CITY OF MUSKEGON

CITY COMMISSION MEETING

FEBRUARY 11, 2014

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 11, 2014.

Mayor Gawron opened the meeting with prayer from Mr. George Monroe from Evanston Avenue 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 Gawron, Vice Mayor Lawrence Spataro, Commissioners Eric Hood, Willie German, Dan Rinsema-Sybenga, Byron Turnquist, and Ken Johnson, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Marie Cummings.

2014-13 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the January 28th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Approval of Building Contract for 2035 Harding. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To award the Building Contract for the rehabilitation of 2035 Harding to Midwest Builders for the City of Muskegon's Homebuyers Program through Community & Neighborhood Services.

Community & Neighborhood Services received seven bids. The cost estimate from our spec writer was $25,550.

FINANCIAL IMPACT: The funding for this project has been secured through the HOME Program 2013 grant allocation.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To award Midwest Builders the building rehabilitation contract for 2035 Harding, in the amount of $24,310, for the Community & Neighborhood Services office.

C. __Police Officers Labor Council Contract.__ CITY MANAGER

SUMMARY OF REQUEST: The City and POLC were previously scheduled for Act 312 Arbitration in February 2014 to settle the 2014-16 collective bargaining agreement. The City Commission is requested to approve the negotiated tentative agreement with the POLC Unit. This agreement has been ratified by the bargaining unit.

Key points of the agreement are as follows:

1. The agreement is for a period of three years.
2. Employee contributions to the MERS Pension are increased from 6% to 6.5%.
3. Employer contributions to the Defined Contribution Plan are increased from 10% to 10.5%.
4. No hourly wage changes are proposed for any of the three years of the agreement.
5. Many bargaining members will move to a 12-hour work day.
6. All bargaining members will move to an 84-hour average two-week work period.
7. The City will be authorized to utilize part time officers for certain special details/duties.

FINANCIAL IMPACT: The net additional cost of the Police Officers Labor Council Contract could be in the range of $46,000 to $55,000.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the tentative agreement and to authorize the Mayor and Clerk to sign the contract.

D. __Appointments to Various Boards and Committees.__ CITY CLERK

SUMMARY OF REQUEST: To approve the appointment of Emma Torresen to the Community Development Block Grant-Citizen's District Council, John Riegler and Heidi Sytsema to the Downtown Development Authority, Oneata Bailey to the Housing Commission, and Ellen Davis to the Local Officer's Compensation Commission.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the appointments.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended the appointments at their February 10th meeting. The City Manager recommends the appointment of Oneata Bailey to the Housing

Commission.

Motion by Commissioner Turnquist, second by Commissioner German to accept the Consent Agenda as presented.

ROLL VOTE: Ayes: Gawron, Hood, Spataro, German, Rinsema-Sybenga, Turnquist, and Johnson

Nays: None

MOTION PASSES

2014-14 NEW BUSINESS:

A. <u>Second Quarter 2013-2014 Budget Reforecast.</u> FINANCE

SUMMARY OF REQUEST: At this time staff is transmitting the ***Second Quarter 2013-14 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 FY14 fund balance for the General Fund is $4,823,112 up slightly from $4,795,755 estimated at the first quarter reforecast. The FY14 operating deficit (expenditures over revenues) is expected to be $830,446 down from the first quarter reforecast ($856,803) but up from the original budget estimate ($592,495).
- General Fund revenues are reforecast to be $113,042 (+0.5%) higher than originally budgeted. Most of this increase is due to higher builder permit fees and state shared revenues that were incorporated into the 1Q reforecast.
- General Fund expenditures are estimated to be $350,993 or 1.5% greater than originally budgeted mostly due to a $300,000 supplemental contribution to MERS in addition to $58,000 in higher projected inspection costs that were both incorporated into the 1Q reforecast previously approved.
- Other City funds are mostly in-line with budget projections.

BUDGET ACTION REQUIRED: City Commission approval of this reforecast will formally amend the City's 2013-14 budget.

STAFF RECOMMENDATION: Approval.

Motion by Vice mayor Spataro, second by Commissioner Hood to approve the Second Quarter 2013-2014 Budget Reforecast.

ROLL VOTE: Ayes: Spataro, German, Rinsema-Sybenga, Turnquist, Johnson, Gawron, and Hood

Nays: None

MOTION PASSES

B. <u>Sidewalk Snow Removal Ordinance Amendment.</u> ITEM REMOVED

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission Meeting adjourned at 5:55 pm.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk