 8	\$ 54,119	\$ -	
30906 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	-	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	60,000	50,000	50,000	12,500	60,000	10,000	TO GENERAL FUND FOR ARENA
	\$ 60,000	\$ 50,000	\$ 50,000	\$ 12,500	\$ 60,000	\$ 10,000	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 60,000	\$ 50,000	\$ 50,000	\$ 12,500	\$ 60,000		
Available Fund Balance - EOY	\$ 6,352	\$ 13,983	\$ 7,671	\$ 1,491	\$ 8,102	\$ 431	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
394 Downtown Development Authority Fund							
Available Fund Balance - BOY	\$ (103,996)	\$ (58,608)	\$ 16,568	\$ 14,618	\$ 14,618	\$ (1,950)	
Means of Financing							
Property taxes	\$ 476,460	\$ 505,697	\$ 361,697	\$ -	\$ 361,697	\$ -	
Federal & state grants	-	-	-	-	-	-	
State proposal A reimbursement revenue	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	-	
Interest income	-	926	500	51	500	-	
Operating transfers in - General Fund	-	-	-	-	-	-	
Operating transfers in - PIF	-	100,000	-	-	-	-	
Operating transfers in - Insurance Fund	-	284,787	-	-	-	-	
Other	-	-	-	-	-	-	
	\$ 476,460	\$ 891,410	\$ 362,197	\$ 51	\$ 362,197	\$ -	
30906 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	83,330	10,250	-	-	-	-	
5400 Other Expenses	-	468,641	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	347,742	339,293	340,472	-	340,472	-	DEBT SERVICE (\$340,472 BONDS)
	\$ 431,072	\$ 818,184	\$ 340,472	\$ -	\$ 340,472	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 431,072	\$ 818,184	\$ 340,472	\$ -	\$ 340,472		
Available Fund Balance - EOY	\$ (58,608)	\$ 14,618	\$ 38,293	\$ 14,669	\$ 36,343	\$ (1,950)	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
408 Arena Improvement Fund							
Available Fund Balance - BOY	\$ 79,386	\$ 76,724	\$ 93,724	\$ 103,279	\$ 103,279	\$ 9,555	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	37,363	35,309	40,000	17,625	40,000	-	
Interest income	3,603	2,457	2,000	236	2,000	-	
Operating transfers in	-	-	-	-	-	-	
Other	-	-	-	-	-	-	
	\$ 40,966	\$ 37,766	\$ 42,000	\$ 17,861	\$ 42,000	\$ -	
30906 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	43,628	11,211	25,000	19,914	25,000	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ 43,628	\$ 11,211	\$ 25,000	\$ 19,914	\$ 25,000	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 43,628	\$ 11,211	\$ 25,000	\$ 19,914	\$ 25,000		
Available Fund Balance - EOY	\$ 76,724	\$ 103,279	\$ 110,724	\$ 101,226	\$ 120,279	\$ 9,555	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
403 Sidewalk Improvement Fund							
Available Fund Balance - BOY	\$ 902,104	\$ 1,017,584	\$ 888,299	\$ 989,494	\$ 989,494	\$ 101,195	
Means of Financing							
Special assessments	\$ 142,505	\$ 120,301	\$ 150,000	\$ -	\$ 150,000	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	-	
Interest income	69,753	50,225	65,000	2,393	65,000	-	
Operating transfers in	300,000	150,000	-	-	-	-	
Other	-	-	-	-	-	-	
	\$ 512,258	\$ 320,526	\$ 215,000	\$ 2,393	\$ 215,000	\$ -	
30906 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	950	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	3,381	-	-	-	-	
5900 Other Financing Uses	395,828	345,235	298,685	150,033	298,685	-	DEBT SERVICE ON SIDEWALK ASSESSMENT BONDS
	\$ 396,778	\$ 348,616	\$ 298,685	\$ 150,033	\$ 298,685	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 396,778	\$ 348,616	\$ 298,685	\$ 150,033	\$ 298,685		
Available Fund Balance - EOY	\$ 1,017,584	\$ 989,494	\$ 804,614	\$ 841,854	\$ 905,809	\$ 101,195	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
404 Public Improvement Fund							
Available Fund Balance - BOY	\$ 4,842,311	\$ 2,151,037	\$ 2,115,618	\$ 1,985,126	\$ 1,985,126	\$ (130,492)	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Property taxes	-	-	-	-	-	-	
Federal & state grants	-	-	-	-	-	-	
Contributions	-	-	-	-	-	-	
Fisherman's Landing Repayment	-	-	-	-	-	-	
Sales of Property	126,736	280,031	75,000	(15)	75,000	-	
Interest income	198,398	76,446	60,000	5,386	60,000	-	
Operating transfers in	154,047	150,000	150,000	37,500	150,000	-	GENERAL FUND TRANSFER - FIRE EQUIPMENT RESERVE (\$150,000)
Other	40,592	80,087	-	-	-	-	
	\$ 519,773	\$ 586,564	\$ 285,000	\$ 42,871	\$ 285,000	\$ -	
30936 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	-	-	5,000	-	5,000	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	292,223	442,419	369,524	-	569,524	200,000	DEBT SERVICE (ULA LOANS; FIRE TRUCK INSTALLMENT PURCHASE; TRANSFER TO MAJOR FOR STIMULUS MATCH 2009)
	\$ 292,223	\$ 442,419	\$ 374,524	\$ -	\$ 574,524	\$ 200,000	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	2,918,824	310,056	1,130,000	9,471	1,170,567	40,567	
	\$ 2,918,824	\$ 310,056	\$ 1,130,000	\$ 9,471	\$ 1,170,567	\$ 40,567	
	\$ 3,211,047	\$ 752,475	\$ 1,504,524	\$ 9,471	\$ 1,745,091		
Available Fund Balance - EOY	\$ 2,151,037	\$ 1,985,126	\$ 896,094	\$ 2,018,526	\$ 525,035	\$ (371,059)	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
482 State Grants Fund							
Available Fund Balance - BOY	\$ 77,048	\$ 150,102	\$ 150,102	\$ 649,547	\$ 649,547	\$ 499,445	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	386,535	28,888	877,000	11,741	1,027,000	150,000	
Sales of Property	-	-	-	-	-	-	
Interest income	-	-	-	-	-	-	
Operating transfers in	150,833	3,813	-	-	-	-	
Other	10,000	550,000	-	-	-	-	
	\$ 547,368	\$ 582,701	\$ 877,000	\$ 11,741	\$ 1,027,000	\$ 150,000	
30936 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	-	-	-	
5300 Contractual Services	-	-	-	-	-	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	11,473	-	-	-	-	-	
	\$ 11,473	\$ -	\$ -	\$ -	\$ -	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
5700 Capital Outlays	462,841	83,256	1,027,000	6,535	1,187,000	160,000	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
	\$ 462,841	\$ 83,256	\$ 1,027,000	\$ 6,535	\$ 1,187,000	\$ 160,000	
	\$ 474,314	\$ 83,256	\$ 1,027,000	\$ 6,535	\$ 1,187,000		
Available Fund Balance - EOY	\$ 150,102	\$ 649,547	\$ 102	\$ 654,753	\$ 489,547	\$ 489,445	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
594 Marina & Launch Ramp Fund							
Available Cash Balance - BOY	\$ (39,617)	\$ 20,509	\$ 71,297	\$ 85,238	\$ 85,238	\$ 13,941	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	281,679	250,265	260,000	58,314	260,000	-	
Interest income	38	1,055	-	182	-	-	
Operating transfers in	40,000	40,000	-	-	-	-	
Other	-	-	-	-	-	-	
	\$ 321,717	\$ 291,320	\$ 260,000	\$ 58,496	\$ 260,000	\$ -	
70756 Operating Expenditures - Marina							
5100 Salaries & Benefits	\$ 121,489	\$ 96,295	\$ 91,146	\$ 6,230	\$ 91,146	\$ -	
5200 Operating Supplies	10,338	12,791	10,650	88	10,650	-	
5300 Contractual Services	130,462	94,291	107,000	19,645	107,000	-	
5400 Other Expenses	510	315	500	-	500	-	
5700 Capital Outlays	1,641	2,995	10,000	597	10,000	-	
5900 Other Financing Uses	-	-	-	-	-	-	
Other Cash Uses (e.g. Debt Principal)	(2,849)	8,637	-	-	-	-	
	\$ 261,591	\$ 215,324	\$ 219,296	\$ 26,560	\$ 219,296	\$ -	
70759 Operating Expenditures - Ramps							
5100 Salaries & Benefits	\$ -	\$ 4,737	\$ 5,000	\$ 236	\$ 5,000	\$ -	
5200 Operating Supplies	-	449	500	-	500	-	
5300 Contractual Services	-	6,081	9,580	301	9,580	-	
5400 Other Expenses	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	-	-	-	-	-	-	
Other Cash Uses (e.g. Debt Principal)	-	-	-	-	-	-	
	\$ -	\$ 11,267	\$ 15,080	\$ 537	\$ 15,080	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 261,591	\$ 226,591	\$ 234,376	\$ 27,097	\$ 234,376		
Available Cash Balance - EOY	\$ 20,509	\$ 85,238	\$ 96,921	\$ 116,637	\$ 110,862	\$ 13,941	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
661 Equipment Fund							
Available Cash Balance - BOY	\$ 1,614,451	\$ 2,004,577	\$ 2,147,078	\$ 2,472,676	\$ 2,472,676	\$ 325,598	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	2,520,803	2,703,727	2,400,000	595,610	2,400,000	-	INTERDEPARTMENTAL CHARGES
Interest income	85,618	57,757	60,000	5,787	60,000	-	
Operating transfers in	-	-	-	-	-	-	
Other	80,000	110,608	100,000	2,225	100,000	-	
	\$ 2,686,421	\$ 2,872,092	\$ 2,560,000	\$ 603,622	\$ 2,560,000	\$ -	
60932 Operating Expenditures							
5100 Salaries & Benefits	\$ 515,579	\$ 561,112	\$ 634,006	\$ 163,641	\$ 600,000	\$ (34,006)	
5200 Operating Supplies	844,914	1,016,218	1,061,000	115,229	800,000	(261,000)	
5300 Contractual Services	494,272	468,258	499,040	88,193	499,040	-	
5400 Other Expenses	1,351	2,210	3,000	15	3,000	-	
5700 Capital Outlays	445,596	294,151	1,069,000	50,124	1,088,000	19,000	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5900 Other Financing Uses	-	-	-	-	-	-	
Other Cash Uses (e.g. Debt Principal)	(5,417)	62,044	-	-	-	-	
	\$ 2,296,295	\$ 2,403,993	\$ 3,266,046	\$ 417,202	\$ 2,990,040	\$ (276,006)	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 2,296,295	\$ 2,403,993	\$ 3,266,046	\$ 417,202	\$ 2,990,040		
Available Cash Balance - EOY	\$ 2,004,577	\$ 2,472,676	\$ 1,441,032	\$ 2,659,096	\$ 2,042,636	\$ 601,604	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
642 Public Service Building Fund							
Available Cash Balance - BOY	\$ 270,889	\$ 375,313	\$ 429,904	\$ 474,631	\$ 474,631	\$ 44,727	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	581,270	581,270	604,521	150,800	604,521	-	INTERDEPARTMENTAL CHARGES
Interest income	14,061	10,896	6,000	1,096	6,000	-	
Operating transfers in	-	-	-	-	-	-	
Other	100	7,316	-	1,326	-	-	
	\$ 595,431	\$ 599,482	\$ 610,521	\$ 153,222	\$ 610,521	\$ -	
60442 Operating Expenditures							
5100 Salaries & Benefits	\$ 214,017	\$ 222,113	\$ 248,785	\$ 55,395	\$ 248,785	\$ -	
5200 Operating Supplies	18,609	31,194	29,050	1,540	29,050	-	
5300 Contractual Services	241,077	240,602	295,963	34,124	295,963	-	
5400 Other Expenses	2,056	(32)	500	-	500	-	
5700 Capital Outlays	23,229	8,973	28,900	-	28,900	-	
5900 Other Financing Uses	-	-	-	-	-	-	
Other Cash Uses and Adjustments (e.g. Debt Principal)	(7,981)	(2,686)	-	-	-	-	
	\$ 491,007	\$ 500,164	\$ 603,198	\$ 91,059	\$ 603,198	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 491,007	\$ 500,164	\$ 603,198	\$ 91,059	\$ 603,198		
Available Cash Balance - EOY	\$ 375,313	\$ 474,631	\$ 437,227	\$ 536,794	\$ 481,954	\$ 44,727	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
643 Engineering Services Fund							
Available Cash Balance - BOY	\$ 149,528	\$ 96,427	\$ 53,832	\$ 132,074	\$ 132,074	\$ 78,242	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	513,556	460,560	630,000	89,953	630,000	-	INTERDEPARTMENTAL CHARGES
Interest income	6,361	3,692	5,000	261	5,000	-	
Operating transfers in	-	-	-	-	-	-	
Other	-	-	25,000	272	25,000	-	
	\$ 519,917	\$ 464,252	\$ 660,000	\$ 90,486	\$ 660,000	\$ -	
60447 Operating Expenditures							
5100 Salaries & Benefits	\$ 321,641	\$ 332,078	\$ 471,243	\$ 83,384	\$ 471,243	\$ -	
5200 Operating Supplies	16,894	17,223	19,000	3,662	19,000	-	
5300 Contractual Services	126,832	137,047	163,000	25,197	163,000	-	
5400 Other Expenses	532	1,122	2,500	11	2,500	-	
5700 Capital Outlays	17,093	12,114	18,000	780	18,000	-	
5900 Other Financing Uses	-	-	-	-	-	-	
Other Cash Uses and Adjustments (e.g. Debt Principal)	82,557	(74,863)	-	-	-	-	
	\$ 565,549	\$ 424,721	\$ 673,743	\$ 113,034	\$ 673,743	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	7,469	3,884	25,000	-	25,000	-	
5700 Capital Outlays	-	-	-	-	-	-	
	\$ 7,469	\$ 3,884	\$ 25,000	\$ -	\$ 25,000	\$ -	
	\$ 573,018	\$ 428,605	\$ 698,743	\$ 113,034	\$ 698,743		
Available Cash Balance - EOY	\$ 96,427	\$ 132,074	\$ 15,089	\$ 109,526	\$ 93,331	\$ 78,242	

