CITY OF MUSKEGON

CITY COMMISSION MEETING

FEBRUARY 12, 2013

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, February 12, 2013.

Mayor Gawron opened the meeting with a prayer from Mr. George Monroe after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

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

2013-10 CONSENT AGENDA:

A. <u>Approval of Minutes</u>. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the January 22nd City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. <u>Gaming License Request from the West Michigan Symphony.</u> CITY CLERK

SUMMARY OF REQUEST: The West Michigan Symphony, 425 W. Western Avenue, Muskegon, MI, 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.

C. <u>Second Quarter 2012-13 Budget Reforecast.</u> FINANCE

SUMMARY OF REQUEST: At this time staff is transmitting the ***Second Quarter***

2012-13 Budget Reforecast which outlines proposed changes to the original budget that have come about as result of changes in revenue projections, policy priorities, labor contracts, updated economic conditions, or other factors.

FINANCIAL IMPACT: No major changes to the budget were made for the second quarter. Some marginal adjustments were made resulting in the following:

- The projected year-end FY13 fund balance for the General Fund is $4,813,782 up slightly from $4,805,919 estimated at the first quarter reforecast. The FY13 operating deficit (expenditures over revenues) is expected to be $206,263 down from the first quarter reforecast ($214,126) and down from the original budget estimate ($575,738).
- General Fund revenues are reforecast to be $221,326 (-0.9%) lower than originally budgeted. Most of this decrease is due to the tax appeal settlement with Consumers Energy that was incorporated into the 1Q reforecast.
  - Total revenues for the first six months of the fiscal year are ahead of last year by about $250,000.
  - Income tax revenues are also ahead of last year's pace by about 2%. If this trend continues, the revenue estimate for income tax will be increased from $7.2 million in the 3Q reforecast. Last year the final income tax figure was just over $7.4 million.
- General Fund expenditures are estimated to be $590,801 or 2.5% lower than originally budgeted mostly due to lower employee benefit costs.
  - Total expenditures through the first six months are $637,000 lower than last year at the same time.
- Other City funds are mostly in-line with budget projections. The Water fund is being monitored closely to determine if a rate increase will be needed.

BUDGET ACTION REQUIRED: City Commission approval of this reforecast will formally amend the City's 2012-13 budget.

STAFF RECOMMENDATION: Approval.

D. <u>Establish Terrace Plaza Ct. as Street Name.</u> ENGINEERING

SUMMARY OF REQUEST: The section of public road between Terrace Plaza building and the bank be assigned the name of Terrace Plaza Court (Ct.). This section of road was a part of the old Terrace Street before it was realigned to connect to Shoreline Dr. construction.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Assign the name of Terrace Plaza Ct. and authorize staff to install street name signs.

F. Approval of Sale of City-Owned Vacant Lot at 1189 Terrace. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the resolution and direct the Mayor and Clerk to sign Quit Claim Deed to Mr. Ty Ross, of 1197 Terrace, for the vacant lot at 1189 Terrace Street. Mr. Ross will purchase it for $1,000.

FINANCIAL IMPACT: The proceeds from the sale will be used to cover NSP1 projects.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution and direct Community & Neighborhood Services staff to file the Quit Claim Deed.

G. New Police Cruisers. PUBLIC WORKS

SUMMARY OF REQUEST: Authorize staff to purchase three new Chevy Caprice patrol vehicles, total purchase price of $83,904 from Shaheen Chevrolet, the Mi Deal (state contract) awarded dealership.

FINANCIAL IMPACT: $83,904.

BUDGET ACTION REQUIRED: None, amount is what was budgeted.

STAFF RECOMMENDATION: Authorize staff to purchase new Police cruisers from Shaheen Chevrolet.

H. Transportation Improvements Program Submittal for 2014-2017 Projects. ENGINEERING

SUMMARY OF REQUEST: Authorize staff to submit the list of projects to the West Michigan Shoreline Regional Development Commission for inclusion in the FY 2014 – 2017 Transportation Improvement Program (TIP). Projects submitted will be considered for Federal and State transportation funding. Adoption of the resolution is required as part of the submittal to commit the local match should funds become available.

FINANCIAL IMPACT: None at this time; however, a local match will be required should we receive a grant for a particular project.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve the project submittal and resolution.

I. Contract Extension Agreement: One Year Street Sweeping Contract for 2013. PUBLIC WORKS

SUMMARY OF REQUEST: To exercise the option for a one-year contractual extension, as outlined in the previous three-year contract with TRI-US SERVICES, INC., to provide street sweeping services for 2013.

FINANCIAL IMPACT: $139,700.50 cost for one-year contract extension. Funds to cover all expenses are budgeted. Trunkline expenses are reimbursed by State funding.

BUDGET ACTION REQUIRED: None, monies appropriated in Highway and State trunkline budgets.

STAFF RECOMMENDATION: Approve request to contract out service for one-year extension as specified in previous contract.

J. <u>Proposal for Codification of City Ordinances.</u> CITY CLERK

SUMMARY OF REQUEST: The City's Code of Ordinances was last codified in 2002. Many ordinances have been added, deleted, and/or changed since that time. As ordinances are modified, other ordinances that may refer to these items are not normally modified unless it is known.

The City has used the services of Municipal Code Corporation, out of Tallahassee, FL for codification service for many years. They are a well known company used by many municipalities in Michigan. They have submitted a proposal for a legal review by a staff attorney and consultation to modify the code. They will review existing ordinances as well as State laws and give recommendations of proposed changes. When the project is complete, it will be given to City Commission for consideration of adoption.

The project is estimated to cost $18,000 - $22,000 and can be paid over two fiscal years.

We did receive another proposal from a company out of New York. Though they estimate their cost to be $10,648, the proposal does not offer a legal review, a necessity.

FINANCIAL IMPACT: $10,000 has been budgeted in this fiscal year for this project.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To authorize the Clerk to sign the agreement for codification services of our City ordinances with Municipal Code.

K. <u>Encroachment Agreement – Placement of Public Benches.</u> CITY CLERK

SUMMARY OF REQUEST: Our agreement with Perma Advertising, owner of the benches placed throughout the community for public use has expired. The proposed agreement to renew the contract is for ten years.

Changes to the proposed agreement include five benches for exclusive use of the City to advertise (the previous agreement authorized three), allowance of 40 benches at locations approved by staff (current agreement allowed 35 benches), and Perma advertising also authorizes use of two additional benches at the end of Wilcox Avenue for use of the public. The proposed agreement also gives the ability for the City Manager to approve additional benches within the agreement period.

FINANCIAL IMPACT: The City will collect a $5 per month, per bench, encroachment fee.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the agreement as presented.

Motion by Vice Mayor Spataro, second by Commissioner Wierengo to approve the Consent Agenda with the exception of item E.

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

Nays: None

MOTION PASSES

2013-11 ITEM REMOVED FROM THE CONSENT AGENDA:

E. <u>Approval of Building Procurement Contractor for Community & Neighborhood Services.</u> COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: Award the Procurement Building Contract to Schmidt Roofing and Construction for the 2013 year to be used by the Community & Neighborhood Services for HOME rental projects.

The CNS office solicited bids through public notices for a variety of trades.

FINANCIAL IMPACT: The funding for all projects would be used from the income received from our Rental/Lease Program.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the selected Building Contractor through the Procurement Process.

Motion by Commissioner Turnquist, second by Commissioner Wierengo to approve the selected building procurement contractor for Community & Neighborhood Services.

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

Nays: None

MOTION PASSES

1013-12 NEW BUSINESS:

A. <u>2013-2014 Labor Agreement with Police Command Union.</u> CITY MANAGER

SUMMARY OF REQUEST: To approve the tentative bargaining agreements between the City of Muskegon and the Police Command Union (Command Officers Association of Michigan) for years 2013 and 2014.

FINANCIAL IMPACT: Previously provided.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the tentative agreements and the resolution to change the pension benefits.

Motion by Vice Mayor Spataro, second by Commissioner Hood to approve the 2013-14 Labor Agreement with the Police Command Union as described.

PUBLIC PARTICIPATION: Public comments received.

2013-13 CLOSED SESSION: To Discuss Pending Litigation.

Motion by Commissioner Turnquist, second by Commissioner Wierengo to go into Closed Session to discuss pending litigation.

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

Nays: None

MOTION PASSES

Motion by Vice Mayor Spataro, second by Commissioner German to come out of Closed Session.

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

Nays: None

MOTION PASSES

ADJOURNMENT: The City Commission Meeting adjourned at 6:13 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk