

CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 12, 2011

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. Budgeted Asphalt Patcher Replacement. PUBLIC WORKS
 - C. Replacement Engine-Fire Rescue Truck. PUBLIC SAFETY
 - D. Purchase of Van for Police Department. PUBLIC SAFETY
 - E. Gaming License Request from Hume Home. CITY CLERK
 - F. City Cell Phone Contract. FINANCE
 - G. Consideration of Bids for Temple Street, Young to Laketon.
ENGINEERING
 - H. 2011 Pavement Marking Program. PUBLIC WORKS
 - I. 1937 Headwork's Building Roof Replacement. WATER FILTRATION
 - J. Resolution to Support National Bike to Work Week. CITY CLERK
 - K. Sale of Parcel in Seaway Industrial Park. PLANNING & ECONOMIC
DEVELOPMENT
- ❑ PUBLIC HEARINGS:
 - A. Review 2011-2016 Five-Year Consolidated Plan. COMMUNITY &
NEIGHBORHOOD SERVICES
- ❑ COMMUNICATIONS:
- ❑ CITY MANAGER'S REPORT:

❑ **UNFINISHED BUSINESS:**

❑ **NEW BUSINESS**

A. Approval of Sale of City-Owned Home at 1331 Amity. COMMUNITY & NEIGHBORHOOD SERVICES

B. Adding Property to the Lease With Option to Purchase Program. COMMUNITY & NEIGHBORHOOD SERVICES

❑ **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 12, 2011
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the City Commission Meeting that was held on Tuesday, March 22, 2011.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON

CITY COMMISSION MEETING

MARCH 22, 2011

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 22, 2011.

Mayor Warmington opened the meeting with a prayer from Pastor Josh Dear from the Lakeside Baptist Church after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

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

2011-19 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the March 7th Commission Worksession Meeting and the March 8th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Lease Proposal for MACkiteboarding at Pere Marquette Park. PUBLIC WORKS

SUMMARY OF REQUEST: Staff is asking permission to enter into a three-year contractual agreement with Steve Negen of MACkiteboarding for a Kiteboard School and Shop in Pere Marquette Park at 1955 Beach Street (former old brown/brick beach house building by Filtration Plant).

FINANCIAL IMPACT: Revenue will be \$2,500 per year for 2011, 2012 and 2013 contract years. Lessee also agrees to provide a Handicapped Restroom outside of building. Previous three-year contract revenue was \$2,500 per year for the 2008, 2009, and 2010 seasons.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve request.

C. City – MDOT Agreement for the Reconstruction of Temple Street, Young to Laketon. ENGINEERING

SUMMARY OF REQUEST: Approve the contract with MDOT for the reconstruction of Temple Street from Young to Laketon. And approve the resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT: MDOT's participation is limited to the TEDF-A (state funds) of \$139,003. The estimated total construction cost is \$175,000.

BUDGET ACTION REQUIRED: None at this time as this project appears in the 2010/2011 budget (2nd reforecast).

STAFF RECOMMENDATION: Approve the contract and resolution authorizing the Mayor and Clerk to sign both.

D. City – MDOT Agreement for the Reconstruction of Getty Street, Laketon to Evanston. ENGINEERING

SUMMARY OF REQUEST: Approve the contract with MDOT for the reconstruction of Getty Street from Laketon to Evanston. And approve the resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT: MDOT's participation is limited to the TEDF-F (state funds) of \$375,000. The estimated total construction cost is \$1,000,000 which is different than what is shown in the agreement of \$525,000. The agreement figure of \$525,000 was based on a milling and resurfacing construction method which has since been deemed as not appropriate due to underground work among other reasons.

BUDGET ACTION REQUIRED: Due to higher than originally anticipated required local match, it is likely the City need to issue MTF bonds for this and other grant funded street projects. A potential bond issue was included in the 2010/2011 budget but was deferred. This project, if approved, will be included in the 2011/2012 budget.

STAFF RECOMMENDATION: Approve the contract and resolution authorizing the Mayor and Clerk to sign both.

E. Amend Chapter 30 of the Code of Ordinances – Fire Prevention. PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety is requesting that the City Commission amend Chapter 30 of the Code of Ordinances concerning Fire Prevention and Protection. This includes the adoption of the 2009 International Fire Code.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the request.

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

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

Nays: None

MOTION PASSES

2011-20 UNFINISHED BUSINESS:

A. SECOND READING: Amendment to the Zoning Ordinance – Medical Marihuana Facilities. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Staff initiated request to amend Section 1500 (Principle Uses Permitted) of Article XV (I-2, General Industrial Districts) of the zoning ordinance to allow medical marihuana caregiver facilities as a principal use permitted in I-2, General Industrial Districts.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended approval of the request at their February 10th meeting.

Motion by Commissioner Spataro, second by Commissioner Wierengo to approve the amendment to the zoning ordinance for medical marihuana facilities as described.

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

Nays: Shepherd

MOTION PASSES

B. SECOND READING: Amendment to the City Code of Ordinances – Medical Marihuana Regulation and Licensing. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Staff initiated request to amend Chapter 34, Article IV of the Code of Ordinances to regulate and license certain aspects of medical marihuana cultivation, use and distribution.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the ordinance amendment.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the second reading of the City Ordinance for medical marihuana regulation and licensing.

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

Nays: Shepherd

MOTION PASSES

2011-21 NEW BUSINESS

A. Contract for Assessing Services. FINANCE

SUMMARY OF REQUEST: Since 1999, the City has contracted with the Muskegon County Equalization Department for assessing services. The closure of the Sappi plant together with general tax base loss changed the City's required assessor status from *Level IV* to *Level III*. This caused staff to explore whether taking the assessing function back in-house might be cost effective. However, after in-depth discussions with the County, we have reached a new five-year agreement that continues the current intergovernmental service model while achieving the City's cost goals. The proposed agreement is presented here for your consideration.

FINANCIAL IMPACT: The base cost for the proposed contract is \$344,367 with yearly adjustments based on the growth (decline) in the City's taxable value. The base cost for the current contract is \$459,300.

BUDGET ACTION REQUIRED: Agreed to costs for assessing services will be included in the forthcoming 2011-12 budget. The City will see reduced costs for the last quarter of the 2010-11 fiscal year which will be incorporated in the upcoming budget reforecast.

STAFF RECOMMENDATION: Authorize staff to execute documents with Muskegon County for continued provision of assessing services.

Motion by Vice Mayor Gawron, second by Commissioner Carter to authorize staff to execute documents with Muskegon County for continued provision of assessing services.

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

Nays: None

MOTION PASSES

B. 2011-2012 Healthcare & Wellness Program. FINANCE

SUMMARY OF REQUEST: It is time to renew the City's healthcare coverage for 2011-12. Renewal premiums for the City's current healthcare program have come in at \$887.88/employee/month, an 8.83% increase over the current rate (\$815.85). Last year we experienced a 9.45% increase. In comparative terms, the rate increase is fairly moderate. Many employers are experiencing double-digit increases partially attributable to coverage enhancements mandated by last year's federal healthcare legislation.

For 2011-12, the City will continue to pay HRA deductibles for employees who complete the four-step wellness initiative prior to April 30th; non-participants in the wellness program will pay the first \$500 (single)/ \$1,000 (family) of the deductible.

Staff is also focusing on increasing the premium co-pay in employee negotiations.

FINANCIAL IMPACT: Following is an estimate of proposed costs for the Priority Health HMO program compared with the current year:

	2010-11	2011-12
Annual Premium per Employee	\$9,790	\$10,655
Approx. Self-Insured HRA Costs per Employee	700	700
Typical Employee Premium Co-pay	(520)	(780)
Net City Cost	9,970	10,575
Approx. No. of Covered Emp. (Subject to Reduction)	231	231
Total Annual City Cost	\$2,303,070	\$2,442,825

BUDGET ACTION REQUIRED: Employee and retiree healthcare costs will be included in the forthcoming 2011-12 budget.

STAFF RECOMMENDATION: Authorize staff to execute documents with Priority Health to renew healthcare coverage.

Motion by Vice Mayor Gawron, second by Commissioner Carter to authorize staff to execute documents with Priority Health to renew healthcare coverage.

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

Nays: None

MOTION PASSES

C. 2011-2012 CDBG/HOME Recommendations. COMMUNITY &
NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To accept the recommendations of the Administration and Citizen's District Council in regards to the 2011-2012 CDBG/HOME anticipated entitlement. The Commission is scheduled to make their preliminary decision regarding the 2011-2012 CDBG/HOME allocation entitlement during the City Commission meeting scheduled for March 22, 2011, with a public hearing of the same on April 26, 2011.

FINANCIAL IMPACT: None at this time.

BUDGET ACTION REQUIRED: To determine a budget for the CNS department and direct staff to publish the recommended budget for a 30-day comment period for the proposed July 1, 2011 – June 30, 2012 program year.

STAFF RECOMMENDATION: Approve acceptance of the recommendations of the Administration and Citizen's District Council and to make their

preliminary recommendations for publication.

COMMITTEE RECOMMENDATION: The Citizen District Council has made their recommendations.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the acceptance of the recommendations of the administration and to make their preliminary recommendations for publication.

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

Nays: None

MOTION PASSES

D. Civil Service Budget Adjustment. CITY MANAGER

SUMMARY OF REQUEST: To authorize an increase in the Civil Service budget in the amount of \$10,000. This amount should carry the Civil Service operation into the middle of next month and provide the Civil Service Commission additional time to consider options for the future direction of the operation. This action is necessary due to the rate of spending in contrast to the original budgeted allocation.

FINANCIAL IMPACT: \$10,000.

BUDGET ACTION REQUIRED: Authorize the budget adjustment.

STAFF RECOMMENDATION: To approve the proposed budget adjustment.

Motion by Vice Mayor Gawron, second by Commissioner Carter to approve the proposed budget adjustment regarding Civil Service.

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

Nays: Wisneski, Spataro, and Warmington

MOTION PASSES

ANY OTHER BUSINESS: Various comments were heard from the Commission.

PUBLIC PARTICIPATION: Public comments received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:25 p.m.

Respectfully submitted,

Ann Marie Becker, MMC
City Clerk

Date: 04/12/2011
To: Honorable Mayor and City Commission
From: DPW Equipment Division
RE: Budgeted Asphalt Patcher Replacement

SUMMARY OF REQUEST: Authorize Staff to purchase an Asphalt Patcher from Falcon Road Maintenance Equipment.

FINANCIAL IMPACT: Total Cost \$ 20,032.00

BUDGET ACTION REQUIRED: None. Included in 2011Budget

STAFF RECOMMENDATION: Authorize Staff to purchase the Asphalt Patcher from Falcon Road Maintenance Equipment

Asphalt Patcher				
	<u>H.D. Industries</u>	<u>Falcon RME</u>	<u>K. M. INTERNATIONAL</u>	
	<u>Po box 8250</u>	<u>120 Waldo</u>	<u>6561 Bernie Kohler DR.</u>	
	<u>Jacksonville Tx</u>	<u>Midland Mi 48642</u>	<u>North Branch MI. 49461</u>	
Asphalt Patcher	\$34,000.00	\$20,032.00	\$20,268.00	

City Commission Meeting
Tuesday April 12, 2011

TO: Honorable Mayor and City Commissioners

FROM: Anthony L. Kleibecker, Director of Public Safety

DATE: March 30, 2011

SUBJECT: Replacement Engine-Fire Rescue Truck

Summary of Request:

The Director of Public Safety is requesting permission to purchase and replace the motor in Rescue Truck #71 (R-71). R-71 is a 1993 Freightliner Heavy Rescue Truck. Replacing the motor will extend the life of this vehicle by up to 5 years.

St. John Truck and Trailer Service of Muskegon has submitted a bid of \$12,267.60 to perform this work. Other estimates for this work were not solicited due to the fact that shops qualified to do this work are far outside of our area. Additionally, all of our current truck service is currently provided by St. John's.

The funding will come from the Public Improvement-Fire Equipment Replacement Fund.

Financial Impact:

None

Budget Action Required:

None

Staff Recommendation:

Approval of the request.

TRUCK & TRAILER SERVICE

QUOTE NO.:

4096

ENTRY DATE:

08/06/2009

MUSKEGON FIRE DEPARTMENT
PO BOX 536
MUSKEGON MI 49443

ATT: TONY KLEIBECKER
724-6955

REGISTRATION#	EQUIPMENT#	READING	PURCH ORDER#	SHIP VIA	BUY TERMS	GOOD THRU
F160237	71			BEST WAY	NET 30 DAYS	04/11/2011 BT

Quantity	Units	Product#	Description	Price	Extended\$	Sub-Total\$
1	QP		REMAN ENGINE	8,496.00	8,496.00	
1	QP		CORE CHARGE	2,800.00	2,800.00	
1	EA	P558615	LUBE FILTER	7.23	7.23	
1	EA	P550436	FUEL FILTER	30.72	30.72	
1	EA	P550440	FUEL FILTER	8.41	8.41	
15	QT	ROTELLA	ROTELLA SAE 15W40	3.75	56.25	
1	QP		MISC	300.00	300.00	
1	QP		REBUILT AIR COMPRESSOR	488.99	488.99	
1	LABOR		REPLACE ENGINE WITH REBUILT	2,850.00	2,850.00	
				Job subtotal:		15,037.60
1-	CORE		CORE CREDIT	2,800.00	2,800.00-	
				FOR ACCEPTABLE CORE		
				Job subtotal:		2,800.00-

to get engine

INVOICE TOTAL LABOR: 2,850.00
INVOICE TOTAL OTHER: 2,800.00-
QUOTE TOTAL: 12,267.60



City Commission Meeting
Tuesday April 12, 2011

TO: Honorable Mayor and City Commissioners

FROM: Anthony L. Kleibecker, Director of Public Safety

DATE: March 30, 2011

SUBJECT: Purchase of Van for Police Department

Summary of Request:

The Director of Public Safety is requesting permission to purchase a cargo van for the narcotics team. It will replace a cargo van that has been in use for 15 years. With a price limit in place, staff made inquiries at a number of dealerships both in and out of the city. The only dealership in the area that could provide a suitable van was Meyers Chevrolet in New Era.

The van is a 2007 Chevrolet Express van. Cost for the van is \$6,000.00. The van has been inspected by a mechanic from the Department of Public Works who found no major issues with it.

Funds for this purchase will come from the Criminal Forfeiture Fund.

Financial Impact:

None

Budget Action Required:

None

Staff Recommendation:

Authorize the expenditure of the funds to purchase the van from Meyers Chevrolet.



"It's Service that Counts"

March 23, 2011

Steve Waltz, Detective Sergeant
Muskegon Police Department
980 Jefferson Street
Muskegon, MI 49443

Dear Steve,

Based on our conversations regarding your needs for a van for the Police Department, I would like to submit the following for your consideration. I have a 2007 Chevrolet Express van, 15 passenger with all but the second row of seats missing. It has approximately 95,000 miles on it. It does not have the panel sides, but has tinted windows all the way around. It would have close to a \$9000 wholesale value, but I can sell it to you for the \$6,000 you desire. I have attached a picture for you. If you would like more information, please contact me at 231-861-2525.

Sincerely,


Steven L. Meyers
Meyers Chevrolet



4748 First ST New Era MI 49446
861.2525 ■ 722.2312 (Muskegon) ■ 800.861.3325

Date: April 12, 2011
To: Honorable Mayor and City Commissioners
From: Ann Marie Becker, City Clerk
RE: Gaming License Request from Hume Home

SUMMARY OF REQUEST: The Hume Home of Muskegon is requesting a resolution recognizing them as a non-profit organization operating in the City for the purpose of obtaining a Gaming License. They have been recognized as a 501(c)(3) organization by the State.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval



March 24, 2011

Dear Muskegon City Council –

The Hume Home is a landmark of Muskegon and a 501 (c) 3 non-profit organization.

We are an assisted living facility and we are trying to raise funds to keep the Hume Home running.

In May we have a dance and silent auction to raise funds and we would like to have a 50/50 raffle with this event.

Also, in June we are having a golf outing as a fund-raiser and we would like to have a 50/50 raffle at that event.

In September, we are having a 5k run to benefit the Hume Home and may want to have a 50/50 raffle to help raise funds there.

Please allow the Hume Home this permission to have the raffles at the fund-raisers we have planned.

Thank you so much for your consideration.

Sincerely,

Kriss Kromminga

Community Liaison

Hume Home

Baruch Senior Ministries





Charitable Gaming Division
Box 30023, Lansing, MI 48909
OVERNIGHT DELIVERY:
101 E. Hillsdale, Lansing MI 48933
(517) 335-5780
www.michigan.gov/cg

Step 6 of qualification

LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES

(Required by MCL 432.103(k)(ii))

May

At a _____ meeting of the _____
REGULAR OR SPECIAL TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD

called to order by _____ on _____
DATE

at _____ a.m./p.m. the following resolution was offered:
TIME

Moved by _____ and supported by _____

that the request from _____ of _____
NAME OF ORGANIZATION CITY

county of _____, asking that they be recognized as a
COUNTY NAME

nonprofit organization operating in the community for the purpose of obtaining charitable

gaming licenses, be considered for _____
APPROVAL/DISAPPROVAL

APPROVAL

Yeas: _____

Nays: _____

Absent: _____

DISAPPROVAL

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is a true and complete copy of a resolution offered and

adopted by the _____ at a _____
TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD REGULAR OR SPECIAL

meeting held on _____
DATE

SIGNED: _____
TOWNSHIP, CITY, OR VILLAGE CLERK

PRINTED NAME AND TITLE

ADDRESS

COMPLETION: Required.
PENALTY: Possible denial of application.
BSL-CG-1153(R6/09)

Date: April 1, 2011
To: Honorable Mayor and City Commissioners
From: Assistant Finance Director
RE: City Cell Phone contract

SUMMARY OF REQUEST: To approve staff recommendation to use Verizon as the City's cell phone carrier. All rates quoted are from the State of Michigan contract. Verizon has proposed no up front fees, many options for free equipment and no contract. Additionally staff is recommending the use of smart phones with data packages for employees whose job efficiency can be improved by access to their City email, calendars and other on line information while in the field or on call. Employees opting to utilize a smart phone will share in the cost by reimbursing the City \$15 per month for the service.

FINANCIAL IMPACT:

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve the staff recommended use of Verizon as the City's cell phone carrier and to approve the addition of smart phones and data packages to the City cell phone plan.

COMMITTEE RECOMMENATION:

Memo

To: City Commission
From: Assistant Finance Director
CC: City Manager, Finance Director
Date: 4/1/2011
Re: City Cell Phones

The City has contracted for the last 10+ years with Nextel/Sprint for City cell phones. This has been a good relationship however as technology has advanced so have the needs of City employees. It is now important for many employees to have access to their City email and calendars when either in the field, away from their desk or on call. The availability of information on a smart phone will provide better customer service and increased efficiency there by saving money. The City received quotes from two carriers that participate with the State of Michigan purchasing agreement Verizon and Sprint/Nextel. Quotes were received for cell phone service and equipment to include smart phones with data packages. The following table highlights the quotes.

	Verizon	Sprint/Nextel
Monthly Service		
Verizon		
19 Smartphones \$49.99		
10 Phones no data plans \$29.99		
20 Phones Zero Access .06/min estimated 100 minutes per phone		
	\$ 1,369.71	\$ 1,583.54
Sprint/Nextel		
19 Smartphones \$49.99		
2 phones w/Business Essentials w/1000 shared minutes \$44.99		
28 phones Business Essentials add on plan \$18.75		
Add push to talk service to 10 Zero Access phones	\$ 100.00	
Total monthly service before taxes	\$ 1,469.71	\$ 1,583.54

After review by Finance and the departments of Public Safety and Public Works the staff is recommending we move to Verizon. Their monthly service fees are less than Sprint/Nextel and there are no account set up fees, no early termination fees and no contract. Additionally Verizon can offer us temporary phones for elections or events and the only charge will be .06 cent per minute of actual usage. Employees will be eligible for new phones sooner and at no cost. There will be no initial cost for phones to the City. Verizon coverage is better and should eliminate the coverage issues DPW has incurred. Verizon is now the carrier for other local governments including the County of Muskegon and City of Norton Shores. All rates quoted by Verizon are part of the State of Michigan contract.

Employees who are deemed eligible for a smart phone by their supervisor and choose that option will share in the monthly service fee by reimbursing the City \$15 monthly. This reimbursement would cover the cost of any personal usage of the phone.

Below you we see the comparison of the current cost of City issued employee cell phones and the cost of the proposed changes.

Actual cost of Sprint service for month of March before taxes and surcharges	\$ 1,073.85	Proposed Verizon monthly service before taxes	\$ 1,469.71
		Less: employee reimbursement for service	\$ (285.00)
Total monthly charge before taxes	\$ 1,073.85		\$ 1,184.71

The change will potentially increase the monthly cost of cell phones to the City by \$110. This increase is offset by increased efficiency of our employees in the field or on call. Employees will be able to respond to emails more timely and without returning to their office, access information such as LEIN and get alerts on potential problems with servers or lift stations. As our work force has declined our employee workloads have increased and the use of smart phones will help employees manage their workload more efficiently becoming more productive.

Date: April 12, 2011

To: Honorable Mayor and City Commissioners

From: Engineering

**RE: Consideration of Bids
Temple St., Young to Laketon Ave. (H-1674)**

SUMMARY OF REQUEST:

Award the above referenced project to McCormick Sand Inc. out of Twin Lake, MI. McCormick Sand submitted the lowest responsible bid of \$136,927.00 (see attached bid tabulation).

The award, if approved, must be contingent upon approval by the state.

FINANCIAL IMPACT:

MDOT'S participation through the TEDF- A (state funds) of \$139,003 will be used to fund this project. Engineering costs is estimated at an additional 15%.

BUDGET ACTION REQUIRED:

None at this time as this project is partial funded by a state grant and appears in the 2010/2011 Budget (2nd reforecast).

STAFF RECOMMENDATION:

Award the contract to McCormick Sand.

COMMITTEE RECOMMENDATION:

H-1674 TEMPLE ST., YOUNG TO LAKETON AVE. BID PROPOSALS - MARCH 29, 2011

CONTRACTOR ADDRESS CITY/ST/ZIP				ENGINEER'S ESTIMATE		NAGEL CONSTRUCTION, INC. P.O. BOX 10 MOLINE, MI 49335-0010		MCCORMICK SAND INC. 5430 RUSSELL RD. TWIN LAKE, MI 49457		KAMMINGA & ROODVOETS, INC. 3435 BROADMOOR S.E. GRAND RAPIDS, MI 49512	
ITEM OF WORK		QTY	UNIT	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
1	Pavt, Rem, Modified	4027.00	Syd	\$ 5.00	\$ 20,135.00	\$ 2.30	\$ 9,262.10	\$ 1.00	\$ 4,027.00	\$ 2.00	\$ 8,054.00
2	Traffic Control	1.00	LS	\$ 6,000.00	\$ 6,000.00	\$ 4,300.00	\$ 4,300.00	\$ 8,145.00	\$ 8,145.00	\$ 10,000.00	\$ 10,000.00
3	Machine Grading, Modified	12.70	Sta	\$ 1,000.00	\$ 12,700.00	\$ 990.00	\$ 12,573.00	\$ 800.00	\$ 10,160.00	\$ 900.00	\$ 11,430.00
4	Erosion Control, Inlet Protection, Fabric Drop	10.00	Ea	\$ 85.00	\$ 850.00	\$ 170.00	\$ 1,700.00	\$ 44.00	\$ 440.00	\$ 125.00	\$ 1,250.00
5	Conc Pavt, Nonreinf, 8 inch	3927.00	Syd	\$ 35.00	\$ 137,445.00	\$ 28.35	\$ 111,330.45	\$ 28.00	\$ 109,956.00	\$ 38.45	\$ 150,993.15
6	Driveway, Nonreinf Conc, 8 inch	52.00	Syd	\$ 30.00	\$ 1,560.00	\$ 28.35	\$ 1,474.20	\$ 31.00	\$ 1,612.00	\$ 55.00	\$ 2,860.00
7	Concrete Curb and Gutter STD detail 1	91.00	Ft	\$ 20.00	\$ 1,820.00	\$ 9.00	\$ 819.00	\$ 17.00	\$ 1,547.00	\$ 22.00	\$ 2,002.00
8	Sidewalk, Conc. 6 inch	155.00	Sft	\$ 6.00	\$ 930.00	\$ 315.00	\$ 488.25	\$ 4.00	\$ 620.00	\$ 4.00	\$ 620.00
9	Prepared Soil and Seed Class A	70.00	Syd	\$ 3.00	\$ 210.00	\$ 10.00	\$ 700.00	\$ 6.00	\$ 420.00	\$ 7.00	\$ 490.00
	TOTAL				\$ 181,650.00		\$ 142,647.00		\$ 136,927.00		\$ 187,699.15

CONTRACTOR ADDRESS CITY/ST/ZIP				ENGINEER'S ESTIMATE		DIVERSCO CONSTRUCTION CO. PO BOX 409 GRANDVILLE, MI 49418		ACCURATE EXCAVATORS 2821 CENTRAL RD. MUSKEGON, MI 49445		BRENNER EXCAVATING, INC. 2841 132ND AVE. HOPKINS, MI 49328	
ITEM OF WORK		QTY	UNIT	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
1	Pavt, Rem, Modified	4027.00	Syd	\$ 5.00	\$ 20,135.00	\$ 1.50	\$ 6,040.50	\$ 2.12	\$ 8,537.24	\$ 3.00	\$ 12,081.00
2	Traffic Control	1.00	LS	\$ 6,000.00	\$ 6,000.00	\$ 15,000.00	\$ 15,000.00	\$ 1,450.00	\$ 1,450.00	\$ 7,000.00	\$ 7,000.00
3	Machine Grading, Modified	12.70	Sta	\$ 1,000.00	\$ 12,700.00	\$ 2,000.00	\$ 25,400.00	\$ 440.00	\$ 5,588.00	\$ 400.00	\$ 5,080.00
4	Erosion Control, Inlet Protection, Fabric Drop	10.00	Ea	\$ 85.00	\$ 850.00	\$ 100.00	\$ 1,000.00	\$ 50.00	\$ 500.00	\$ 90.00	\$ 900.00
5	Conc Pavt, Nonreinf, 8 inch	3927.00	Syd	\$ 35.00	\$ 137,445.00	\$ 30.00	\$ 117,810.00	\$ 36.50	\$ 143,335.50	\$ 28.00	\$ 109,956.00
6	Driveway, Nonreinf Conc, 8 inch	52.00	Syd	\$ 30.00	\$ 1,560.00	\$ 27.00	\$ 1,404.00	\$ 44.35	\$ 2,306.20	\$ 31.50	\$ 1,638.00
7	Concrete Curb and Gutter STD detail 1	91.00	Ft	\$ 20.00	\$ 1,820.00	\$ 9.00	\$ 819.00	\$ 13.00	\$ 1,183.00	\$ 9.60	\$ 873.60
8	Sidewalk, Conc. 6 inch	155.00	Sft	\$ 6.00	\$ 930.00	\$ 3.00	\$ 465.00	\$ 3.80	\$ 589.00	\$ 3.10	\$ 480.50
9	Prepared Soil and Seed Class A	70.00	Syd	\$ 3.00	\$ 210.00	\$ 8.00	\$ 560.00	\$ 19.50	\$ 1,365.00	\$ 3.00	\$ 210.00
	TOTAL				\$ 181,650.00		\$ 168,498.50		\$ 164,853.94		\$ 138,219.10

AGENDA ITEM NO. _____

CITY COMMISSION MEETING _____

TO: Honorable Mayor and City Commission

FROM: Department of Public Works

DATE: April 12, 2011

SUBJECT: 2011 Pavement Marking Program

SUMMARY OF REQUEST:

Staff is requesting permission to enter into 1-year contractual extension agreement with Michigan Pavement Marking (MPM) of Wyoming, Michigan for centerline painting and specialty markings. This contract is bid out by the Muskegon County Road Commission for local agencies in the Muskegon County Pavement Marking Group with each member billed separately by MPM for painting services requested.

FINANCIAL IMPACT:

Estimated cost for 2011 is \$20,000 (which includes \$5,000 for limited specialty markings). Approximately \$14,794 was spent in 2009 and \$14,300 in 2010 for centerline painting, through previous renewal contracts.

BUDGET ACTION REQUIRED:

None, contractual work has been budgeted for in the Highway Majors budget.

STAFF RECOMMENDATION:

Approve request.

COMMITTEE RECOMMENDATION:



Muskegon County Road Commission

7700 East Apple Avenue
Telephone (231) 788-2381

Muskegon, MI 49442-4999
Fax (231) 788-5793

Joan M. Santes
Chair

Jack E. Kennedy
Vice Chair

Melvin L. Black
Commissioner

John J. DeWolf
Commissioner

MEMORANDUM

DATE: February 22, 2011
TO: Muskegon County Pavement Marking Group
FROM: Dan Remondino, Assistant County Highway Engineer *DR*
RE: Muskegon County 2011 Pavement Marking Program

The County Pavement Marking Contract with Michigan Pavement Marking (MPM) of Wyoming, Michigan was renewed for this year at a unit price of \$0.0385/ft. This represents a \$0.0025/ft. or 6.95% increase. Please check that your linear pavement marking quantities are still representative.

The County is also having MPM paint all of our specialty markings this year under a separate contract. We have previously done these in house at a substantially greater cost than those quoted by MPM. If you are interested in pricing on these please contact Shannon at MPM directly.

If you have any questions or require additional information, please contact me at 231.788.7253 or dremondino@muskegoncountyroads.org.

Contract Highlights:

- The contract is for painting longitudinal lines only, i.e., centerlines, edge lines and lane lines. School markings, stop lines, crosswalks, legends and symbols are not part of this program.
- The contract specifies that the Contractor shall invoice each City/Village separately for work performed under the contract.
- Each agency is responsible for supervision/inspection of work in their jurisdiction including measurement and payment.

DPR:lj
Enclosure (1)

Date: April 12, 2011
To: Honorable Mayor and City Commission
From: Water Filtration
RE: 1937 Headwork's Building Roof Replacement

SUMMARY OF REQUEST:

Authorize staff to enter into an agreement with Gale Roofing for the replacement of the roofs over the 1937 Headwork's Building at the Water Filtration Plant. Bids were solicited from three roofing companies and only Gale submitted a bid.

FINANCIAL IMPACT:

The cost of the roof replacement is \$27,006.

BUDGET ACTION REQUIRED:

None. This project is included in the 2011 budget.

STAFF RECOMMENDATION:

Authorize staff to enter into an agreement with Gale Roofing for the replacement of the 1937 Headwork's building roofs at the Water Filtration Plant.

Date: April 5, 2011
To: Mohammed Al-Shatel, DPW Director
From: Kevin Herbert, Water Filtration Plant Supervisor
RE: 1937 Headwork's Building Roof Replacement

In November of 2010 we experienced high winds that lifted the membrane roofing on the three roofs over the 1937 headwork's building. These roofs had new membranes and insulation installed in 1999. The roofs were glued down around the perimeter but not glued entirely or ballasted properly. We were able to install temporarily ballast to hold down the membrane over the winter season and prevent leaking.

I am seeking approval for removal and replacement of the membrane with a fully adhered installation as well as the addition of river rock ballast. With the completion of this project all roofs at the Water Plant will be fully adhered and ballasted to last well beyond the 15 year warranty period.

I solicited competitive price quotes from the 3 companies in the area that specialize in membrane roof installation with the following results:

Gale Roofing Co., Inc. PO Box 611 3006 Polk Rd. Hart, Michigan 49420	\$27,006.00
---	-------------

East Muskegon Roofing 1665 Holton Road Muskegon, Michigan 49445	Declined to Bid
---	-----------------

Stevens Construction 1825 S. Wolf Lake Rd. Muskegon, Michigan 49441	Declined to Bid.
---	------------------

I am recommending acceptance of Gale Roofing as the sole responsible bidder at a budgeted cost of \$27,006.00. We have had success with the roofing projects Gale has performed in the past, they have responded quickly to any warranty issues and have completed previous roofing projects in a timely and efficient manner.

3/17/2011

The City of Muskegon Water Filtration Plant is seeking competitive price quotes for a roofing project on 3 buildings:

East Lower Roof over 37 Filters

River rock ballast entire roof
Repair south end wall flashing

1937 Main Headwork's Building

Remove existing EPDM roofing and flashings.
Install ½" H.D. wood fiber board over existing insulation.
Install new 60 mil ballasted EDPM over ½" wood fiber board.
Double ballast all edges 8 foot wide.
Install new flashings to all walls, vents, curbs, roof drains and pipes per manufacturer's specifications.
Install termination bars at top of all flashings with proper sealants along top.

1937 Sloped Peak Roof

Remove existing EPDM roofing and flashings.
Install new 1.5" ISO fastened to concrete deck with insulation adhesive.
No screws will be allowed in deck.
Install fully adhered 60 EPDM over ISO insulation.
Install new flashings to walls and scuppers.
Extend flashing to bottom edge of cement coping.
Install termination bars at top of all flashings with proper sealant at top of bar.

Please contact:

Kevin Herbert
Plant Supervisor
Muskegon Water Filtration Plant
1900 Beach St.
Muskegon, Mi 49441
231-724-4104 Fax 231-755-5290
kevin.herbert@postman.org

GALE ROOFING CO., INC.

P.O. BOX 611

3006 POLK ROAD

HART, MI 49420

Page No. ____ Of ____ Pages

PROPOSAL

PHONE: (231) 873-5289 FAX: (231) 873-5949
gale.roofing@frontier.com

TO: CITY OF MUSKEGON ATTN: KEVIN HERBERT 1900 BEACH ST MUSKEGON, MI 49441	PHONE: 231-724-4106	DATE 3/31/11
	JOB NAME:	

We are pleased to submit the following proposal to furnish all material, labor, equipment, taxes and insurance required to perform the following:

PRICE QUOTE PER SPECIFICATIONS DATED 3/17/11 ON THE FOLLOWING ROOF AREAS:

EAST LOWER ROOF OVER 37 FILTERS

1937 MAIN HEADWORK'S BUILDING

1937 SLOPED PEAK ROOF

For the sum of:
TWENTY SEVEN THOUSAND SIX-----dollars (\$27,006.00).

Payment to be made as follows: 15 DAYS FROM DATE OF INVOICE

(ANY UNPAID BALANCE AFTER (30) DAYS FROM DATE OF BILLING SUBJECT TO 1 1/2% PER MONTH WHICH AMOUNTS TO 18% PER

This proposal is subject to your acceptance within thirty (30) days and to approval by an officer of the company. All prices quoted are subject to change without notice. When so approved (and not before) it will constitute a contract between us.

ACCEPTED:

By: _____
Date: _____

GALE ROOFING CO., INC.

By: 
Date: 3-31-11

Date: April 12, 2011
To: Honorable Mayor and City Commissioners
From: City Clerk
RE: Resolution to Support National Bike to Work Week

SUMMARY OF REQUEST: Approval of the resolution proclaiming May 16-20, 2011, as "Bike to Work Week" in Muskegon and encourage its observance to all citizens.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution.

RESOLUTION TO SUPPORT NATIONAL BIKE TO WORK WEEK

WHEREAS, for more than a century, the bicycle has been an important part of the lives of Americans; and

WHEREAS, today, millions of Americans engage in bicycling as an environmentally sound form of transportation, an excellent form of fitness, and provides quality family recreation; and

WHEREAS, “Bike to Work Week” is a nationwide endeavor to educate the public about the benefits of bicycling and to increase awareness of and respect for bicyclists; and

WHEREAS, the City of Muskegon recognizes the benefits of bicycle commuting in providing exercise, decreasing air pollution, conserving fuel, decreasing traffic congestion, decreasing noise pollution, and improving the health of its citizens; and

WHEREAS, the League of Michigan Bicyclists and independent cyclists through out our state are promoting greater public awareness of bicycle operation and safety education in an effort to reduce accidents, injuries and fatalities; and

WHEREAS, bicycle transportation is an integral part of the “multi-modal” transportation system planned for by city, state and local transportation government agencies; and

WHEREAS, we recognize and encourage cycling as an important means of transportation, and support potential new cyclists in joining our community; and

WHEREAS, Ride On Muskegon, Bike to Work Week Committee encourage all citizens to ride their bicycles to work, to the store, to the park, around their neighborhoods and with friends and family to promote the personal and societal benefits achieved from bicycling;

NOW THEREFORE I, Stephen J. Warmington, Mayor of the City of Muskegon, do hereby proclaim May 16-20, 2011 as “Bike to Work Week” in Muskegon, MI and encourage its observance to all citizens.

Signed this 12th day of April 2011.

Stephen J. Warmington
Mayor

Commission Meeting Date: April 12, 2011

Date: April 7, 2011
To: Honorable Mayor and City Commissioners
From: Planning & Economic Development
RE: Sale of Parcel in Seaway Industrial Park

SUMMARY OF REQUEST:

To approve the sale of Lot #8 in Seaway Industrial Park to Schultz Transport, Inc., 421 Delano Ave, Muskegon, MI 49444. The lot has under an acre of usable space once easements are taken into account. The purchase price is \$5,000. The company will utilize the new land in its plans to expand its lawn care services. The lots will be combined and the new land will be used for mulch and other lawn care storage. The company will invest at least \$20,000 and plans to hire at least 3 people.

FINANCIAL IMPACT:

The sale of this lot will generate City of Muskegon income tax. It will also begin to generate property taxes when the Renaissance Zone begins to phase out next year.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

To approve and sign the attached resolution, deed and all other necessary documents.

COMMITTEE RECOMMENDATION:

None

DEVELOPMENT AGREEMENT
CITY OF MUSKEGON RENAISSANCE ZONE

THIS IS AN AGREEMENT between the CITY OF MUSKEGON, a municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49441 ("City") and SCHULTZ TRANSPORT, INC., of 421 Delano Ave, Muskegon, Michigan (49444) ("Company").

Recitals:

A. The City has established a Renaissance Zone. The Company desires to acquire property within the Renaissance Zone. The City deems this Agreement to constitute a necessary element in the City's determination regarding the location of Company in the Renaissance Zone.

B. The Company intends to acquire real property and expand its current business in a Renaissance Zone. The Company understands that the City relies upon the assurances of the Company in this Agreement as an inducement to sell certain real property.

NOW THEREFORE THE PARTIES, INCORPORATING THE ABOVE RECITALS, AGREE:

1. **DOCUMENTS ATTACHED.** Included in this Agreement are the following documents which have been collected and relied upon by the parties:

1.2 Real Estate Purchase Agreement.

2. **COMPANY AGREEMENT.** The Company agrees to the following commitments which it shall perform in a timely and reasonably acceptable manner:

2.1 Execution of the Real Estate Purchase Agreement attached as Exhibit A, simultaneously with execution of this agreement, and delivery of both to the City.

2.2 Expansion of the current business onto the new parcel subject to review and modification by the City Planning Commission and/or City Commission. The design and landscaping of the site shall be subject to the approval of the City, which shall reasonably apply its zoning, site plan and other land use requirements.

2.3 The investment in the amount of twenty thousand dollars (\$20,000) (the "Investment Objective").

2.4 The creation of three jobs (the "Employment Objective") within the first three (3) years of operation. This number will include the transfer of jobs from other municipalities. Transferred jobs from another location in the City will be counted, but limited to one transferred job within the City per one new job.

2.5 The closing of the purchase of the properties described in the Real Estate Purchase Agreement (the "Properties").

2.6 Cooperation with City representatives to supply all requested and required documentation necessary in the City's reasonable judgment to determine compliance with the undertakings set forth in this Agreement and its attachments.

2.7 The Company shall take all required precautions to avoid the release of any hazardous substance in violation of any environmental law on its premises, and shall report any releases to the appropriate authority in a timely and complete manner as required by law, providing copies of said documentation to the City. Subject to its rights to contest any proposed orders and actions, the Company shall comply with all orders and actions of any governmental agency having authority.

2.8 During the entire period for which the Renaissance Zone is in effect, the Company shall maintain the improvements so as to minimize physical or functional obsolescence.

3. Governing Law. This Agreement shall be construed and enforced in accordance with the Laws of the State of Michigan applicable to contracts made and to be performed within the State of Michigan, and in particular the Renaissance Zone Act of the State, as amended.

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

5. Benefit. This Agreement shall be binding upon and inure to the benefit of the respective parties, their successors and personal representatives. The Company shall have the right to assign this Agreement subject to the consent of the City. Except as so provided, there is no third party beneficiary intended upon the execution of this Agreement.

6. Invalidity. In the event any provision of this agreement is declared invalid by a court or tribunal having competent jurisdiction, the remainder of the agreement shall remain in full force and effect.

CITY OF MUSKEGON,
a municipal corporation

By _____
Stephen J. Warmington, Mayor

and _____
Ann Marie Becker, MMC, Clerk

Dated: _____, 2011

SCHULTZ TRANSPORT, INC.,
a _____ Corporation

By _____
James Schultz, _____

Dated: _____, 2011

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT is made _____, 2011, by and between the **CITY OF MUSKEGON**, a municipal corporation, with offices at 933 Terrace, Muskegon, Michigan 49440 ("Seller"), and **SHCULTZ TRANSPORT, INC.**, of 921 Delano Ave, Muskegon, MI 49444("Buyer").

1. **General Agreement and Description of Premises.** Upon the terms and conditions of this Agreement, Seller agrees to sell, and Buyer agrees to buy, marketable record title of real estate, and all improvements thereon, with all beneficial easements, and with all of Seller's right, title and interest in all adjoining public ways, the real property located in the City of Muskegon, Muskegon County, Michigan ("Premises"), and specifically described as:

See attached Exhibit A

Subject to the reservations, restrictions and easements of record, provided said reservations, restrictions and easements of record are acceptable to Buyer upon disclosure and review of the same.

2. **Purchase Price and Manner of Payment.** The purchase price for the Premises shall be as follows:

- a. At and upon closing, Buyer shall pay Seller Five Thousand Dollars (\$5,000) for the Premises.

3. **Taxes and Assessments.** Seller shall be responsible for taxes and assessments (general and special) that are due and payable at the time of Closing. Buyer shall be responsible for taxes, if any, which become due and payable after closing.

4. **Title Insurance.** Seller agrees to deliver to Buyer's attorney, within ten (10) days after the Effective Date, a commitment for title insurance, issued by Transnation Title Insurance Company, for an amount not less than the purchase price stated in this Agreement, guaranteeing title to the Premises on the conditions required herein. In the event the reservations, restrictions, easements or other matters of record disclosed by said title commitment are, in the sole discretion of Buyer, deemed unacceptable, Seller shall have fifteen (15) days from the date Seller is notified in writing of such title objections to remedy such objections to Buyer's satisfaction. If Seller resolves such title objections and remedies the title (by obtaining satisfactory title insurance or otherwise effecting curative measures acceptable to Buyer) within the time specified, Buyer agrees to complete this sale as herein provided, assuming all other contingencies are satisfied in Buyer's judgment or are waived by Buyer. If Seller fails to resolve such title objections within the time above specified to Buyer's satisfaction or, fails to obtain satisfactory title insurance to Buyer's satisfaction, this Agreement will be terminated at Buyer's option. The premium for the owner's title policy shall be paid by Seller.

5. **Survey.** Buyer at its own expense may obtain a survey of the Premises, and Buyer or its surveyor or other agents may enter the Premises for that purpose prior to Closing. If no survey is obtained, Buyer agrees that Buyer is relying solely upon Buyer's own judgment as to the location, boundaries and area of the Premises and improvements thereon without regard to any representations that may have been made by Seller or any other person. In the event that a survey by a registered land surveyor made prior to closing discloses an encroachment or substantial variation from the presumed land boundaries or area, Seller shall have the option of effecting a remedy within thirty (30) days after disclosure, or tendering Buyer's deposit in full termination of this Purchase Agreement, and paying the cost of such survey. Buyer may elect to purchase the Premises subject to said encroachment or variation.

6. **Environmental Inspection.** At its own cost and expense, Buyer and its agents shall have the right, but not the obligation, to enter the Property to perform environmental investigations, studies, and tests which are permitted hereunder, to determine the environmental condition of the Property ("Environmental Inspection"); provided, however, that for purposes of conducting any environmental investigation, Buyer and its agents shall notify Seller, which shall have the option of accompanying Buyer or its agents during such Environmental Inspection. The Environmental Inspection shall be completed within twenty (20) days of execution of this Agreement, and Buyer shall have the right to obtain any BEA determination it deems appropriate. If Buyer is dissatisfied, in its sole discretion, with the Environmental Inspection, it may terminate this Agreement with no further obligations.

7. **Condition of Premises and Examination by Buyer.** NO IMPLIED WARRANTIES OF HABITABILITY, QUALITY, CONDITION, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER IMPLIED WARRANTIES SHALL OPERATE BETWEEN SELLER AND BUYER, AND BUYER EXPRESSLY WAIVES ANY AND ALL SUCH IMPLIED WARRANTIES. BUYER UNDERSTANDS AND AGREES THAT IF BUYER ACQUIRES THE PREMISES, THE PREMISES ARE TAKEN "AS IS," SUBJECT TO THE EXPRESS COVENANTS, CONDITIONS AND/OR EXPRESS WARRANTIES CONTAINED IN THIS PURCHASE AGREEMENT. BUYER WILL ACKNOWLEDGE AT AND UPON CLOSING THAT IT HAS PERSONALLY INSPECTED THE PREMISES AND IS SATISFIED WITH THE CONDITION OF THE LAND, AND THE BUILDINGS AND IMPROVEMENTS THEREON, AND THAT THE PROPERTY IS BEING PURCHASED AS A RESULT OF SUCH INSPECTION AND INVESTIGATION AND NOT DUE TO ANY REPRESENTATIONS MADE BY OR ON BEHALF OF SELLER. SELLER KNOWS OF NO HAZARDOUS SUBSTANCES OR CONTAMINATION EXCEPT FOR SUCH MATTERS AS HAVE BEEN DISCLOSED IN THE ENVIRONMENTAL REPORTS ON THE FORMER SMITH PACKING PROPERTY AND THE FORMER NORDSTROM/NEILSEN PROPERTIES WHICH HAVE BEEN FURNISHED OR MADE KNOWN TO BUYER, AND BUYER WAIVES ANY CLAIM AGAINST SELLER IN THE EVENT SUCH SUBSTANCES ARE OTHERWISE FOUND AND UNLESS SELLER MISREPRESENTED ITS KNOWLEDGE.

9. **Real Estate Commission.** Buyer and Seller 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. Buyer and Seller both agree to indemnify and hold the other harmless from any liability, including reasonable attorney fees, occasioned by reason of any person or entity asserting a claim for a real estate commission arising from actions taken by the other party.

10. **Closing.** The closing date of this sale shall be within thirty (30) days of execution of this Agreement ("Closing"), subject to Buyer's right to extend Closing for an additional thirty (30) days upon written notice to Seller. The Closing shall be conducted at Transnation Title Insurance Company, 570 Seminole Road, Ste. 102, Muskegon, MI 49444. If necessary, the parties shall execute an IRS closing report at the Closing.

11. **Delivery of Deed.** Seller shall execute and deliver a quit claim deed to Buyer at Closing for the Premises and shall pay any transfer taxes due and owing. Such conveyance shall include all splits or division rights with respect to the Premises.

12. **Affidavit of Title.** At the Closing, Seller shall deliver to Buyer an executed Affidavit of Title.

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

14. **Costs.** Seller shall be responsible to pay all applicable transfer taxes, if any, in the amount required by law. In addition, Seller shall be responsible to pay for the recording of any instrument that must be recorded to clear title to the Premises, to the extent required by this Agreement. Buyer shall pay for the cost of recording the deed to be delivered at Closing. Buyer shall pay the Transnation Title closing fee. Each party shall pay its own attorney fees.

15. **Contingencies.** Buyer's obligations under this Agreement are subject to and contingent upon satisfaction by Buyer in its sole discretion (or written waiver by Buyer) of the following conditions:

In the event one or more of these conditions are not satisfied or waived, this Agreement shall automatically terminate with neither party having any further obligation to the other.

16. **General Provisions.**

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

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

c. **Merger.** It is understood and agreed that all understandings and agreements previously made between Buyer and Seller with respect to the subject matter

hereof are merged into this Agreement, which alone fully and completely expresses the agreement of the parties with respect to the subject matter hereof.

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

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

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

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

h. **Authority.** Each party represents and warrants to the other that the persons executing and delivering this Agreement on their behalf are duly authorized to do so.

i. **Effective Date.** The Effective Date of this Agreement is the date that the last party hereto signs this Agreement.

The parties have executed this Real Estate Purchase Agreement the day and year first above written.

SELLER: CITY OF MUSKEGON

Stephen J. Warmington, Mayor

Ann Marie Becker, Clerk

BUYER:

By: _____
Officer, Title

EXHIBIT A

CITY OF MUSKEGON BLK 3 AND THE VAC ALLEY IN SD BLK 3 AND PT OF VAC WAALKERS ST YOUNG & WILLIAMS ADDN COM AT THE SE COR OF THE NW FRL 1/4 OF SEC 31 T10N R16W TH N 00D 00M 00S E 644.09 FT ALG THE E LN OF SD NW FRL 1/4; TH S 89D 39M 32S W 340.23 FT ALG THE S LN OF SD YOUNG & WILLIAMS ADDN FOR POB TH S 89D 39M 32S W 299.00 FT ALG SD S LN TH N 00D 00M 00S W 68.00 FT ALG THE W LN OF SD BLK 3 TH N 89D 40M 00S E 67.00 FT ALG THE S ROW OF DELANO AVE TH N 00D 00M 00S W 17.00 FT ALG SD R/W LN TH N 89D 40M 00S E 232.00 FT ALG SD R/W LN TH S 00D 00M 00S E 84.95 FT ALG THE C/L OF VAC WAALKES ST TO POB.

QUIT-CLAIM DEED

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

QUIT CLAIMS TO: James Schultz, a married man, of 421 Delano Ave, Muskegon, MI 49444

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

CITY OF MUSKEGON BLK 3 AND THE VAC ALLEY IN SD BLK 3 AND PT OF VAC WAALKERS ST YOUNG & WILLIAMS ADDN COM AT THE SE COR OF THE NW FRL 1/4 OF SEC 31 T10N R16W TH N 00D 00M 00S E 644.09 FT ALG THE E LN OF SD NW FRL 1/4; TH S 89D 39M 32S W 340.23 FT ALG THE S LN OF SD YOUNG & WILLIAMS ADDN FOR POB TH S 89D 39M 32S W 299.00 FT ALG SD S LN TH N 00D 00M 00S W 68.00 FT ALG THE W LN OF SD BLK 3 TH N 89D 40M 00S E 67.00 FT ALG THE S ROW OF DELANO AVE TH N 00D 00M 00S W 17.00 FT ALG SD R/W LN TH N 89D 40M 00S E 232.00 FT ALG SD R/W LN TH S 00D 00M 00S E 84.95 FT ALG THE C/L OF VAC WAALKES ST TO POB.

For the sum of: \$5,000

Commonly known as: Lot 8 of Seaway Industrial Park

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

Dated this _____ day of _____, 20____.

Signed in the presence of :

CITY OF MUSKEGON

By: _____
Stephen J. Wamington, Its Mayor

and: _____
Ann Marie Becker, City Clerk

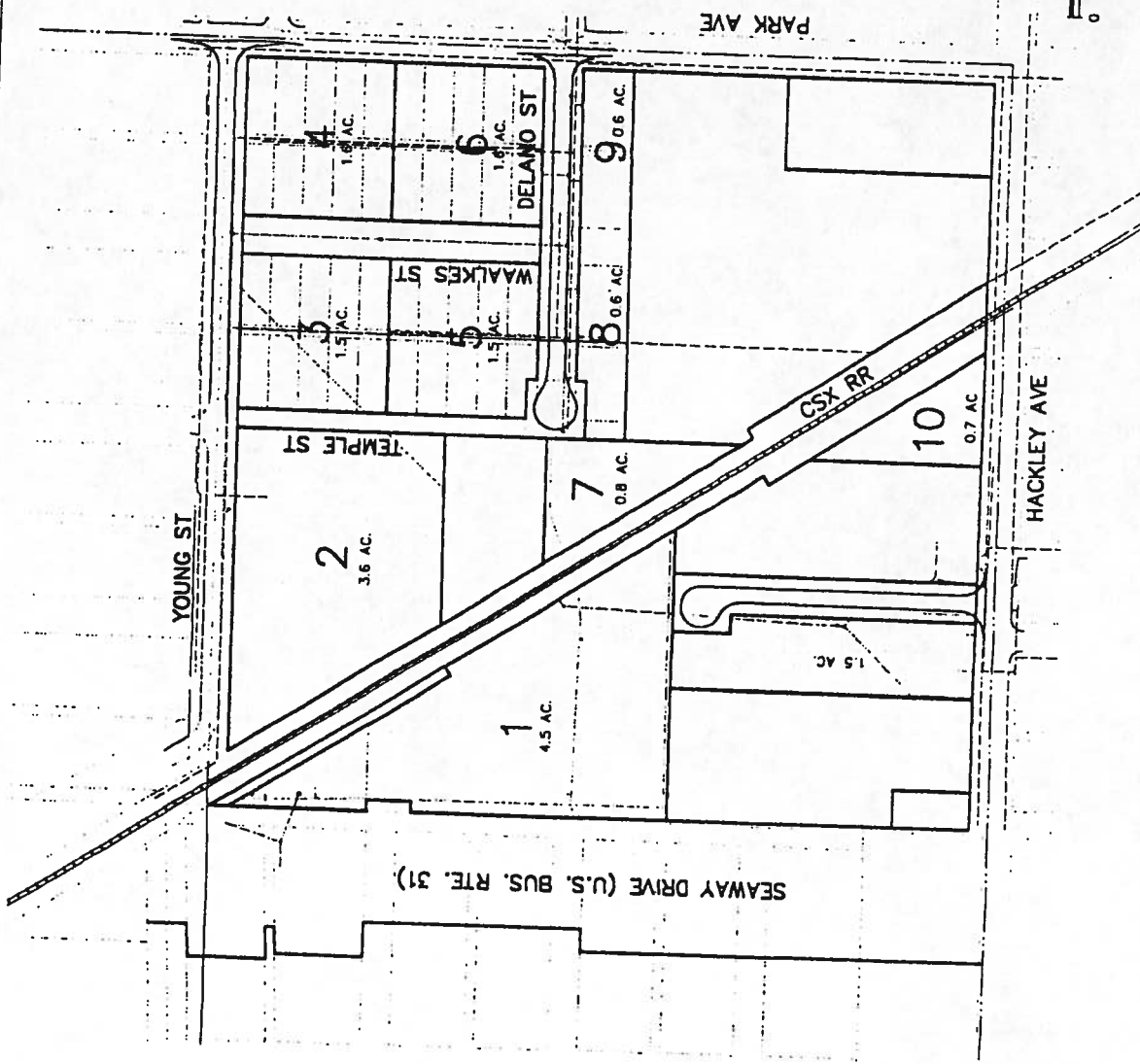
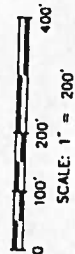
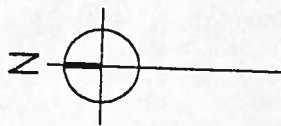
LEGEND

- EXISTING GAS MAIN
- EXISTING WATERMAIN
- EXISTING STORM SEWER
- EXISTING SANITARY SEWER
- PROPOSED WATERMAIN
- PROPOSED STORM SEWER
- PROPOSED SANITARY SEWER

PRELIMINARY

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN
SEAWAY INDUSTRIAL PARK
Prein&Newhof

1-11-02



Commission Meeting Date: April 12, 2011

Date: April 5, 2011

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

**RE: Public Hearing to Review 2011 - 2016 Five-year
Consolidated Plan**

SUMMARY OF REQUEST: To conduct a public hearing on April 12, 2011 to receive comments from the public concerning the 2011 - 2016 Five-year Consolidated Plan developed by the Community and Neighborhood Services department.

After the public hearing has been conducted and all the comments have been documented, the CNS office requests that the Commission direct the CNS staff to submit the required documents to HUD in compliance with 24 CFR 91.520.

FINANCIAL IMPACT: The City is required to submit the Five-year Consolidated Plan report in order to continue receiving CDBG and HOME funding.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To direct staff to gather comments from the public and to submit the Five-year Consolidated Plan to HUD after the public comment period.

Commission Meeting Date: April 12, 2011

Date: April 5, 2011

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

RE: Approval of Sale of City owned home at 1331 Amity

SUMMARY OF REQUEST: To approve the attached resolution and instruct the Community and Neighborhood Services department to complete the sales transaction between Mr. Brandon Stever for the totally rehabilitated home at 1331 Amity Avenue, which is part of the City's Neighborhood Stabilization Program (NSP) through the Michigan State Housing Development Authority Office of Community Development. Mr. Stever's purchase price is \$62,000 with a subsidy of at least \$7,000.

The beautiful four-bedroom, two full-bath home was previously vacant. As a part of the City's continuous neighborhood redevelopment efforts, this house is our first rehabilitated home with wheelchair accessibility features on the main floor.

FINANCIAL IMPACT: The proceeds from the sale will be used to cover any extra costs associated with this rehab and to sustain our current investments under NSP activities. Program Income funds will be used to cover NSP activity costs for the City of Muskegon.

BUDGET ACTION REQUIRED: None.

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

COMMITTEE RECOMMENDATION: None.



MUSKEGON CITY COMMISSION

RESOLUTION TO APPROVE THE PURCHASE OF
CURRENTLY STATE OWNED PROPERTY AT 1331 AMITY AVENUE

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

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

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

NOW THEREFORE, BE IT RESOLVED that the City Commission hereby approves the sale of 1331 Amity Avenue to Brandon Stever of 3727 Richardson Avenue, Muskegon. Mr. Stever will purchase the house as an owner-occupied structure.

Adopted this 12th day of April, 2011.

Ayes:

Nays:

By _____
Stephen J. Warmington, Mayor

By _____
Ann Marie Becker, MMC City Clerk

Commission Meeting Date: April 12, 2011

Date: April 5, 2011

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

RE: Adding property to the Lease with Option to Purchase Program

SUMMARY OF REQUEST: CNS requests Commission approval to sell the two remaining HOME-Infill properties through our Lease with Option to Purchase Program: 539 Orchard and 1581 Division. Modifications to the Lease program guidelines will restrict the occupants purchase timeline to six month increments. The lease agreement will provide additional six month extension approvals, but not to exceed an 18-month purchase date. Lessees will be required to secure a mortgage under these options: 10% discount within the first six months, 5% discount will be applied at the end of 12 months and a 3% discount will occur at the end of an 18-month agreement.

FUNDING IMPACT: This will eliminate most of the overhead costs the City has because of the length of time these homes have been on the market. Costs include utilities, alarm system, grass cutting, snow removal, etc.

BUDGET ACTION REQUIRED: None at this time

STAFF RECOMMENDATION: To approve the request to place 539 Orchard and 1581 Division on the Lease with Option to Purchase program with modifications.

539 Orchard



1581 Division