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
677 General Insurance Fund							
Available Cash Balance - BOY	\$ 841,326	\$ 1,206,249	\$ 862,596	\$ 1,236,014	\$ 1,236,014	\$ 373,418	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	4,551,973	4,346,235	3,281,984	872,783	3,281,984	-	INTERDEPARTMENTAL CHARGES
Interest income	39,250	30,784	25,000	2,013	25,000	-	
MERS Retireee Health Reimbursement	-	-	1,500,000	-	1,500,000	-	
Medicare Part D Rx Reimbursement	-	-	35,000	-	35,000	-	
Repayment of DDA Advance	-	-	-	-	-	-	
Operating transfers in	28,045	28,045	28,046	7,011	28,046	-	LOAN REPAYMENT - ARENA IMPROVEMENTS
Other	-	-	20,000	-	20,000	-	
	\$ 4,619,268	\$ 4,405,064	\$ 4,890,030	\$ 881,807	\$ 4,890,030	\$ 4,870,030	
30851 Operating Expenditures							
5100 Salaries & Benefits	\$ -	\$ 28,622	\$ 31,197	\$ 7,168	\$ 31,197	\$ -	
5200 Operating Supplies	-	67	-	-	-	-	
5300 Contractual Services	4,062,168	3,924,027	4,781,984	865,398	4,781,984	-	
5400 Other Expenses	-	1,144	1,500	-	1,500	-	
5700 Capital Outlays	250	380	7,000	-	7,000	-	
5900 Other Financing Uses	31,189	421,059	-	-	-	-	
Other Cash Uses and Adjustments (e.g. Debt Principal)	160,738	-	-	-	-	-	
	\$ 4,254,345	\$ 4,375,299	\$ 4,821,681	\$ 872,566	\$ 4,821,681	\$ 4,821,681	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	-	-	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 4,254,345	\$ 4,375,299	\$ 4,821,681	\$ 872,566	\$ 4,821,681		
Available Cash Balance - EOY	\$ 1,206,249	\$ 1,236,014	\$ 930,945	\$ 1,245,255	\$ 1,304,363		

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
590 Sewer Fund							
Available Cash Balance - BOY	\$ 895,306	\$ 767,541	\$ 368,197	\$ (249,387)	\$ (249,387)	\$ (617,584)	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services	5,033,881	5,193,218	5,650,000	1,005,329	5,650,000	-	
Interest income	34,046	11,860	30,000	468	30,000	-	
Repayment of DDA advance	-	-	-	-	-	-	
Operating transfers in	-	-	-	-	-	-	
Other	145,213	173,630	80,000	2,735	80,000	-	
	\$ 5,213,140	\$ 5,378,708	\$ 5,760,000	\$ 1,008,532	\$ 5,760,000	\$ -	
30548 Operating Expenditures Administration							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	8	8	-	-	-	-	
5300 Contractual Services	296,385	330,080	382,933	71,571	382,933	-	INSURANCE/INDIRECT COSTS/ADMINISTRATION FEE
5400 Other Expenses	(70)	2,214	-	-	-	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	25,221	12,550	-	-	-	-	
Other Cash Uses and Adjustments (e.g.)	598,586	799,246	-	-	-	-	
	\$ 920,130	\$ 1,144,098	\$ 382,933	\$ 71,571	\$ 382,933	\$ -	
60559 Operating Expenditures Maintenance							
5100 Salaries & Benefits	\$ 881,660	\$ 900,396	\$ 854,672	\$ 196,253	\$ 854,672	\$ -	
5200 Operating Supplies	57,366	43,413	56,350	3,111	56,350	-	
5300 Contractual Services	3,192,714	3,698,604	3,431,189	675,756	3,431,189	-	
5400 Other Expenses	222	1,112	1,350	-	1,350	-	
5700 Capital Outlays	6,925	517	8,700	-	8,700	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ 4,138,887	\$ 4,644,042	\$ 4,352,261	\$ 875,120	\$ 4,352,261	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	281,888	607,496	400,000	36,850	333,000	(67,000)	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700 Capital Outlays	-	-	-	-	-	-	
	\$ 281,888	\$ 607,496	\$ 400,000	\$ 36,850	\$ 333,000	\$ (67,000)	
	\$ 5,340,905	\$ 6,395,636	\$ 5,135,194	\$ 983,541	\$ 5,068,194		
Available Cash Balance - EOY	\$ 767,541	\$ (249,387)	\$ 993,003	\$ (224,396)	\$ 442,419		

City of Muskegon

Quarterly Budget Reforecast - 1st Quarter 2009 - Other Funds

	Actual 2007	Actual 2008	Original Budget Estimate 2009	Actual Through March 2009	Revised Estimate 2009	Change From 2009 Original	Comments
591 Water Fund							
Available Cash Balance - BOY	\$ 3,481,833	\$ 4,652,332	\$ 3,547,257	\$ 3,271,732	\$ 3,271,732	\$ (275,525)	
Means of Financing							
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal & state grants	-	-	-	-	-	-	
State shared revenue	-	-	-	-	-	-	
Charges for services - City	3,866,032	3,478,847	4,000,000	323,606	4,000,000	-	
Charges for services - Wholesale	2,158,975	2,244,638	2,100,000	516,471	2,100,000	-	
Maintenance services - Township	249,752	169,165	200,000	25,808	200,000	-	
Billing services - Township	-	-	-	-	-	-	
Interest income	136,511	96,075	100,000	8,266	100,000	-	
Lease of facilities	81,747	87,122	80,537	26,067	80,537	-	LEASE OF SPACE ON WATER TOWERS
Repayment of DDA advance	-	-	-	-	-	-	
Operating transfers in	-	-	-	-	-	-	
Other	212,720	285,771	-	27,451	-	-	
	\$ 6,705,737	\$ 6,361,618	\$ 6,480,537	\$ 927,669	\$ 6,480,537	\$ -	
30548 Operating Expenditures Administration							
5100 Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5200 Operating Supplies	-	-	-	4,155	-	-	
5300 Contractual Services	495,303	492,164	543,660	102,375	543,660	-	INSURANCE/INDIRECT COSTS/ADMINISTRATION FEE
5400 Other Expenses	-	1,808	2,000	-	2,000	-	
5700 Capital Outlays	-	-	-	-	-	-	
5900 Other Financing Uses	648,666	622,551	567,463	-	567,463	-	INTEREST ON WATER BONDS
Other Cash Uses and Adjustments (e.g. Debt Principal)	819,125	1,706,765	1,110,000	134,626	1,110,000	-	PRINCIPAL ON WATER BONDS
	\$ 1,963,094	\$ 2,823,288	\$ 2,223,123	\$ 241,156	\$ 2,223,123	\$ -	
60559 Operating Expenditures Maintenance - City							
5100 Salaries & Benefits	\$ 838,538	\$ 789,743	\$ 970,005	\$ 213,179	\$ 970,005	\$ -	
5200 Operating Supplies	208,682	293,935	1,500,800	882,086	1,500,800	-	
5300 Contractual Services	409,756	377,064	399,307	81,968	399,307	-	
5400 Other Expenses	29,998	34,634	33,230	4,853	33,230	-	
5700 Capital Outlays	4,362	16,491	15,500	155	15,500	-	
5900 Other Financing Uses	-	-	-	-	-	-	
	\$ 1,491,336	\$ 1,511,867	\$ 2,918,842	\$ 1,182,241	\$ 2,918,842	\$ -	
60558 Operating Expenditures Filtration							
5100 Salaries & Benefits	\$ 596,606	\$ 608,545	\$ 683,222	\$ 140,935	\$ 683,222	\$ -	
5200 Operating Supplies	184,826	219,890	249,670	50,639	249,670	-	
5300 Contractual Services	537,439	517,062	569,000	16,904	569,000	-	
5400 Other Expenses	1,619	1,968	2,750	300	2,750	-	
5700 Capital Outlays	97,519	293,097	64,200	13,829	64,200	-	
5900 Other Financing Uses	-	-	-	-	-	-	
Replacement Reserve - DWRF	-	-	290,000	-	290,000	-	
	\$ 1,418,009	\$ 1,640,562	\$ 1,858,842	\$ 222,607	\$ 1,858,842	\$ -	
90000 Project Expenditures							
5200 Operating Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5300 Contractual Services	662,799	1,766,501	1,195,000	110,545	1,206,000	11,000	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700 Capital Outlays	-	-	-	-	-	-	
	\$ 662,799	\$ 1,766,501	\$ 1,195,000	\$ 110,545	\$ 1,206,000	\$ 11,000	
	\$ 5,535,238	\$ 7,742,218	\$ 8,195,807	\$ 1,756,549	\$ 8,206,807		
Available Cash Balance - EOY	\$ 4,652,332	\$ 3,271,732	\$ 1,831,987	\$ 2,442,852	\$ 1,545,462	\$ (286,525)	

City of Muskegon								
Quarterly Budget Reforecast and 2009 Proposed Budget								
		Responsibility	Original Budget	Associated Grant	1st Quarter Budget Reforecast	2nd Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
2009 PROJECTS								
101	General Fund							
99119	Evergreen Cemetery Irrigation Well		\$ 30,000	-	\$ 30,000			2-3 Year Payback
99120	ADA Compliance Projects		25,000	-	10,000			
98130	Police - Men's Locker Room Remodeling		110,000	-	110,000			
	City Hall - 2nd Floor Office Realignment		-	-	16,000			
99121	Rebuild Compressors (2) for the Chiller		28,000	-	30,000			
			193,000	-	196,000			
202	Major Streets							
98132	Getty Street, Marquette to Access Highway (1300')	Al-Shatel	285,000	220,000	275,000			Mill and Resurface - HPP Grant
99101	Harvey, Oak to Marquette (3100')	Al-Shatel	255,000	200,000	365,000			HPP Grant
98128	Park Street, Southern to Houston	Al-Shatel	375,000	240,000	525,000			STP Grant
99102	Traffic Signal Upgrades, City Wide locations (CMAQ)	Al-Shatel	305,000	270,000	305,000			CMAQ Grant
99103	Terrace, Laketon to Keating (1500')	Al-Shatel	185,000	-	-			On Hold
99104	Micro-Surfacing Projects	Al-Shatel	100,000	-	-			On Hold
99105	Lakeshore Drive, Laketon to McCracken (Landscaping)	Al-Shatel	250,000	165,000	-			Contingent Upon Receipt of Grant
99106	Jefferson, Fourth to Strong (400')	Al-Shatel	75,000	-	100,000			
99107	Hackley Avenue, Hudson to Seaway (1900')	Al-Shatel	175,000	-	150,000			Mill and Resurface
	Bridge Maintenance & Repairs per Inspection (Amity)	Al-Shatel	-	-	35,000			Carryover From 2008
99130	Laketon, Peck to Wood	Al-Shatel	-	800,000	1,000,000			Reconstruction - Stimulus Project
93004	Beidler, Laketon to Southern	Al-Shatel	-	-	50,000			Carryover From 2008
99108	Wood Street, Isabella to Apple (720')	Al-Shatel	85,000	-	80,000			Mill and Resurface and New Watermain
			2,090,000	1,895,000	2,885,000			
203	Local Streets							
99109	Merrill, 7th to 6th	Al-Shatel	80,000	-	150,000			Reconstruction
98101	Harbor Towne Circle (5000')	Al-Shatel	400,000	-	-			Mill and Resurface With Full-Depth
99126	Home Street, Apple to Just North of Creek	Al-Shatel	-	-	115,000			Added by Commission to Replace Harbortowne Circle
99110	Bourdon, Lakeshore Drive to Fair	Al-Shatel	120,000	-	175,000			Reconstruction
			600,000	-	440,000			
260	Farmers' Market Improvement Fund							
	Farmers market upgrades		15,155	-	15,155			Painting Stalls
404	Public Improvement Fund							
98133	Richard's Park Building Demolition	Al-Shatel	65,000	-	105,557			Phase Two - Demolition
99111	Heritage Landing, Bike Path from YFCA to 7th street	Al-Shatel	50,000	-	50,000			Connect Bike Trail 7th Street to YFCA
99125	Parks Capital Improvement Projects	Kuhn	250,000	-	250,000			Use Remaining Bond Proceeds

City of Muskegon								
Quarterly Budget Reforecast and 2009 Proposed Budget								
		Responsibility	Original Budget	Associated Grant	1st Quarter Budget Reforecast	2nd Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
2009 PROJECTS								
96051	Fire Truck	Kincaid	465,000	-	465,000			Cost Partially Offset By 2008 Truck Sale Proceeds
99112	Remove Seawall at the Amoco Site	Al-Shatel	<u>300,000</u>	-	<u>300,000</u>			Remove Failing Seawall
			1,130,000	-	1,170,557			
482	<u>State Grants Fund</u>							
98114	Smith-Ryerson improvements	Al-Shatel	577,000	427,000	577,000			\$150,000 Local Match from Public Improvement Fund (2007)
95010	CMI Brownfield	Brubaker-Clarke	250,000	250,000	250,000			No Match
95010	Musketawa Trail Connection (Phase 1A)	Al-Shatel	-	150,000	160,000			
99118	Musketawa Trail Connection	Al-Shatel	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>			Phase IB (Keating to Black Creek)
			1,027,000	1,027,000	1,187,000			
590	<u>Sewer</u>							
98128	Park Street, Southern to Houston	Al-Shatel	185,000	-	165,000			
99113	Sixth Street Sewer Work	Al-Shatel	55,000	-	80,000			
99114	Fisherman's Village Lift Station Rehabilitation	Al-Shatel	85,000	-	-			
99110	Bourdon, Lakeshore Drive to Fair	Al-Shatel	10,000	-	-			
99106	Jefferson, Fourth to Strong (400')	Al-Shatel	-	-	5,000			
99107	Hackley Avenue, Hudson to Seaway (1900')	Al-Shatel	10,000	-	-			
99107	Terrace, Laketon to Keating (1500')	Al-Shatel	-	-	-			On Hold
99107	Park Street, Laketon to Southern	Al-Shatel	-	-	23,000			
99109	Merrill, 7th to 6th	Al-Shatel	<u>55,000</u>	-	<u>60,000</u>			
			400,000	-	333,000			
591	<u>Water</u>							
98128	Park Street, Southern to Houston	Al-Shatel	200,000	-	235,000			
97114	Clear Well Valve Replacement	Al-Shatel	65,000	-	65,000			Reliability Study Recommendation
99115	Filtration Plant, Fence Replacement	Al-Shatel	80,000	-	80,000			Reliability Study Recommendation
99101	Harvey, Oak to Marquette (3100')	Al-Shatel	50,000	-	5,000			
99117	Filtration Plant Roof Replacement (North Passage & 1937 Building)	Al-Shatel	50,000	-	50,000			Reliability Study Recommendation
99116	Filtration Plant, Fluoride Room Re-Work (Design)	Al-Shatel	35,000	-	35,000			Reliability Study Recommendation
97115	Water Main Replacement Project of 2" & 4" Mains	Al-Shatel	250,000	-	-			
99110	Bourdon, Lakeshore Drive to Fair	Al-Shatel	80,000	-	90,000			
99107	Hackley Avenue, Hudson to Seaway (1900')	Al-Shatel	200,000	-	155,000			
99106	Jefferson, Fourth to Strong (400')	Al-Shatel	50,000	-	45,000			
99109	Merrill, 7th to 6th	Al-Shatel	65,000	-	65,000			
99107	Terrace, Laketon to Keating (1500')	Al-Shatel	-	-	45,000			
99130	Laketon, Peck to Wood	Al-Shatel	-	-	65,000			Stimulus Project
	Quarterline, Apple to Stebbins	Al-Shatel	-	-	12,000			Carryover From 2008

City of Muskegon								
Quarterly Budget Reforecast and 2009 Proposed Budget								
		Responsibility	Original Budget	Associated Grant	1st Quarter Budget Reforecast	2nd Quarter Budget Reforecast	3rd Quarter Budget Reforecast	Comments
2009 PROJECTS								
	Park Street, Laketon to Southern	Al-Shatel	-	-	99,000			Carryover From 2006, Awaiting MDOT Closeout
	Wood Street, Isabella to Apple (720')	Al-Shatel	-	-	75,000			
99122	Barclay, Laketon to Ireland	Al-Shatel	70,000	-	85,000			
			1,195,000	-	1,206,000			
643	Engineering Services							
99012	GIS Update and Maintenance	Al-Shatel	25,000	-	25,000			
661	Equipment Fund							
	<u>Non-Vehicular Equipment:</u>							
1	Sewer Truck	Kuhn	175,000	-	175,000			
1	Backhoe	Kuhn	65,000	-	65,000			
3	Mowers	Kuhn	51,000	-	51,000			
3	Turf Trucks	Kuhn	18,000	-	18,000			
	<u>Communications Equipment</u>							
3	Video Systems for Police Cruisers	Kuhn	24,000	-	24,000			
5	Police Cruiser Radios	Kuhn	10,000	-	10,000			
10	GPS Receivers	Kuhn	10,000	-	10,000			
4	Police Cruiser Light Bars	Kuhn	10,000	-	10,000			
	<u>Vehicles:</u>							
7	Police Patrol Cars	Kuhn	161,000	-	150,000			Replacing 2005 Vehicles; 1 Additional Cruiser
1	Breaker	Kuhn	-	-	10,000			
3	1-Ton Dumptrucks	Kuhn	105,000	-	105,000			Replacing 1997 Trucks
3	3/4-Ton Pickup	Kuhn	90,000	-	90,000			Replacing 2000 Vehicles
3	Small Pickup	Kuhn	45,000	-	45,000			Repalcing 1 200 Vehicle; 2 New Additions
2	Plow Truck	Kuhn	180,000	-	180,000			Replacing 1992 Trucks
2	1-Ton Truck	Kuhn	70,000	-	70,000			Replacing 2001 Trucks
1	Parking Checker Vehicle	Kuhn	-	-	20,000			Carryover from 2008
2	Engineering Survey Trucks	Kuhn	55,000	-	55,000			Replacing 1994 Vehicles
			1,069,000	-	1,088,000			
			<u>\$ 7,744,155</u>		<u>\$ 8,545,712</u>			

Commission Meeting Date: April 14, 2009

Date: April 1, 2009
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department *CBC*
RE: Parks and Recreation Master Plan

SUMMARY OF REQUEST:

To adopt the updated Parks and Recreation Master Plan.

FINANCIAL IMPACT:

None.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

To approve the attached resolution and to authorize both the Mayor and the Clerk to sign said resolution and the checklist for the State.

COMMITTEE RECOMMENDATION:

The Leisure Services Board held the public hearing at their regular meeting of March 16, 2009. The Leisure Services Board recommended approval at their special meeting of March 30, 2009 with additional changes.

RESOLUTION NO. _____
MUSKEGON CITY COMMISSION

RESOLUTION ADOPTING THE MUSKEGON PARKS AND RECREATION
MASTER PLAN.

WHEREAS, the City of Muskegon Leisure Services Board has undertaken a Five Year Parks and Recreation Plan which describes the physical features, existing recreation facilities and the desired actions to be taken to improve and maintain recreation facilities during the period between 2009 and 2013, and

WHEREAS, a public comment session was held on April 14, 2009 at the City of Muskegon, City Commission Chambers, First Floor, 933 Terrace St., Muskegon, MI, to provide an opportunity for citizens to express opinions, ask questions, and discuss all aspects of the Recreation Plan, and

WHEREAS, the City Commission of the City of Muskegon has developed the plan for the benefit of the entire community and to adopt the plan as a document to assist in meeting the recreation needs of the community, and

WHEREAS, after the public meeting, the City Commission of the City of Muskegon approved the Recreation Plan,

NOW, THEREFORE BE IT RESOLVED the City Commission of the City of Muskegon hereby adopts the City of Muskegon Recreation Plan with the changes recommended by the Leisure Services Board as a guideline for improving recreation for the residents of the City of Muskegon.

Adopted this 14th day of April, 2009

Yeas:

Nays:

Absent:

By: _____
Stephen J. Warmington, Mayor

Attest: _____
Ann Becker, MMC, City Clerk

I, Ann Becker, City of Muskegon Clerk, do hereby certify that the foregoing is a true and original copy of a resolution recommending adoption to the City Commission by the Leisure Services Board at a Regular Meeting thereof held on the 14th day of April, 2009.

Ann Becker, MMC
City of Muskegon Clerk

The following is a list of items that have been changed in the plan:

- 1) Census Tract Map was changed to assorted color outlines as opposed to the colored map.
- 2) The addition of the pictures (in random areas of the plan i.e. trail, Monet Garden, Playground & Basketball programs, etc.) as shown at the Leisure Services Board Meeting of 3/16/09.
- 3) Page 49 – Programs – Past and Present #3 was changed from “5th & 6th” to “4th through 6th”.
- 4) The “Accessibility Report” was added to the end of the plan (starting on page 109).
- 5) Pages 51, 79, & 109 – Disability Awareness Council for Independent Living (DACIL) had changed their name to “Disability Connection, a Center for Independent Living”, so these pages were updated to reflect the name change.

The following items were brought up at the meeting with comments to follow:

- 1) Grand Trunk – Add drinking fountains, platforms, and piers for viewing and fishing.
- 2) Hartshorn Marina – Add boardwalk and piers for fishing.
- 3) McGraft Park – Add trails connecting this to the existing trails and follow through to Seyferth Park.
 - a. Maps showing where the amenities are located in McGraft Park. – There are maps during the summer season showing where the Frisbee golf locations are located where the score cards are kept.
 - b. Grill poles with no grills – They will be removed this spring/summer.
 - c. Installation of new grills – They were ordered for many parks last winter. Hopefully installation of them will be done by Memorial Day (do not know how many at this time).
 - d. Swing sets – One had been removed and the other is damaged and can not be repaired.
 - e. Parking – There is a need for accessibility behind the bandshell.
 - f. Irrigation – This is already in the Capital Improvements Schedule.
 - g. Restroom building for west side of park – This is included in the Capital Improvements Schedule and is needed for universal accessibility.
 - h. Baseball/softball field – Make useable or remove (mole problem).
 - i. Upgrade tee box areas on disc courts to ease the major erosion from usage.
 - j. Remark/paint tennis and basketball courts.
 - k. Removal of stumps, leaves, trimming of trees, etc. are general maintenance items.
- 4) Trail – There were no elaborate details for the trails in the 2003 Leisure Services Master Plan. There had been a “Master Plan for the Muskegon Lakeshore Trail” from 1990 that did discuss the proposed trails. I have no further details why certain items were not done (lookouts at the lake and trail connections for Seyferth and McGraft) or if they are to be done in the future. *In Action Step V – page 97, an addition could be added to reference the following of the “Master Plan for the Muskegon Lakeshore Trail” as much as feasible.*

* A comment was received from DPW Maintenance regarding possible removal of the Smith-Ryerson tennis courts. However, Leisure Services and Planning staff would like to keep this item in the plan for possible improvements in the future. – Determined to leave the tennis courts as they can be removed at a later date.

Recommendations added at the Special Meeting of 3/30/09:

Page 50 – Correct “Beachwood” to “Beachwood/Bluffton”.

Page 68 – Pere Marquette – To include that the Maritime Museum is nearby, the bike trail head, and that it has been one of three nationally certified “Clean Beaches” on the Great Lakes.

Page 70 – Under “Special Use Facilities” to include the Great Lakes Naval Memorial and Museum (historical and educational) to the other listings.

Page 71 – Grand Trunk Property – Remove that this is the “trail head” and add that there is an annual trail cleanup with Walkn Wheels Committee and Lakeside Business Association. Add that this is adjacent to the bike trail.

Page 71 – Hartshorn Marina – Add that this is adjacent to the bike trail.

Page 71 – Lakeshore Trail – Correct the “10” non-motorized trail” to “10 foot non-motorized trail”. Also add that it will be connected to the Musketawa Trail. To also include the need for more benches along the trail and that it needs to connect to the Farmers’ Market.

Page 72 – L.C. Walker Arena – to include that it is adjacent to the bike trail.

Page 72 – Clara Shepherd Park – to include that it is adjacent to the bike trail.

Page 73 – Jaycee’s Launch Ramp – to include that it is adjacent to the bike trail.

Page 73 – Veteran’s Memorial Park – to include that it is adjacent to the bike trail. Add that there is the Annual Memorial Day Recognition by area veterans.

Page 74 – Richard’s Park – to include that it is adjacent to the bike trail.

Page 75 – Muskegon Lake Frontage – Add that there are shopping areas in many of the different neighborhoods.

Commission Meeting Date: April 14, 2009

Date: April 7, 2009
To: Honorable Mayor & City Commission
From: Planning & Economic Development Department
RE: Sale of Madison St Fire Station – 1774 Madison

SUMMARY OF REQUEST:

To approve the sale price of the former fire station on Madison St. (Parcel #24-440-002-0014-00) to Brad Van Hemert. Mr. Van Hemert has put in a bid of \$33,000 on the building and plans on living in the unit after bringing it up to code. Staff is asking Commission to approve the sale price and to allow all other terms and conditions of the sale to be negotiated by City Staff, contingent upon approval by the City Manager.

FINANCIAL IMPACT:

The sale of this building will generate additional tax revenue for the City as it will be placed on the City's tax rolls, while also relieving the City of continued maintenance costs.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

To approve the sale price of \$33,000.

COMMITTEE RECOMMENDATION:

None.

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: April 2, 2009

RE: Sale of Parking Lot to 297 Clay Condominium Owners Association, Inc.

SUMMARY OF REQUEST:

To approve a sale of an existing parking lot adjacent to 297 Clay to 297 Clay Condominium Owners Association, Inc. for \$20,000 under a land contract. The property is currently leased for parking purposes for 297 Clay.

FINANCIAL IMPACT:

Sale of property for \$20,000 under a land contract plus back taxes and past due rent.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

To approve the sale and authorize the Mayor and Clerk to sign all documents necessary for this transaction.

COMMITTEE RECOMMENDATION:

None.

PURCHASE AGREEMENT

This Real Estate Purchase Agreement ("Agreement") is made on _____, 2009 between the **City of Muskegon**, a Michigan municipal corporation, with offices located at 933 Terrace Street, Muskegon, Michigan, 49440 ("City") and **297 Clay Condominium Owners Association**, a Michigan nonprofit corporation, of PO Box 282, Muskegon, Michigan 49443 ("Buyer").

1. **Purchase and Sale of Premises.** City shall sell and Buyer shall purchase on the conditions set forth in this Agreement the premises, and all improvements thereon, with all beneficial easements, and with all of City's right, title and interest in 274 W. Webster, in the City of Muskegon, Muskegon County, Michigan and legally described on **Exhibit A** ("Premises") subject to the reservations, restrictions and easements of record, provided said reservations, restrictions and easements of record are reasonably acceptable to Buyer upon disclosure and review of the same.

2. **Purchase Subject to Lease.** The Buyer takes the Premises subject to a 1983 lease between the City and Clayhouse Associates ("Lease"). Said Lease was subsequently assigned by Clayhouse Associates to Bruce E. Bytwerk and Kathryn Bytwerk in 1993 (the "Assignment"). A copy of the Lease and subsequent Assignment is attached as **Exhibit B**.

3. **Purchase Conditional Upon Grant of Easement.** As a condition to closing, Buyer shall execute the public utility easement agreement attached hereto as **Exhibit C**.

4. **Purchase Price and Manner of Payment.** The purchase price for the Premises shall be comprised of the three following items: \$_____ ("Cash Purchase Price"), all outstanding rent due and payable to the City under the Lease (see paragraph 2 above), and all outstanding taxes and special assessments on the property (collectively the "Purchase Price"). The Purchase Prices shall be paid as follows:

a. Five hundred dollars (\$500.00) (the "Deposit") shall be deposited with the City upon execution of this Agreement. At closing, the Deposit shall be applied to the Purchase Price.

b. At closing, Buyer shall pay an additional forty-five hundred dollars (\$4,500.00) toward the Purchase Price for a total cash payment to be applied to the Purchase Price of five thousand dollars (\$5,000.00).

c. At closing, the parties shall sign a land contract for the Premises for the remaining balance of the Purchase Price (which amount shall include the remaining Cash Purchase Price, all outstanding rent due and payable to the City as of the closing date, and all general property taxes and installments or special assessments due as of the closing date) a copy of which is attached as **Exhibit D** ("Land Contract"). The parties shall also execute a memorandum of land contract for recording purposes which is attached as **Exhibit E**.

5. **Title Insurance.** City shall order an owner's policy of title insurance issued by LandAmerica Transnation Title in the standard A.L.T.A. form, without the standard exceptions, certified to the date of closing, in the amount of the purchase price. Buyer may raise any objections to the exceptions or encumbrances shown on the commitment within 20 days after Buyer receives the commitment by giving written notice to City. If Buyer raises a title objection, Buyer shall not be required to close this transaction unless City cures the objection or Buyer waives its objection. Additionally, if Buyer raises a title objection, City shall have the right not to cure the objection; in which case this Agreement shall terminate and City shall return the Deposit to Buyer. If City elects to cure the objection, City shall take action to remove the exception or the encumbrance from the chain of title, in order to remove it from the commitment and the policy.

6. **Property Taxes and Assessments.** Buyer shall be responsible for the payment of all real estate taxes and assessments that become due and payable prior to the date of closing as part of the Purchase Price as stated in paragraph 3(b) above. Buyer shall continue to be responsible for the payment of all real estate taxes and assessments that become due and payable after the date of closing.

7. **Survey.** Buyer may obtain a survey of the Premises at Buyer's expense, and Buyer or Buyer's surveyor or other agents may enter the Premises for that purpose prior to closing. In the event that a survey by a registered land surveyor made prior to closing discloses an encroachment or substantial variation from the presumed land boundaries or area, City shall have the option of effecting a remedy within 30 days after disclosure, or terminating this Agreement. Buyer may elect to purchase the Premises subject to said encroachment or variation.

8. **Inspection Period.** Commencing on the date of this Agreement, Buyer, and Buyer's agents, employees, contractors and consultants may, prior to the Date of Closing, conduct such inspections, investigations, appraisals, tests, feasibility studies, and determinations of the Premises as Buyer, in its sole discretion, shall desire in order to determine that the condition of the Premises is acceptable and that the Premises is suitable for Buyer's intended uses ("Due Diligence Investigation"). All costs related to the Due Diligence Investigation shall be paid for by Buyer. The Due Diligence Investigation shall be completed within a reasonable time, not to exceed 30 days ("Inspection Period") after execution of this Agreement by both parties.

9. **Representations, Covenants and Warranties of City.** City represents, covenants and warrants the following to be true:

a. **Organization and Standing of City.** City is a Michigan municipal corporation duly organized, validly existing and in good standing under the laws of the State of Michigan.

b. **Authority.** City has the power and authority to enter into and perform its obligations under this Agreement.

10. **Representations, Covenants, and Warranties of Buyer.** Buyer represents, covenants, and warrants the following to be true:

a. **Status of Buyer.** Buyer is validly existing and in good standing under the laws of the State of Michigan.

b. **Authority.** Buyer has the power and authority to enter into and perform Buyer's obligation under this Agreement.

c. **"As-Is" Sale. BUYER UNDERSTANDS AND AGREES THAT THERE SHALL BE NO IMPLIED WARRANTIES OF HABITABILITY, QUALITY, CONDITION, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER IMPLIED WARRANTIES BETWEEN CITY AND BUYER, AND UPON CLOSING, BUYER WAIVES ANY AND ALL SUCH IMPLIED WARRANTIES, AND ACCEPTS THE PROPERTY "AS IS," "WHERE IS," SUBJECT ONLY TO THE EXPRESS COVENANTS, CONDITIONS AND/OR WARRANTIES CONTAINED IN THIS PURCHASE AGREEMENT. AT CLOSING, BUYER SHALL REPRESENT THAT IT HAS PERSONALLY INSPECTED THE PROPERTY AND IS SATISFIED WITH THE CONDITION OF THE LAND, AND THAT THE PROPERTY IS BEING PURCHASED AS A RESULT OF SUCH INSPECTION AND INVESTIGATION, AND NOT DUE TO ANY REPRESENTATIONS MADE BY OR ON BEHALF OF CITY.**

11. **Conditions Precedent.** This Agreement and all of the obligations of Buyer under this Agreement are, at Buyer's option, subject to the fulfillment, before or at the time of the Closing, of each of the following conditions:

a. **Representations and Warranties True at the Closing.** The representations, covenants, and warranties of City contained in this Agreement shall be true in all material respects at the time of the Closing.

b. **Performance.** The obligations, agreements, documents and conditions required to be signed and performed by City shall have been performed and complied with before or at the date of the Closing.

c. **Due Diligence Investigation.** Buyer has not terminated this Agreement according to the provisions of paragraph 7.

12. **Default.**

a. **By Buyer.** In the event Buyer fails to comply with any or all of the obligations, covenants, warranties or agreements under this Agreement and such default is not cured within 10 days after receipt of notice (other than Buyer's failure to tender the purchase price in full at Closing, a default for which no notice is required), then City may terminate this Agreement, in which event both parties will be released from any further liability under this Agreement, or City may pursue its legal and/or equitable remedies against Buyer.

b. **By City.** In the event City fails to comply with any or all of the obligations, covenants, warranties or agreements under this Agreement, and such default is not cured within 10 days after receipt of notice, then Buyer may either terminate this

Agreement, in which event both parties will be released from any further liability under this Agreement, or Buyer may pursue its legal and/or equitable remedies against City.

13. **Real Estate Commission.** Buyer and City both acknowledge and agree that neither has dealt with any real estate agents, brokers or salespersons regarding this sale, and that no agent, broker, salesperson or other party is entitled to a real estate commission upon the closing of this sale.

14. **Closing.**

a. **Date of Closing.** Unless the parties otherwise mutually agree, the closing shall be held within 60 days of the date of this Agreement ("Date of Closing"). The closing shall be held at a mutually convenient location.

b. **Costs.** The costs associated with this Agreement and the closing shall be paid as follows:

i. City shall pay the premium for the owner's policy of title insurance;

ii. Buyer shall be responsible to pay for the recording of the Memo of Land Contract;

iii. Buyer shall pay for the cost of recording the quit claim deed upon completion of the Land Contract;

iv. City and Buyer shall pay equal portions (50% each) of the cost associated with the title company closing this transaction.

c. **Deliveries.** At closing, City shall deliver the following documents in a form reasonably satisfactory to Buyer.

i. The Memo of Land Contract for the Premises;

ii. The Land Contract for the Premises.

15. **Possession.** Possession of the Premises is to be transferred to Buyer subject to the Lease.

16. **Risk of Loss.** Until the time of closing, risk of loss because of the damage to or destruction of any improvements located on the Premises shall be solely that of City, except to the extent that Buyer caused the damage or destruction. Any damage to or destruction of any improvements located on the Premises prior to closing shall not act to terminate this Agreement and the closing shall proceed as scheduled. In the event the improvements located on the Premises are damaged prior to the date of closing, the City shall retain any insurance proceeds to be received by City because of said damage or other destruction.

17. **Notice.** All notices and other deliveries required under this Agreement shall be made and given to the appropriate party, or the office of the party, at the address set forth above or at such other address as may hereafter be specified by such parties by written notice from time to time. Notices shall be effective on the date of receipt, if given by hand, express delivery or recognized courier service. Notices given by certified mail shall be deemed effective three business days after the date of deposit in an authorized postal facility, as shown by its receipt for certified mail. Either party may designate a telephone number to be used for fax notices to such party, in which event any notice transmitted to such number shall be effective on the date shown in the printed confirmation of such transmission, free of error, generated by the sender's machine.

18. **Miscellaneous.**

a. **Governing Law.** This Agreement is executed in accordance with, shall be governed by, and construed and interpreted in accordance with the laws of the State of Michigan.

b. **Entire Agreement.** This Agreement shall constitute the entire agreement, and shall supersede any other agreements, written or oral, that may have been made or entered into, by and between the parties with respect to the subject matter of this Agreement and shall not be modified or amended except in a subsequent writing signed by the party against whom enforcement is sought.

c. **Binding Effect.** This Agreement shall be binding upon, and inure to the benefit of and be enforceable by, the parties and their respective legal representatives, permitted successors and assigns.

d. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which together shall constitute one and the same instrument. This Agreement shall become binding upon the parties when one or more counterparts, individually or taken together, shall bear the signatures of all parties.

e. **Non-Waiver.** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of such provision on any other occasion or a waiver by such party of any other provision of this Agreement.

f. **Severability.** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected.

g. **Assignment or Delegation.** Except as otherwise specifically set forth in this Agreement, Buyer shall not assign all or any portion of their rights and obligations contained in this Agreement without the express prior written approval of City, which approval may be withheld in City's sole discretion.

h. **Venue.** The parties agree that for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and venue.

i. **Survival of Representations and Warranties.** The representations, warranties, covenants and agreements contained in this Agreement and in any instrument provided for in this Agreement shall survive the closing date and continue in full force and effect after the consummation of this purchase and sale and continue until all liabilities of Buyer have been fully satisfied.

This Agreement is executed effective as of the date set forth above.

CITY:

THE CITY OF MUSKEGON

By: _____

Name: Stephen Warmington

Title: Mayor

By: _____

Name: Ann Marie Becker, MMC

Title: Clerk

BUYER:

**297 CLAY CONDOMINIUM OWNERS
ASSOCIATION**

By: _____

Name:

Title:

Exhibit A
Legal Description

Exhibit B
Lease and Assignment

Exhibit C
Easement Agreement

Exhibit D
Land Contract

Exhibit E
Memo of Land Contract

LAND CONTRACT

This Contract is entered into on this _____ day of _____, 2009, between the **City of Muskegon**, a Michigan municipal corporation, with offices located at 933 Terrace Street, Muskegon, Michigan, 49440 ("City") and **297 Clay Condominium Owners Association**, a Michigan nonprofit corporation, of PO Box 282, Muskegon, Michigan 49443 ("Buyer"), upon the following terms and conditions:

1. **Description of Premises.** The City agrees to sell to the Buyer land commonly known as 274 W. Webster, in the City of Muskegon, Muskegon County, Michigan, and legally described on **Exhibit A**, together with all improvements, appurtenances, tenements and hereditaments (the "Premises"), but subject to easements and restrictions of record and zoning laws and ordinances affecting the Premises.

2. **Purchase Subject to Lease.** The Buyer takes the Premises subject to a 1983 lease between the City and Clayhouse Associates ("Lease"). Said Lease was subsequently assigned by Clayhouse Associates to Bruce E. Bytwerk and Kathryn Bytwerk in 1993 (the "Assignment").

3. **Purchase Conditional Upon Grant of Easement.** As a condition to closing, Buyer shall execute the public utility easement agreement attached hereto as **Exhibit B**.

4. **Price and Terms.** The Buyer agrees to purchase the Premises from the City and to pay a purchase price of \$_____, of which the sum of five thousand dollars (\$5,000.00) has been paid. The Buyer agrees to pay to the City the balance of the purchase price, \$_____, together with interest on any principal from time to time unpaid, in the following manner:

In consecutive monthly installments of \$_____ or more at Buyer's option, interest included, for 10 years, commencing on _____ 1, 2009 and like payments on the 1st day of each and every month thereafter, until _____ 1, 2019, when the entire amount of principal and interest due hereunder shall be paid in full.

The interest mentioned above shall be at the rate of 5% per annum, from the date of this contract and computed monthly and first deducted from each payment with the remainder applied to principal. Any payment of principal and interest not paid when due shall be assessed a one-time late charge of \$50.00. The late charge shall be separate amounts owed under this Contract and shall be due and payable immediately upon the occurrence of the default. Acceptance of any late charge does not constitute a waiver of Buyer's default with respect to the overdue amount, or prevent City from exercising any remedy available to City for Buyer's default. All payments shall be made at City's address set forth above, or wherever otherwise directed by the City.

Money received by City from Buyer shall be applied to Buyer's account in the following order: a) to satisfy any unpaid late fees, dishonored check fees and any other fees owed by Buyer; b) to pay for any insurance premiums, taxes or special assessments that Buyer has failed

to maintain; c) to outstanding legal fees and/or court costs legally chargeable to Buyer; d) interest due; e) principal.

5. **Possession.** The Buyer shall receive possession, subject to the Lease, of the Premises on the date of this Contract and shall be entitled to retain possession only so long as there is no default by Buyer in carrying out the terms and conditions of this Contract.

6. **Waste.** The Buyer shall at all times maintain the Premises in the same condition as it was in on the date of giving possession, reasonable wear and tear excepted, and the Buyer shall not commit or suffer any other person to commit waste or, without the consent of the City in writing, remove, change or demolish the improvements on the Premises in a way which may diminish City's security. Buyer shall be permitted to make improvements to the Premises.

7. **Taxes.** The Buyer shall pay all taxes and special assessments upon the Premises which shall become due and payable after the date of this Contract before they become subject to penalties, and shall produce evidence of the payment to the City on demand.

8. **Insurance.** The Buyer shall obtain and keep in force liability coverage insurance in the name of the City covering the Premises with a loss payable clause or other endorsement making the proceeds payable to the City and Buyer as their respective interests may appear, with insurers satisfactory to the City in an amount not less than the insurable value of the Premises, and shall deliver copies of the insurance policies to the City with premium paid.

9. **Disposition of Insurance Proceeds.** In case of loss or damage as a result of which insurance proceeds are available in an amount sufficient to repair the Premises, Buyer has the right to elect to use the insurance proceeds to repair. In order to elect to exercise the right, Buyer must give City written notice of the election within 60 days of the loss or damage. If election is made, the insurance proceeds shall be used for that purpose. In the event the insurance proceeds are not sufficient to repair the Premises, Buyer may elect to use the proceeds to repair or rebuild by giving written notice of the election within 60 days of the loss or damage, and along with the notice, deposit with City an amount sufficient to provide for full payment of the repair. If the election, and deposit if required, are not timely made, the insurance proceeds shall be applied on this Contract. If the insurance proceeds exceed the amount required for repairing, the excess shall be applied first toward the satisfaction of any existing defaults under the terms of this Contract, and then as a prepayment upon the principal balance owing, without penalty, notwithstanding any other provision to the contrary. The prepayment shall not defer the time for payment of any remaining payments required under paragraph 2. Any surplus of proceeds in excess of the balance owing on this Contract, shall be paid to Buyer.

10. **Insurance and/or Tax Default.** In case of failure of the Buyer to obtain, maintain, or deliver policies of insurance or to pay taxes or special assessments payable by the Buyer, the City may:

a. Pay the insurance premiums, taxes or special assessments and add them to the unpaid balance on the contract, or

b. Pay the insurance premiums, taxes or special assessments and treat Buyer's failure to pay them as a default, or

c. Not pay the insurance premiums, taxes or special assessments and treat Buyer's failure to pay them as a default.

11. **Enforcement on Default.** If the Buyer shall fail to perform any of the covenants or conditions contained in this Contract on or before the date on which the performance is required, the City may:

a. give the Buyer a written notice specifying the default and informing the Buyer that if the default continues for a period of 60 days after the date of the default that the City will without further notice declare the entire balance due and payable, and proceed according to the common law or the statutes of the State of Michigan; or

b. not declare the entire balance due and payable, and proceed according to the statutes of the State of Michigan including, but not limited to, the right of City to declare a forfeiture in consequence of the nonpayment of any money required to be paid under the Contract or any other breach of the Contract, but in the event the City elects to proceed under this sub-paragraph the City shall give the Buyer a written notice of forfeiture specifying the default which has occurred and shall give the Buyer a period of fifteen days after service of the notice of forfeiture to cure the default.

12. **Assignment.** Either party may assign, sell, or convey an interest in this Contract, but shall immediately give written notice to the other party of the action, which notice shall give the name and address of the new party. No assignment, sale, or conveyance, shall release the Buyer from obligations under the provisions of this Contract unless City releases the Buyer in writing.

13. **Buyer's Acceptance of Title and Premises.** The Buyer acknowledges having been previously advised to request an attorney at law to examine a policy of title insurance or binder covering the Premises, dated _____, 2009, by LandAmerica Transnation Title, commitment number _____, and agrees to accept as merchantable the title now disclosed thereby.

14. **Conveyance.** Upon full, final payment of principal and interest of this Contract within the time and the manner required by this Contract, together with all other sums chargeable against the Buyer, and upon full performance of the covenants and agreements of the Buyer, the City shall convey the Premises to the Buyer or the Buyer's legal representative, successors, or assigns by quitclaim deed, subject to easements and restrictions of record and free from all other encumbrances except those, if any, as shall have been expressly assumed by the Buyer, including the existing lease, and except those, if any, as shall then have arisen through the acts of negligence of the Buyer or others holding through the Buyer. Buyer shall be responsible for the payment of the real estate transfer taxes due at the time of the delivery of the quitclaim deed.

15. **Service of Notices.** All notices and other deliveries required under this Agreement shall be made and given to the appropriate party, or the office of the party, at the address set forth above or at such other address as may hereafter be specified by such parties by written notice from time to time. Notices shall be effective on the date of receipt, if given by hand, express delivery or recognized courier service. Notices given by certified mail shall be

deemed effective three business days after the date of deposit in an authorized postal facility, as shown by its receipt for certified mail. Either party may designate a telephone number to be used for fax notices to such party, in which event any notice transmitted to such number shall be effective on the date shown in the printed confirmation of such transmission, free of error, generated by the sender's machine.

16. **Time of Essence.** It is expressly understood and agreed that time shall be deemed of the essence of this Contract. Failure of the City to exercise any right hereunder upon default of the Buyer shall not constitute a waiver of any such rights and shall not prevent the City from exercising any rights upon subsequent default.

17. **Termination.** The term of this Contract shall terminate upon the date the last payment is due as set forth in paragraph 2 unless it shall sooner be terminated by its terms.

18. **Binding Effect.** The covenants and agreements of this Contract shall bind the heirs, assigns, and successors of the respective parties.

19. **Effective Date.** The parties have signed this Contract in duplicate and it shall be effective as of the day and year first above written.

CITY:

BUYER:

THE CITY OF MUSKEGON

**297 CLAY CONDOMINIUM OWNERS
ASSOCIATION**

By: _____

Name: Stephen Warmington

Title: Mayor

Dated: _____, 2009

By: _____

Name:

Title:

Dated: _____, 2009

By: _____

Name: Ann Marie Becker, MMC

Title: Clerk

Dated: _____, 2009

Exhibit A
Legal Description

Exhibit B
Easement Agreement

EASEMENT AGREEMENT

This Easement Agreement is made _____, 2009, between **297 Clay Condominium Owners Association** ("Association"), a Michigan nonprofit corporation, of PO Box 282, Muskegon, Michigan 49443 with permission of the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 ("City") as Grantor and the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 ("Grantee") as follows:

Background

- A. City owns certain real estate located in the City of Muskegon, Muskegon County, Michigan, specifically described on the attached **Exhibit A** ("Premises").
- B. Association desires to purchase Premises pursuant to a land contract from City.
- C. City desires to sell the Premises to Association, but wishes to retain an easement for the purpose of constructing, installing, maintaining, repairing, reconstructing and servicing public utilities on, over, under and across a portion of the Premises, specifically described on the attached **Exhibit B** ("Easement Property").
- D. Association, as land contract vendee, with the consent of the City, as land contract vendor, collectively desire to grant the City as Grantee an easement on, over, under, across and through a portion of the Premises for Grantee's desired purposes.

In consideration of the mutual promises of the parties set forth in this Agreement and other valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

- 1. **Grant of Easement.** In consideration of payment by Grantee to Association in the amount of \$1.00 and other valuable consideration, Association grants to Grantee on exclusive easement on, over, under, across and through the Easement Property (the "Easement").
- 2. **Purpose.** The Easement will be used by Grantee for purposes of constructing, installing, maintaining, repairing, reconstructing and servicing public utilities.

3. **Structures.** No permanent or temporary structures of any kind shall be erected in the easement granted by this conveyance, and Association shall take no action to interfere with Grantee's activities or facilities in the easement. Association retains all of its other respective property rights in the easement property, including, but not limited to, the right to utilize the property, except as limited herein. The paving of any portion of the easement shall not constitute either a permanent or temporary "structure" within the meaning of this agreement.

4. **Warranty of Parties.** The parties warrant that they have the right and authority to enter into this Easement Agreement.

5. **Repair.** On completion of the construction, maintenance, replacement or repairs, the Grantee will restore the easement property to a similar condition as it was prior to such construction, maintenance, replacement or repairs without cost to Association. The Grantee shall use reasonable care to protect landscaping and any paved roadway and shall restore to grade all lawn areas and repave with like quality material any paved areas in the easementway, damaged by the Grantee's exercise of its rights under the easement.

6. **Binding Effect.** This Easement Agreement shall bind the parties, and their successors and assigns.

7. **Recording.** The parties shall record this Easement Agreement with the Muskegon County Register of Deeds, and Grantee shall pay all recording costs.

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

9. **Entire Agreement.** This Easement Agreement and the attached exhibit constitute the entire agreement as to this matter between the parties and supersedes all prior agreements and understandings, both written and oral, with respect to the subject matter hereof.

{The reminder of this page is intentionally left blank.}

This Easement Agreement was entered into on the date set forth above.

297 Clay Condominium Owners Association, a
Michigan nonprofit corporation

By: _____
Its: President

With permission of:
City of Muskegon, a Michigan municipal
corporation

By: _____
Stephen J. Warmington, Mayor

By: _____
Ann Marie Becker, MMC, Clerk

GRANTEE:

City of Muskegon, a Michigan municipal
corporation

By: _____
Stephen J. Warmington, Mayor

By: _____
Ann Marie Becker, MMC, Clerk

STATE OF MICHIGAN
COUNTY OF MUSKEGON

On _____, 2009, before me, a notary public, personally appeared
_____, **President of 297 Clay Condominium Owners
Association**, a Michigan nonprofit corporation, who acknowledged the execution of the within
instrument on behalf of 297 Clay Condominium Owners Association.

_____, Notary Public
Muskegon County, Michigan
My Comm. Expires: _____
Acting in Muskegon County, Michigan

STATE OF MICHIGAN
COUNTY OF MUSKEGON

On _____, 2009, before me a notary public, personally appeared **Stephen J. Warmington, Mayor**, and **Ann Marie Becker, MMC, Clerk, of the City of Muskegon**, a Michigan Municipal Corporation, who acknowledged the above instrument on behalf of the City of Muskegon.

_____, Notary Public
Muskegon County, Michigan
My Comm. Expires: _____
Acting in Muskegon County, Michigan

PREPARED BY AND WHEN RECORDED RETURN TO:
John C. Schrier
PARMENTER O'TOOLE, P.O. Box 786, Muskegon, MI 49443-0786

Exhibit A
Legal Description of Premises

Exhibit B
Legal Description of Easement Property

MEMORANDUM OF LAND CONTRACT

This Memorandum of Land Contract made this ____ day of _____, 2009, by and between the **City of Muskegon**, a Michigan municipal corporation, with offices located at 933 Terrace Street, Muskegon, Michigan, 49440 ("City") and **297 Clay Condominium Owners Association**, a Michigan nonprofit corporation, of PO Box 282, Muskegon, Michigan 49443 ("Buyer").

1. In consideration of the sum of money to be paid by Buyer to City and of the covenants to be performed by Buyer as set forth in a certain land contract of even date ("Land Contract"), City has agreed to sell to Buyer land commonly known as 274 W. Webster, in the City of Muskegon, Muskegon County, Michigan and described as ("Premises"):

See Exhibit A

All of the terms, covenants and conditions contained in the Land Contract are incorporated in this Memorandum by reference with like effect as if set forth in this Memorandum verbatim.

2. Buyer, in consideration of the covenants made by City in the Land Contract has agreed to purchase from City the Premises and to pay therefor to City the sum of money set forth in the Land Contract.

3. The purpose of this Memorandum is to give notice of the existence of the Land Contract to purchase and sell the Premises and the rights of the parties under the Land Contract.

4. This instrument is exempt from state and county transfer taxes pursuant to MCL 207.526(o) and MCL 207.505(m).

The parties have executed this Memorandum on the date set forth above.

**Signatures appear on the next page.*

CITY:

THE CITY OF MUSKEGON

By: _____

Name: Stephen Warmington

Title: Mayor

Dated: _____, 2009

BUYER:

**297 CLAY CONDOMINIUM OWNERS
ASSOCIATION**

By: _____

Name:

Title: President

Dated: _____, 2009

By: _____

Name: Ann Marie Becker, MMC

Title: Clerk

Dated: _____, 2009

STATE OF MICHIGAN)
COUNTY OF MUSKEGON)

On this ____ day of _____, 2009, before me, a notary public in and for said County, personally appeared **Stephen Warmington** and **Ann Marie Becker**, the Mayor and City Clerk, respectively, of the **City of Muskegon**, a municipal corporation, on behalf of the City.

_____, Notary Public
Muskegon County, Michigan
My Commission Expires:
Acting in the County of Muskegon

STATE OF MICHIGAN)
COUNTY OF MUSKEGON)

On this ____ day of _____, 2009, before me, a notary public in and for said County, personally appeared _____, President, on behalf of **297 Clay Condominium Owners Association**, a Michigan nonprofit corporation.

_____, Notary Public
Muskegon County, Michigan
My Commission Expires:
Acting in the County of Muskegon

Prepared by and when recorded return to:

Parmenter O'Toole

By: John C. Schrier

P.O. Box 786

Muskegon, MI 49443-0786

Exhibit A
Legal Description

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: March 25, 2009

RE: Collective Bargaining Agreement with Service Employees International Union (SEIU) Local 517M, Unit 2, for Years 2009 - 2011

SUMMARY OF REQUEST:

To approve the tentative agreements with SEIU Local 517M, Unit 2, for years 2009 - 2011.

FINANCIAL IMPACT:

Information provided separately.

BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

To approve the tentative agreements and authorize the Mayor and Clerk to execute the agreement.

COMMITTEE RECOMMENDATION:

None.

Date: April 14, 2009
To: Honorable Mayor and City Commissioners
From: City Clerk's Office
RE: Community Action Trailer

SUMMARY OF REQUEST: The Community Promotion Committee has located sponsors and is requesting to place the attached removable banner on the trailer promoting the trailer as a community cleanup trailer. It is hoped that the advertisement will bring forth more organizations willing to donate their time to provide lawn care services in various locations at no cost. Areas may include places such as Seaway Drive, downtown, neighborhood associations, etc.

FINANCIAL IMPACT: None.

STAFF RECOMMENDATION: The Director and Assistant Director of Public Works met with the Community Promotion Committee of the Muskegon Chamber last summer regarding the project and the City Clerk serves on the committee. All recommend approval.

FREE EQUIPMENT! FREE DELIVERY! (231) 722-1234

KEY SPONSORS:



