CITY OF MUSKEGON

CITY COMMISSION MEETING

FEBRUARY 28, 2006

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, February 28, 2006.

Mayor Warmington opened the meeting with a prayer from Pastor Penny Johnson from the Oak Crest Church of God after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioner Clara Shepherd, Lawrence Spataro, Sue Wierengo, Chris Carter, and Kevin Davis, City Manager Bryon Mazade, City Attorney John Schrier, and Department Secretary Irene Dempsey.

2006-17 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes for the February 3rd Goal Setting Session, February 13th Commission Worksession, and the February 14th Regular Commission Meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. SECOND READING: Vehicles for Hire. CITY CLERK

SUMMARY OF REQUEST: To amend Chapter 102 of the Muskegon Code of Ordinances concerning Vehicles for Hire.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval

C. Request to Fly the Irish Flag. CITY CLERK

SUMMARY OF REQUEST: The Muskegon Irish American Society is requesting permission to fly the Irish Flag outside City Hall on Friday, March 17 to celebrate

St. Patrick's Day through Friday March 24th.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval

E. **Vacation of the Southwest 132 Feet of the Alley in Block 187 of the City of Muskegon Revised Plat of 1903.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request for vacation of the Southwest 132 feet of the alley located in City of Muskegon Revised Plat of 1903, Block 187, bounded by Terrace Street, E. Muskegon Avenue, Pine Street, and W. Webster Avenue.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends vacation of the Southwest 132 feet of the alley, with the condition that all utility easement rights be retained.

COMMITTEE RECOMMENDATION: The Planning Commission recommended vacation of the alley at their 2/16/06 meeting, with the condition that all utility easement rights be retained. The vote was unanimous with B. Mazade and B. Smith absent.

F. **Vacation of the Undeveloped Portion of Frisbie Street.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request for the vacation of the undeveloped portion of Frisbie Street south of Palmer and west of McGraft Church.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends vacation of the undeveloped portion of Frisbie Street south of Palmer and west of McGraft Church.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended the vacation at their 2/16/06 meeting, with B. Mazade and B. Smith absent.

G. **FIRST READING: Zoning Ordinance Amendment to the (H) Heritage District.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to amend Sections 2000 and 2001 of Article XX (H) Heritage District to include additional principal uses for properties fronting on W. Western Avenue between 4th and 9th Streets and additional special uses for the entire (H) Heritage District.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends amendment of the Zoning Ordinance to amend the (H) Heritage District ordinance language to add additional principal uses for properties fronting on W. Western Avenue between 4th and 9th Streets and additional special uses for the entire (H) Heritage District.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the amendment at the 2/16/06 meeting. The vote was unanimous in favor of the amendment, with B. Mazade and B. Smith absent.

H. <u>FIRST READING: Rezoning Request for Property Located at 908 Terrace Street.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to rezone the property located at 908 Terrace Street from B-3, Central Business District to B-5, Central Governmental Service District.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the request.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their 2/16/06 meeting. The vote was unanimous with B. Mazade and B. Smith absent.

J. <u>Consideration of Bids: Sixth Street, Houston Avenue to Muskegon Avenue.</u> ENGINEERING

SUMMARY OF REQUEST: Award the paving, (using asphalt material) and underground utility construction contract (H-1528)for the Sixth St. reconstruction between Houston and Muskegon to McCormick Sand of Twin Lake since they were the lowest, responsible bidder with a bid price of $77,328.60

FINANCIAL IMPACT: The construction cost $77,328.60 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Award the contract to McCormick Sand.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the Consent Agenda as read minus items D and I.

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

Nays: None

MOTION PASSES

2006-18 ITEMS REMOVED FROM THE CONSENT AGENDA:

D. Environmental Program Trash Clean-up Contract. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The special trash pick-up on city terraces and right-of-ways associated with our Environmental Inspections program is currently being performed by Sunset Waste our current solid waste hauler. A request for bids was advertised with two companies placing bids. Diversified UG Utilities Inc. is the lowest bidder for a one year agreement.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the contract and to authorize the Mayor and City Clerk to sign a 1-year agreement with Diversified UG Utilities Inc. for the special trash pick-ups along City right of ways.

Motion by Commissioner Carter, second by Commissioner Davis to approve the environmental program trash clean-up contract Diversified UG Utilities Inc.

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

Nays: None

MOTION PASSES

I. Purchase of Police Cruisers Replacement. PUBLIC WORKS

SUMMARY OF REQUEST: Authorize staff to purchase three (3) Crown Victoria from Tony Betten and Sons Ford out of Grand Rapids since they were the lowest responsible bidder with a total bid price of $60,510.18.

FINANCIAL IMPACT: Total Cost $60,510.18.

BUDGET ACTION REQUIRED: None, item was budgeted for.

STAFF RECOMMENDATION: Approve and authorize staff to purchase three (3) cruisers.

Motion by Commissioner Carter, second by Commissioner Spataro to approve the purchase of three police cruisers from Tony Betten and Sons Ford out of Grand Rapids.

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

Nays: None

MOTION PASSES

2006-19 PUBLIC HEARINGS:

A. Create a Special Assessment District for Denmark Street, Lakeshore to Crozier. ENGINEERING

SUMMARY OF REQUEST: To hold a public hearing on the proposed special assessment for Denmark St., Lakeshore Dr. to Crozier Ave. and to create the special assessment district and appoint two City Commissioners to the Board of Assessors if it is determine to proceed with the project.

FINANCIAL IMPACT: None at this time.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To create the special assessment district and assign two City Commissioners to the Board of Assessors by adopting the resolution.

The Public Hearing opened at 5:43 p.m. to hear and consider any comments from the public. No comments were heard.

Motion by Commissioner Carter, second by Commissioner Davis to close the Public Hearing at 5:47 p.m. and create the special assessment district for Denmark Street, Lakeshore to Crozier.

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

Nays: None

MOTION PASSES

(Commissioner Davis and Vice Mayor Gawron were appointed to the Board of Assessors)

B. <u>Create a Special Assessment District for Fifth Street, Muskegon to Western.</u> ENGINEERING

SUMMARY OF REQUEST: To hold a public hearing on the proposed special assessment for Fifth St., Muskegon Ave. to Western Ave., and to create the special assessment district and appoint two City Commissioners to the Board of Assessors if it is determined to proceed with the project.

FINANCIAL IMPACT: None at this time.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To create the special assessment district and assign two City Commissioners to the Board of Assessors by adopting the resolution.

The Public Hearing opened at 5:48 p.m. to hear and consider any comments from the public. No comments were heard.

Motion by Commissioner Spataro, second by Vice Mayor Gawron to close the Public Hearing at 5:53 p.m. and create the special assessment district for Fifth Street, Muskegon to Western and appoint two City Commissioners to the Board of Assessors.

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

Nays: None

MOTION PASSES

(Commissioners Spataro and Wierengo were appointed to the Board of Assessors)

2006-20 UNFINISHED BUSINESS:

A. <u>Update on 856 Fork (Tabled from January 24, 2006).</u> PUBLIC SAFETY

SUMMARY OF REQUEST: This house was declared to be sub-standard, a public nuisance, and dangerous by the Housing Board of Appeals on September 4, 2005. It was brought to the City Commission January 24, 2006, but at staff's request, was removed from the agenda for a period of 30 days.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: That the Commission not concur with the Housing Board of Appeals as the house has been substantially improved by the owners and should shortly be removed from the dangerous building list.

Motion by Vice Mayor Gawron, second by Commissioner Carter to not concur with the Housing Board of Appeals decision on 856 Fork.

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

Nays: None

MOTION PASSES

B. <u>Ferry Terminal Funding.</u> CITY MANAGER

SUMMARY OF REQUEST: To consider a request from Great Lakes Dock and Materials to fund Energy Code requirements at the Muskegon Ferry Terminal.

FINANCIAL IMPACT: $29,600.

BUDGET ACTION REQUIRED: The 2006 budget would have to be amended to accommodate this expense.

STAFF RECOMMENDATON: To okay the request as it is not an obligation of the City.

Motion by Commissioner Spataro, second by Commissioner Carter to approve the request of funding the Energy Code requirements for the Muskegon Ferry Terminal with Great Lakes Dock and Materials paying 1/3 and the City paying 2/3.

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

Nays: None

MOTION PASSES

2006-21 NEW BUSINESS:

A. <u>2006 - 2007 City Commission Goals.</u> CITY MANAGER

SUMMARY OF REQUEST: To adopt the 2006-2007 City Commission Goals.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the Vision, Value and Mission statements and the 2006-2007 goals.

COMMITTEE RECOMMENDATION: The City Commission determined these goals at their annual goal setting sessions on February 3, 2006.

Motion by Commissioner Davis, second by Commissioner Shepherd to approve the 2006-2007 City Commission Goals.

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

Nays: None

MOTION PASSES

B. <u>MERS Uniform Resolution for Service Credit Purchase.</u> FINANCE

SUMMARY OF REQUEST: The City has previously approved the transfer of all Non-Union employees to the statewide MERS retirement system. The resolution is a follow-up action and permits employees in the MERS system to purchase up to five years of generic service. Employees wishing to buy service are required to pay 100% of the actuarial cost as determined by MERS.

FINANCIAL IMPACT: The employee is required to pay 100% of the actuarially determined cost.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval

Motion by Commissioner Carter, second by Commissioner Spataro to approve the MERS uniform resolution for service credit purchase.

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

Nays: None

MOTION PASSES

C. <u>Defined Contribution Retirement Plan for New Hires (Clerical).</u> FINANCE

SUMMARY OF REQUEST: The City Commission has previously approved a contract with the Clerical Union that includes provision for new hires to be members of a Defined Contribution Retirement Program in lieu of membership in the Defined Benefit General Employees' retirement system. The new Clerical DC plan calls for a City contribution of 3%/6% and an employee contribution of 0%/3% of wages. Present employees may also join the DC plan on an elective basis during a window period.

Approval of the resolutions and ordinance amendments is the final step in putting in place the mechanics of these new programs.

FINANCIAL IMPACT: Moving to a defined contribution plan will help stabilize and better define the City's annual pension costs. We are negotiating similar arrangements for other employee groups. At this time, new employees in the Fire, Non-Union and Clerical groups are covered by a defined contribution arrangement. The status of this issue with the other employee groups is as follows: Police Patrol (in arbitration); 517M-DPW (in fact-finding); Police Command (to be negotiated).

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval

Motion by Vice Mayor Gawron, second by Commissioner Spataro to approve the Defined Contribution Retirement Program for new hires as well as allowing present employees to join the Defined Contribution plan as an elective.

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

Nays: None

MOTION PASSES

D. <u>Memorandum of Understanding - Justice Assistance Grant.</u> PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety requests that the Commission authorize the Director and the City Manager to enter into an agreement with the City of Muskegon Heights and Muskegon County in regards to the disbursement of the 2006 Justice Assistance Grant. The money in this grant is shared by thee entities. The $50,538 in this grant will allow for the continuation of the community prosecution program.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of request.

Motion by Commissioner Spataro, second by Commissioner Carter to approve the Memorandum of Understanding regarding the Justice Assistance Grant.

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

Nays: None

MOTION PASSES

E. <u>Concurrence with the Housing Board of Appeals Notice and Order to Demolish 442 W. Muskegon, 589 McLaughlin (Carport), 1532 Terrace, and 1581 Terrace</u> PUBLIC SAFETY

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, public nuisances and that they be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolitions 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 Carter, second by Commissioner Wierengo to concur with the Housing Board of Appeals decision to demolish 589 McLaughlin (carport), 1532 Terrace, and 1581 Terrace.

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

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 442 W. Muskegon.

Motion by Commissioner Spataro, second by Commissioner Carter to table to the second meeting in March contingent on interior inspection being done and provided to the Commission.

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

Nays: None

Abstain: Shepherd (due to conflict of interest)

MOTION PASSES

PUBLIC PARTICIPATION: Various comments were heard.

2006-22 CLOSED SESSION: To discuss collective bargaining.

Motion by Commissioner Carter, second by Commissioner Spataro to go into Closed Session at 6:44 p.m.

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

Nays: None

MOTION PASSES

Motion by Commissioner Carter, second by Vice Mayor Gawron to go into Open Session at 7:13 p.m.

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

Nays: None

MOTION PASSES

Commission discussion held.

ADJOURNMENT: The City Commission Meeting adjourned at 7:41 p.m.

Respectfully submitted,

Gail A. Kundinger, MMC
City Clerk