CITY OF MUSKEGON

CITY COMMISSION MEETING

June 9, 2026 @ 5:30 PM

MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440

AGENDA

- ☐ **CALL TO ORDER:**
- ☐ **PRAYER:**
- ☐ **PLEDGE OF ALLEGIANCE:**
- ☐ **ROLL CALL:**
- ☐ **HONORS, AWARDS, AND PRESENTATIONS:**
- ☐ **PUBLIC HEARINGS:**

  A. **PA 198 Industrial Facilities Exemption — American Fabricated Products, INC. — 331 W. Laketon Ave.** Economic Development

- ☐ **PUBLIC COMMENT ON AGENDA ITEMS:**
- ☐ **CONSENT AGENDA:**

  A. **Approval of Minutes** City Clerk

  B. **Financial Policies** Finance

  C. **Equipment Purchase: Parks Department - Bobcat UW56** DPW- Parks

  D. **Equalization and Assessing Contract** Finance

  E. **MERS 457 Participation Agreement** Finance

  F. **Asphalt Emulsion Spill Remediation** Public Works

  G. **Beach St. Parking & Pedestrian Facility Improvements** Public Works

  H. **Approval of the FY 2026-27 Budget** Manager's Office

  I. **Contract for Legal Services** Manager's Office

  J. **Rad Dads Agreement** Manager's Office

- ☐ **UNFINISHED BUSINESS:**

☐ **NEW BUSINESS:**

☐ **ANY OTHER BUSINESS:**

☐ **GENERAL PUBLIC COMMENT:**

► 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. ►Limit of 3 minutes to address the Commission.

☐ **CLOSED SESSION:**

A. Closed Session - Attorney Client Privileged Communication City Clerk

☐ **ADJOURNMENT:**

AMERICAN DISABILITY ACT POLICY FOR ACCESS TO OPEN MEETINGS OF THE CITY OF MUSKEGON AND ANY OF ITS COMMITTEES OR SUBCOMMITTEES

To give comment on a live-streamed meeting the city will provide a call-in telephone number to the public to be able to call and give comment. For a public meeting that is not live-streamed, and which a citizen would like to watch and give comment, they must contact the City Clerk's Office with at least a two-business day notice. The participant will then receive a zoom link which will allow them to watch live and give comment. Contact information is below. For more details, please visit: www.shorelinecity.com

The City of Muskegon will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities who want to attend the meeting with twenty-four (24) hours' notice to the City of Muskegon. Individuals with disabilities requiring auxiliary aids or services should contact the City of Muskegon by writing or by calling the following:

Ann Marie Meisch, MMC. City Clerk. 933 Terrace St. Muskegon, MI 49440. (231)724-6705. clerk@shorelinecity.com

CITY OF MUSKEGON

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** PA 198 Industrial Facilities Exemption — American Fabricated Products, INC. — 331 W. Laketon Ave.
Submitted by: Jocelyn Hines, Development Analyst	**Department:** Economic Development

Brief Summary:
Pursuant to Public Act 198 of 1974, as amended, American Fabricated Products, INC has requested the issuance of an Industrial Facilities Exemption certificate for their property located at 331 W. Laketon Ave.

Detailed Summary & Background:
American Fabricated Products, Inc. (American Fab) has submitted an application for an Industrial Facilities Exemption (IFT) certificate for real property improvements at 331 W. Laketon Avenue. The company plans to rehabilitate the 64,366 square-foot facility with a total investment of $665,996.

American Fab is relocating its operations from Spring Lake to the City of Muskegon. Approximately 40% of the company's current workforce resides within the City of Muskegon, and the company anticipates creating 22 additional jobs as part of this expansion.

If approved, the IFT certificate would reduce property taxes on the eligible real property improvements by 50% for the duration of the exemption.

American Fab is a West Michigan manufacturer specializing in advanced metal fabrication, precision machining, laser cutting, CNC machining, welding, robotic welding, metal forming, assembly, and prototype-to-production manufacturing services. The company serves a diverse customer base, including the defense, automotive, furniture, industrial, logistics and warehousing, agricultural, medical, and food service sectors, and supports both OEMs and their suppliers. American Fab is also a supplier to prime and sub-prime defense contractors and manufactures components for military defense vehicles.

In addition to the IFT request, American Fab will be requesting a Brownfield Plan Amendment from the Brownfield Redevelopment Authority on June 9, 2026, to allow for the reimbursement of eligible activities. Final consideration of the Brownfield Plan Amendment is scheduled before the City Commission on June 23, 2026.

Following its review, the City's Internal Tax Committee recommends approval of a 9-year abatement term for the proposed investment.

Goal/Action Item:
2027 Goal 1: Destination Community & Quality of Life - Reduction of blighted commercial properties

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
N/A

Budgeted Item:

Yes		No		N/A	X	

Fund(s) or Account(s):
N/A

Budget Amendment Needed:

Yes		No		N/A	X	

Recommended Motion:
I move to close the public hearing and approve the issuance of an Industrial Facilities Exemption certificate for a period of nine (9) years for the property located at 331 W. Laketon Ave. and to authorize the Mayor and City Clerk to sign the application and resolution.

Approvals:

Immediate Division Head	X	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:
Public Act 198 of 1974, as amended

Michigan Department of Treasury
1012 (Rev. 09-22), Page 1 of 4

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the completed application and the required attachments with the clerk of the local government unit. If you have any questions regarding the completion of this form, call 517-335-7491.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date Received by Local Unit 5/26/26
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) American Fabricated Products, Inc.	1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 332710	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 331 W Laketon Ave Muskegon, MI 49441	1d. City/Township/Village (indicate which) City of Muskegon	1e. County Muskegon
2. Type of Approval Requested ☐ New (Sec. 2(5)) ☐ Transfer ☐ Speculative Building (Sec. 3(8)) ☒ Rehabilitation (Sec. 3(6)) ☐ Research and Development (Sec. 2(10)) ☐ Increase/Amendment	3a. School District where facility is located Muskegon Public Schools 4. Amount of years requested for exemption (1-12 Years) 12 Years After Completion	3b. School Code 61010

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

American Fabricated Products is moving their operations from Spring Lake to the City of Muskegon. They are reconstructing a current facility to include general office remodel, new mechanical, plumbing and electrical. Job creation will occur incrementally and is directly tied to capital investment, equipment installation, and increased manufacturing throughput. Positions will include production operators, skilled trades, quality and technical roles, engineering support.

6a. Cost of land and building improvements (excluding cost of land) .... 665,996 (Real Property Costs)
- Attach list of improvements and associated costs.
- Also attach a copy of building permit if project has already begun.

6b. Cost of machinery, equipment, furniture and fixtures .... 0 (Personal Property Costs)
- Attach itemized listing with month, day and year of beginning of installation, plus total

6c. Total Project Costs .... 665,996 (Total of Real & Personal Costs)
- Round Costs to Nearest Dollar

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	04/15/2026	04/14/2028	☐ Owned ☒ Leased
Personal Property Improvements			☐ Owned ☐ Leased

8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. ☐ Yes ☒ No

9. No. of existing jobs at this facility that will be retained as a result of this project. 30	10. No. of new jobs at this facility expected to create within 2 years of completion. 22

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land) .... 345,531.
b. TV of Personal Property (excluding inventory) .... Ø
c. Total TV 345,531

12a. Check the type of District the facility is located in:
☒ Industrial Development District ☐ Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit) 04/14/2026	12c. Is this application for a speculative building (Sec. 3(8))? ☐ Yes ☒ No

APPLICANT CERTIFICATION - complete all boxes.

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name	13b. Telephone Number	13c. Fax Number	13d. E-mail Address
Emily Morgenstern	(231) 724-3181		emily@developmuskegon.
14a. Name of Contact Person	**14b. Telephone Number**	**14c. Fax Number**	**14d. E-mail Address**
Russell Golemba	(616) 607-8785		rsgolemba@american-fab.
15a. Name of Company Officer (No Authorized Agents)			
Russell Golemba, Vice President			
15b. Signature of Company Officer (No Authorized Agents)		**15c. Fax Number**	**15d. Date**
			5/20/26
15e. Mailing Address (Street, City, State, ZIP Code)		**15f. Telephone Number**	**15g. E-mail Address**
16910 148th Ave Spring Lake, MI 49456		(616) 607-8785	sgolemba@american-fab.

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

16. Action taken by local government unit

- ☐ Abatement Approved for ______ Yrs Real (1-12), _____ Yrs Pers (1-12)
  After Completion ☐ Yes ☐ No
- ☐ Denied (Include Resolution Denying)

16a. Documents Required to be on file with the Local Unit
Check or Indicate N/A if Not Applicable

- ☐ 1. Notice to the public prior to hearing establishing a district.
- ☐ 2. Notice to taxing authorities of opportunity for a hearing.
- ☐ 3. List of taxing authorities notified for district and application action.
- ☐ 4. Lease Agreement showing applicants tax liability.

16b. The State Tax Commission Requires the following documents be filed for an administratively complete application:
Check or Indicate N/A if Not Applicable

- ☐ 1. Original Application plus attachments, and one complete copy
- ☐ 2. Resolution establishing district
- ☐ 3. Resolution approving/denying application.
- ☐ 4. Letter of Agreement (Signed by local unit and applicant)
- ☐ 5. Affidavit of Fees (Signed by local unit and applicant)
- ☐ 6. Building Permit for real improvements if project has already begun
- ☐ 7. Equipment List with dates of beginning of installation
- ☐ 8. Form 3222 (if applicable)
- ☐ 9. Speculative building resolution and affidavits (if applicable)

16c. School Code	
61010	
17. Name of Local Government Body	**18. Date of Resolution Approving/Denying this Application**
City of Muskegon	6/9/2026

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
	Ann Marie Meisch	ann.meisch@shorelinecity.com
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
933 Terrace St. Muskegon, MI 49440		
19e. Telephone Number	**19f. Fax Number**	
231-724-6705		

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

For faster service, email the completed application and additional required documentation to PTE@michigan.gov.

An additional submission option is to mail the completed application and required documents to:

Michigan Department of Treasury
State Tax Commission
PO Box 30471
Lansing, MI 48909

STC USE ONLY				
LUCI Code	Begin Date Real	Begin Date Personal	End Date Real	End Date Personal

Full Contact Information for Page 2 Section 13.d and 14.d

Preparer Name: Emily Morgenstern Preparer email: emily@developmuskegon.org

Name of Contact Person: Russell Golemba Email of Contact Person: rsgolemba@american-fab.com

Description		
Design, Permits, & Utility Connections	$	14,550.00
Concrete & Masonry	$	37,475.00
Electrical	$	140,000.00
Excavation, Site Preparation & Landscpaing	$	17,070.00
Building Constrution	$	38,857.00
Framing, Drywall & Finishes	$	193,000.00
Doors, Windows and Hardware	$	13,344.00
General Conditions and Labor	$	146,800.00
HVAC	$	64,900.00
Total Project Cost	**$**	**665,996.00**

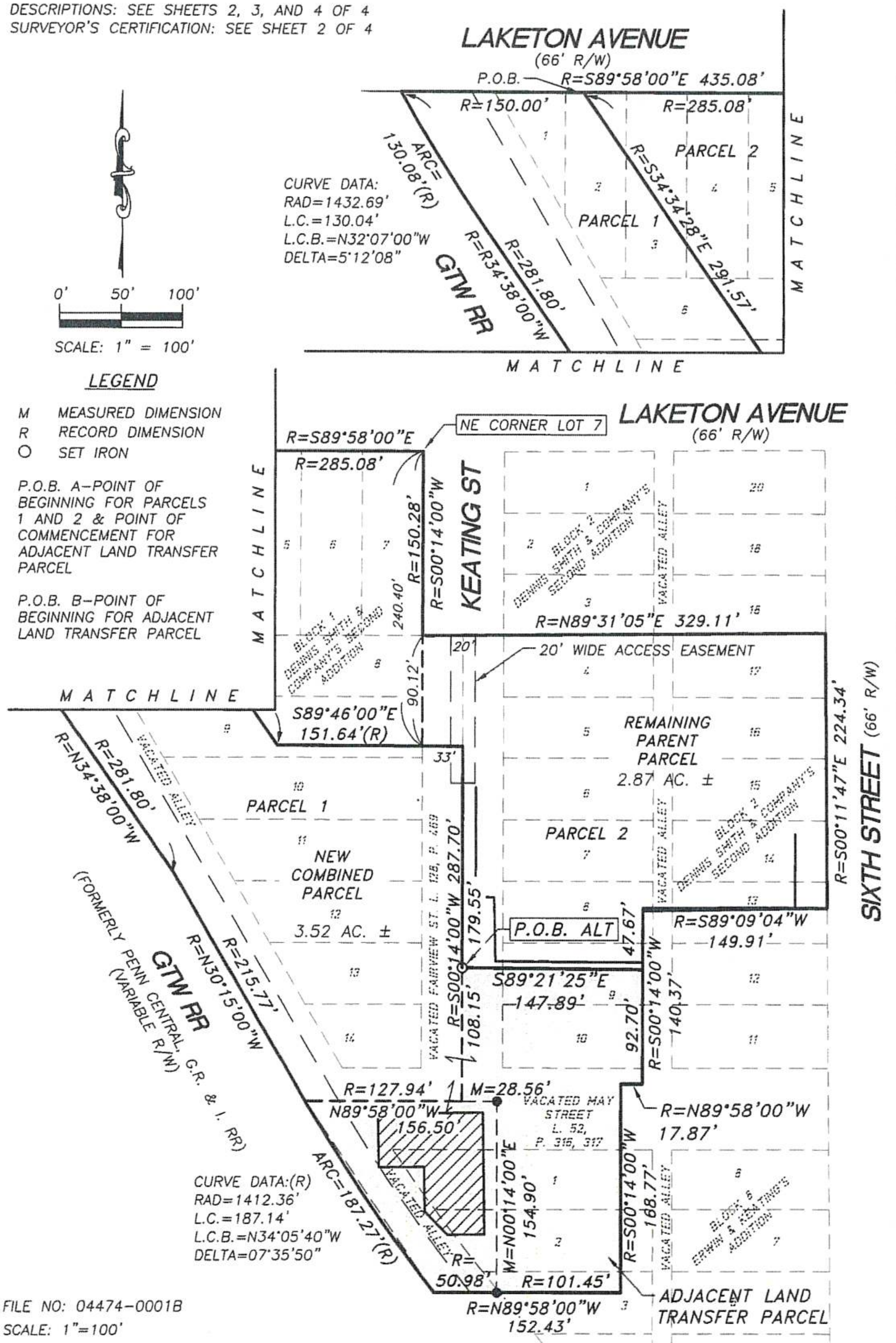
TOTAL SQUARE FOOTAGE
64266 SQUARE FOOT
RAW MATERIAL
RECIVING RACKS
FINSHED GOODS / READY TO SHIP
WAITING ON BRIDGE MILL CONFIGURATION
SHIPPING OFFICE ENTRY (SIDE MOUNT SIGN)
EXISTING HVAC UNIT (OPERATIONAL)
OPEN UP DOOR 6' FOR CLEARANCE
FLOOR STAGING
14' WIDE PATH OF TRAVEL
FUTURE BRIDGE MILL 40' X 40
14' WIDE PATH OF TRAVEL
VF9 HSK
VF4
FUTURE SMALL MILL
FUTURE MEDIUM MILL
FUTURE MEDIUM MILL
10' WIDE PATH OF TRAVEL
VF4
VF3 / TOOL ROOM
VF9 CAT 50
PROGRAM / PRODO /TC
PROGRAM/ TOOLROOM
FUTURE MEDIUM MILL
FUTURE MEDIUM MILL
SAW/BAR/TUBE CUT
14' WIDE PATH OF TRAVEL
BATH W
BATH M
FIRE RISER ROOM
PLASMA
14' PATH OF TRAVEL
S
B
WORK ENVELOPE
S
F
E
B
L
L
WORK ENVELOPE
CHILLER / ELECTRICAL
VF11
FUTURE MEDIUM MILL
FUTURE MEDIUM MILL
FUTURE MEDIUM MILL
ROUTER
SHIPPIN G
TOOL CRIB
BREAK ROOM
VF8
12' WIDE PATH OF TRAVEL
MDP 1
10' WIDE PATH OF TRAVEL
AIR COMPRESS ROOM
BATH M
QC PASSED
QUALITY LAB
QC WIP
TANK STORAGE
BATH W
12' WIDE PATH OF TRAVEL
PAINT
NEW OFFICE SPACE
ASSEMBLY
QC HOLD / DISPOSTION
MDP 2
12' WIDE PATH OF TRAVEL
OVEN
GRIND CELL
GRIND CELL
FANUC 0i A/L
FANUC 710i
FANUC 100lb
LARGE CRANE WELDING / FLOOR WORK
TORCH CUT
TRIM CUT
TABLE
WELD CELL 1
WELD CELL 2
WELD CELL 3
WELD CELL 4
WELD CELL 5
WELD CELL 6

WESTSHORE
ENGINEERING & SURVEYING
ENVIRONMENTAL

CERTIFICATE OF SURVEY

FOR: MUSKEGON VENTURES

DESCRIPTIONS: SEE SHEETS 2, 3, AND 4 OF 4
SURVEYOR'S CERTIFICATION: SEE SHEET 2 OF 4



FILE NO: 04474-0001B
SCALE: 1"=100'
SURVEYED BY: MDM/GPB
DRN BY: NSS/MMT

DATE: 05/06/25
SHEET 1 OF 4

Y:\- Jobs Combined\04001 - 04500\04451 - 04500\04474\04474-0001B\DWG\4474-0001B.dwg, 5/6/2025 1:36:46 PM, \\wssrv2019\Graphics

WESTSHORE
ENGINEERING & SURVEYING
ENVIRONMENTAL

CERTIFICATE OF SURVEY

FOR: MUSKEGON VENTURES

DESCRIPTIONS:

ADJACENT LAND TRANSFER PARCEL:

PART OF LOTS 9 AND 10 OF BLOCK 2 OF DENNIS SMITH AND COMPANY'S SECOND ADDITION TO THE CITY OF MUSKEGON AS RECORDED IN LIBER 3, OF PLATS PAGE 10, MUSKEGON COUNTY RECORDS, ALSO PART OF VACATED FAIRVIEW AND MAY STREETS, ALSO PART OF LOTS 1-3 OF OF BLOCK 8 OF ERWIN & KEATING'S ADDITION TO THE CITY OF MUSKEGON, AND ALSO PART OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 31, TOWN 10 NORTH, RANGE 16 WEST, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, LYING EASTERLY OF THE PENN CENTRAL RAILROAD RIGHT-OF-WAY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 7 OF DENNIS SMITH AND COMPANY'S SECOND ADDITION TO THE CITY OF MUSKEGON AS RECORDED IN LIBER 3, OF PLATS PAGE 10, MUSKEGON COUNTY RECORDS, THENCE SOUTH 00 DEGREES 14 MINUTES 00 SECONDS WEST ALONG THE WESTERLY RIGHT-OF-WAY LINE OF KEATING STREET (FORMERLY FAIRVIEW STREET), A DISTANCE OF 240.40 FEET, THENCE SOUTH 89 DEGREES 46 MINUTES 00 SECONDS EAST, A DISTANCE OF 33.00 FEET TO THE CENTERLINE OF VACATED KEATING STREET (FORMERLY FAIRVIEW STREET); THENCE SOUTH 00 DEGREES 14 MINUTES 00 SECONDS WEST, A DISTANCE OF 179.55 FEET TO THE POINT OF BEGINNING (B);

THENCE SOUTH 89 DEGREES 21 MINUTES 25 SECONDS EAST, A DISTANCE OF 147.89 FEET;
THENCE SOUTH 0 DEGREES 14 MINUTES 0 SECONDS WEST, A DISTANCE OF 92.70 FEET;
THENCE NORTH 89 DEGREES 58 MINUTES 00 SECONDS WEST, A DISTANCE OF 17.87 FEET;
THENCE SOUTH 0 DEGREES 14 MINUTES 0 SECONDS WEST, A DISTANCE OF 168.77 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 0 SECONDS WEST, A DISTANCE OF 101.45 FEET;
THENCE NORTH 0 DEGREES 14 MINUTES 0 SECONDS EAST, A DISTANCE OF 154.90 FEET;
THENCE NORTH 89 DEGREES 58 MINUTES 0 SECONDS WEST, A DISTANCE OF 28.56 FEET;
THENCE NORTH 0 DEGREES 14 MINUTES 0 SECONDS EAST, A DISTANCE OF 108.15 FEET TO THE POINT OF BEGINNING.
SAID PARCEL CONTAINS 0.72 ACRES, MORE OR LESS.

DEEDS PREPARED UTILIZING THIS LEGAL DESCRIPTION FOR CONVEYANCES MUST MEET THE REQUIREMENTS OF SECTION 109 PARAGRAPH 3 AND 4 OF P.A. 591 OF 1996.

SUBJECT SURVEY SHOULD BE REVIEWED FOR COMPLIANCE WITH LAND DIVISION ACT 591 PA, 1996 AS AMENDED AND ACT 286 PA. 1972 AND CONFORMANCE TO ADOPTED ZONING ORDINANCES.

AS A PROFESSIONAL LAND SURVEYOR OF THE STATE OF MICHIGAN, I DO HEREBY CERTIFY THAT TO THE BEST OF MY PROFESSIONAL KNOWLEDGE AND BELIEF, I HAVE SURVEYED THE PROPERTY AS DESCRIBED AND SHOWN HEREIN AND THAT THERE EXISTS NO VISIBLE ENCROACHMENTS ON SAID PROPERTY UNLESS NOTED AND THAT THIS SURVEY WAS PERFORMED IN ACCORDANCE WITH PUBLIC ACT 132 OF 1970, AS AMENDED. THIS SURVEY WAS PERFORMED IN ACCORDANCE WITH A DESCRIPTION FURNISHED BY OTHERS AND SHOULD BE COMPARED TO THE ABSTRACT OF TITLE OR TITLE POLICY FOR ACCURACY, EASEMENTS, OR EXCEPTIONS. THIS SURVEY DOES NOT EXTEND TO ANY UNNAMED PERSON WITHOUT AN EXPRESSED RECERTIFICATION BY THE SURVEYOR.
THE RELATIVE POSITIONAL PRECISION OF EACH CORNER SHOWN ON THIS SURVEY IS WITHIN THE LIMITS ACCEPTED BY THE PRACTICE OF PROFESSIONAL SURVEYING.
BEARINGS SHOWN ARE REFERENCED TO STATE PLANE COORDINATES - MI SOUTH.

TIMOTHY W. DEMUMBRUM, P.S. DATE:
P.S. NO. 54454
2534 BLACK CREEK ROAD
MUSKEGON, MI. 49444
PHONE : (231)777-3447

DATE: 05/06/25
SHEET 2 OF 4

FILE NO: 04474-0001B
SCALE: 1"=50'
SURVEYED BY: MDM/GPB
DRN BY: NSS/MMT

WESTSHORE
ENGINEERING & SURVEYING
ENVIRONMENTAL

CERTIFICATE OF SURVEY

FOR: MUSKEGON VENTURES

PARCEL 1 #61-24-230-001-0001-00

PROPERTY TAX DESCRIPTION: (FROM GIS)

CITY OF MUSKEGON
PART OF BLK 1 OF
DENNIS SMITH & CO'S 2ND ADD
ALSO W 33 FT VAC FAIRVIEW ST
& PART OF VAC MAY ST
& ALSO PART OF NW ¼ OF NE ¼ SEC 31 T10N R16W
LYING ELY OF PENN CENTRAL RR ROW DESC AS FOL
COM AT NE COR LOT 7 DENNIS SMITH & CO'S ADD
TH N 89D 58M 00S W ALG SLY R-O-W LN LAKETON AVE A DIST OF 285.08 FT TO POB
TH S 34D 34M 28S E A DIST OF 291.58 FT
TH S 89D 46M 00S E A DIST OF 151.64 FT
TH S 00D 14M 00S W A DIST OF 287.69 FT
TH N 89D 58M 00S W A DIST OF 127.94 FT
TH N 30D 15M 00S W ALG ELY ROW LN OF SD PENN CENTRAL RR A DIST OF 215.77 FT
TH N 34D 38M 00S W A DIST OF 281.80 FT
TH NWLY A DIST OF 130.08 FT ALG A CURVE TO THE RT CURVE DATA BEING
RADIUS = 1432.69 FT DELTA = 05D 12M 08S LC = 130.04 FT LC BEARING = N 32D 07M 00S
W
TH S 89D 58M 00S E ALG SLY ROW LN OF LAKETON AVE A DIST OF 150 FT TO POB
TOGETHER WITH & SUBJ TO A 20 FT WIDE ESMT FOR ACCESS

CONTAINS 2.42 ACRES M/L

PARCEL 2 #61-24-230-001-0001-10

PROPERTY TAX DESCRIPTION: (FROM GIS)

CITY OF MUSKEGON
LOTS 5-7 & PART OF LOTS 2-4 & LOTS 8 & 9 BLK 1 &
LOTS 4-7 & LOTS 14-17 & PART OF LOTS 8-10 & 13 OF BLK 2
DENNIS SMITH & CO'S 2ND ADD
ALSO E 33 FT VAC FAIRVIEW ST & PART OF VAC MAY ST
ALSO PART OF LOTS 1-3 OF BLK 8 OF ERWIN & KEATING'S ADD &
ALSO PT OF NW ¼ OF NE ¼ SEC 31 T10N R16W
LYING ELY OF PENN CENTRAL RR ROW DESC AS FOL
BEG AT NE COR LT 7 DENNIS SMITH & CO'S ADD SD PT BEING THE POB
TH S 00D 14M 00S W ALG WLY ROW LN KEATING ST (F/K/A FAIRVIEW ST) DIST OF 150.28
TH N 89D 31M 05S E A DIST OF 329.11 FT
TH S 00D 11M 47S E ALG WLY ROW LN OF 6TH ST A DIST OF 224.34 FT
TH S 89D 09M 04S W A DIST OF 149.91 FT
TH S 00D 14M 00S W A DIST OF 140.37 FT
TH N 89D 58M 00S W A DIST OF 17.87 FT
TH S 00D 14M 00S W A DIST OF 168.77 FT
TH N 89D 58M 00S W A DIST OF 152.43 FT
TH NWLY ALG ELY R-O-W LN SD PENN CENTRAL RR A DIST OF 187.27 FT ALG A CURVE TO THE
RT CURVE DATE BEING RADIUS = 1412.36FT DELTA = 07D 35M 50S LC = 187.14 FT
LCB = N 34D 05M 40S W
TH S 89D 58M 00S E A DIST OF 127.94 FT
TH N 00D 14M 00S E A DIST OF 287.69 FT
TH N 89D 46M 00S W A DIST OF 151.64 FT
TH N 34D 34M 28S W A DIST OF 291.58
TH S 89D 58M 00S E ALG SLY R-O-W LN OF LAKETON AVE A DIST OF 285.08 FT TO POB

TOGETHER WITH & SUBJ TO A 20 FT WIDE ESMT FOR ACCESS

CONTAINS 3.97 AC M/L

NEW COMBINED PARCEL 1 (PARCEL #61-24-230-001-0001-00)

THAT PART OF BLOCK 1 OF DENNIS SMITH AND COMPANY'S SECOND ADDITION TO THE CITY OF MUSKEGON AS RECORDED IN LIBER 3, OF PLATS PAGE 10, MUSKEGON COUNTY RECORDS, AND PART OF VACATED FAIRVIEW AND MAY STREETS, ALSO PART OF LOTS 9 AND 10 OF BLOCK 2 OF DENNIS SMITH AND COMPANY'S SECOND ADDITION TO THE CITY OF MUSKEGON AS RECORDED IN LIBER 3, OF PLATS PAGE 10, MUSKEGON COUNTY RECORDS, ALSO PART OF LOTS 1-3 OF OF BLOCK 8 OF ERWIN & KEATING'S ADDITION TO THE CITY OF MUSKEGON, AND ALSO PART OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 31, TOWN 10 NORTH, RANGE 16 WEST, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, LYING EASTERLY OF THE PENN CENTRAL RAILROAD RIGHT-OF -WAY, DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTHEAST CORNER OF LOT 7 OF SAID DENNIS SMITH AND COMPANY'S ADDITION;
THENCE NORTH 89 DEGREES 58 MINUTES 00 SECONDS WEST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF LAKETON AVENUE, A DISTANCE OF 285.08 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 34 DEGREES 34 MINUTES 28 SECONDS EAST, A DISTANCE OF 291.58 FEET;
THENCE SOUTH 89 DEGREES 46 MINUTES 00 SECONDS EAST, A DISTANCE OF 151.64 FEET;
THENCE SOUTH 00 DEGREES 14 MINUTES 00 SECONDS WEST, A DISTANCE OF 179.55 FEET;
THENCE SOUTH 89 DEGREES 21 MINUTES 25 SECONDS EAST, A DISTANCE OF 147.89 FEET;
CONTINUED.

DATE: 05/06/25

FILE NO: 04474-0001B

Y:\- Jobs Combined\04001 - 04500\04451 - 04500\04474\04474-0001B\DWG\4474-0001B.dwg, 5/6/2025 1:49:27 PM, \\wssrv2019\Graphics

WESTSHORE
ENGINEERING & SURVEYING
ENVIRONMENTAL

CERTIFICATE OF SURVEY

FOR: MUSKEGON VENTURES

CONT.

THENCE SOUTH 0 DEGREES 14 MINUTES 0 SECONDS WEST, A DISTANCE OF 92.70 FEET;
THENCE NORTH 89 DEGREES 58 MINUTES 00 SECONDS WEST, A DISTANCE OF 17.87 FEET;
THENCE SOUTH 0 DEGREES 14 MINUTES 0 SECONDS WEST, A DISTANCE OF 168.77 FEET;
THENCE NORTH 89 DEGREES 58 MINUTES 0 SECONDS WEST, A DISTANCE OF 152.43 FEET;

THENCE NORTHWESTERLY, ALONG THE EASTERLY RIGHT-OF-WAY LINE OF PENN CENTRAL RAILROAD, A DISTANCE OF 187.27 FEET ALONG A CURVE TO THE RIGHT, CURVE DATA BEING RADIUS =1,412.36 FEET, DELTA=07 DEGREES 35 MINUTES 50 SECONDS, LONG CHORD=187.14 FEET, LONG CHORD BEARING = NORTH 34 DEGREES 05 MINUTES 40 SECONDS WEST;
THENCE NORTH 30 DEGREES 15 MINUTES 00 SECONDS WEST ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF THE PENN CENTRAL RAILROAD, A DISTANCE OF 215.77 FEET;
THENCE NORTH 34 DEGREES 38 MINUTES 00 SECONDS WEST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF THE PENN CENTRAL RAILROAD, A DISTANCE OF 281.80 FEET;

THENCE NORTHWESTERLY, A DISTANCE OF 130.08 FEET ALONG A CURVE TO THE RIGHT CURVE DATA BEING RADIUS =1,432.69 FEET, DELTA=05 DEGREES 12 MINUTES 08 SECONDS, LONG CHORD=130.04 FEET, LONG CHORD BEARING = NORTH 32 DEGREES 07 MINUTES 00 SECONDS WEST;
THENCE SOUTH 89 DEGREES 58 MINUTES 00 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF LAKETON AVENUE, A DISTANCE OF 150.00 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH AND SUBJECT TO AN EASEMENT FOR ACCESS DESCRIBED AS FOLLOWS;
A 20.00 FOOT WIDE EASEMENT FOR ACCESS LOCATED ALONG PART OF THE CENTERLINE OF VACATED FAIRVIEW STREET IN PART OF DENNIS SMITH AND COMPANY'S ADDITION TO THE CITY OF MUSKEGON AS RECORDED IN LIBER, OF PLATS PAGE 10, MUSKEGON COUNTY RECORDS. SAID EASEMENT LYING 10.00 FEET TO THE LEFT AND 10.00 FEET TO THE RIGHT, MEASURED A RIGHT ANGLES, TO THE FOLLOWING DESCRIBED LINE;
COMMENCE AT THE SOUTHEAST CORNER OF LOT 7, BLOCK 1 OF DENNIS SMITH AND COMPANY'S ADDITION;
THENCE NORTH 89 DEGREES 31 MINUTES 05 SECONDS EAST, A DISTANCE OF 33.00 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 00 DEGREES 14 MINUTES 00 SECONDS WEST ALONG THE CENTERLINE OF VACATED FAIRVIEW STREET, A DISTANCE OF 120.53 FEET TO THE POINT OF ENDING.

SAID PARCEL CONTAINS ACRES, 3.52 ACRES, MORE OR LESS.

REMAINING PARENT PARCEL: (PART OF PARCEL 2) (PARCEL #61-24-230-001-0001-10)

LOTS 5-7 AND PART OF LOTS 2, 3, 4, 8 AND 9 OF BLOCK 1 AND LOTS 4-7, 14-17 AND PART OF LOTS 8, 9 AND 13 OF BLOCK 2 OF DENNIS SMITH AND COMPANY'S SECOND ADDITION TO THE CITY OF MUSKEGON AS RECORDED IN LIBER 3, OF PLATS PAGE 10, MUSKEGON COUNTY RECORDS, ALSO THE EAST 33.00 FEET OF VACATED FAIRVIEW STREET, AND PART OF VACATED MAY STREET, AND ALSO PART OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 31, TOWN 10 NORTH, RANGE 16 WEST, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, LYING EASTERLY OF THE PENN CENTRAL RAILROAD RIGHT-OF -WAY, DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHEAST CORNER OF LOT 7 OF SAID DENNIS SMITH AND COMPANY'S ADDITION, SAID POINT BEING THE POINT OF BEGINNING;

THENCE SOUTH 00 DEGREES 14 MINUTES 00 SECONDS WEST ALONG THE WESTERLY RIGHT-OF-WAY LINE OF KEATING STREET (FORMERLY FAIRVIEW STREET), A DISTANCE OF 150.28 FEET;
THENCE NORTH 89 DEGREES 31 MINUTES 05 SECONDS EAST, A DISTANCE OF 329.11 FEET;
THENCE SOUTH 00 DEGREES 11 MINUTES 47 SECONDS EAST ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SIXTH STREET, A DISTANCE OF 224.34 FEET;
THENCE SOUTH 89 DEGREES 09 MINUTES 04 SECONDS WEST, A DISTANCE OF 149.91 FEET;
THENCE SOUTH 00 DEGREES 14 MINUTES 00 SECONDS WEST, A DISTANCE OF 47.67 FEET;
THENCE NORTH 89 DEGREES 21 MINUTES 25 SECONDS WEST, A DISTANCE OF 147.89 FEET;

THENCE NORTH 00 DEGREES 14 MINUTES 00 SECONDS EAST, A DISTANCE OF 179.55 FEET;
THENCE NORTH 89 DEGREES 46 MINUTES 00 SECONDS WEST, A DISTANCE OF 151.64 FEET;
THENCE NORTH 34 DEGREES 34 MINUTES 28 SECONDS WEST, A DISTANCE OF 291.58 FEET;
THENCE SOUTH 89 DEGREES 58 MINUTES 00 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF LAKETON AVENUE, A DISTANCE OF 285.08 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH AND SUBJECT TO AN EASEMENT FOR ACCESS DESCRIBED AS FOLLOWS;
A 20.00 FOOT WIDE EASEMENT FOR ACCESS LOCATED ALONG PART OF THE CENTERLINE OF VACATED FAIRVIEW STREET IN PART OF DENNIS SMITH AND COMPANY'S ADDITION TO THE CITY OF MUSKEGON AS RECORDED IN LIBER, OF PLATS PAGE 10, MUSKEGON COUNTY RECORDS. SAID EASEMENT LYING 10.00 FEET TO THE LEFT AND 10.00 FEET TO THE RIGHT, MEASURED A RIGHT ANGLES, TO THE FOLLOWING DESCRIBED LINE;
COMMENCE AT THE SOUTHEAST CORNER OF LOT 7, BLOCK 1 OF DENNIS SMITH AND COMPANY'S ADDITION;
THENCE NORTH 89 DEGREES 31 MINUTES 05 SECONDS EAST, A DISTANCE OF 33.00 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 00 DEGREES 14 MINUTES 00 SECONDS WEST ALONG THE CENTERLINE OF VACATED FAIRVIEW STREET, A DISTANCE OF 120.53 FEET TO THE POINT OF ENDING.

SAID PARCEL CONTAINS 2.87 ACRES, MORE OR LESS.

DATE: 05/06/25
SHEET 4 OF 4

FILE NO: 04474-0001B

City of Muskegon Com Alteration Permit No: PB260135

BUILDING SAFETY INSPECTIONS 933 TERRACE ST., ROOM 201 MUSKEGON, MI 49440

CALL FOR INSPECTIONS: 231-724-6715 FAX 231-728-4371

Permit Issued: 04/15/26

Permit Expires: 10/12/2026

ALL PERMITS MUST BE FINALED - PLEASE CALL 231-724-6715 FOR AN INSPECTION AT LEAST 24 HOURS IN ADVANCE

Job Location

331 W LAKETON

24-230-001-0001-00

MUSKEGON 49441

Owner

2026 B/ADJ WITH 24-230-001-0

4312 E GRAND RIVER AVE

HOWELL MI 48843

Contractor

Category: Office Remodel

Work Description: NEW INTERIOR OFFICE--BUILD WALLS, ELECTRICAL, MECHANICAL, PLUMBING

CALL FOR REQUIRED INSPECTIONS:
-ABOVE CEILING
-ROUGH
-FINAL

PERMIT MUST BE POSTED/KEPT ON JOB SITE UNTIL FINAL INSPECTION IS COMPLETED AND APPROVED

PERMIT ITEM	WORK TYPE	PERMIT VALUE	FEE
(6) $100,001-$500,00	Office Remodel	175,000.00	$1,630.00
Plan Review	Office Remodel	1,630.00	$1,059.50

Fee Total:	$2,689.50
Amount Paid:	$2,689.50
Balance Due:	$0.00

CODE BOOK REFERENCE 2021 MICHIGAN BUIL

I agree this permit is only for the work described, and does not grant permission for additional or related work which requires separate permits. I understand that this permit will expire, and become null and void if work is not started within 180 days, or if work is suspended or abandoned for a period of 180 days at any time after work has commenced; and, that I am responsible for assuring all required inspections are requested in conformance with the applicable code.
I hereby certify that the proposed work is authorized by the owner, and that I am authorized by the owner to make this application as his authorized agent. I agree to conform to all applicable laws of the State of Michigan and the local jurisdiction. All information on the permit application is accurate to the best of my knowledge.

Payment of permit fee constitutes acceptance of the above terms.

Resolution No. 2026-26(B)

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING AN INDUSTRIAL DEVELOPMENT DISTRICT AT 331 W. LAKETON AVE, MUSKEGON, MI 49441

WHEREAS, pursuant to PA 198 of 1974, as amended, the City Commission of the City of Muskegon has the authority to establish an Industrial Development District within the City of Muskegon; and

WHEREAS, American Fabricated Products has petitioned the City Commission of the City of Muskegon to establish an Industrial Development District on its property located in the City of Muskegon hereinafter described; and

WHEREAS, construction, acquisition, alteration, or installation of a proposed facility has not commenced at the time of filing the request to establish this district; and

WHEREAS, written notice has been given by mail to all owners of real property located within the district, and to the public by newspaper advertisement in the Muskegon Chronicle and public posting of the hearing on the establishment of the proposed district; and

WHEREAS, on April 14, 2026, a public hearing was held at which all owners of real property within the proposed Industrial Development District and all residents and taxpayers of the City of Muskegon were afforded an opportunity to be heard thereon; and

WHEREAS, the City Commission of the City of Muskegon deems it to be in the public interest of the City of Muskegon to establish the Industrial Development District as proposed; and

IT IS HEREBY DETERMINED that the property comprising not less than 50 percent of the state equalized valuation of the property within the proposed Industrial Development District is obsolete; and

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Muskegon that the following described parcel of land situated in the City of Muskegon, Muskegon County, and State of Michigan, to wit:

CITY OF MUSKEGON LOTS 5-7 & PART OF LOTS 2-4 & 8-9 INC BLK 1 & LOTS 4-7 & LOTS 14-17 & PART OF LOTS 8-9 INC & 13 BLK 2 DENNIS SMITH & CO'S 2ND ADDITION ALSO E 33 FT VAC FAIRVIEW ST AND PART OF VACATED MAY ST ALSO PART OF NW 1/4 OF NE 1/4 SEC 31 T10N R16W LYING ELY OF GTW R/R ROW DESC AS FOLLOWS BEG AT NE COR LOT 7 OF DENNIS SMITH & CO'S 2ND ADDITION BEING POB TH S 00D 14M 00S W ALG WLY ROW LN OF KEATING ST 150.28 FT TH N 89D 31M 05S E 329.11 FT TH S 00D 11M 47S E ALG WLY ROW LN OF 6TH ST 224.34 FT TH S 89D 09M 04S W 149.91 FT TH S 00D 14M 00S W 62.17 FT TH N 89D 21M 25S W 147.89 FT TH N 00D 14M 00S E 194.05 FT TH N 89D 46M 00S W 151.64 FT TH N 34D 34M 28S W 291.58 FT TH S 89D 58M 00S E ALG SLY ROW LN OF LAKETON AVE 285.08 FT TO POB TOGETHER WITH & SUBJ TO A 20 FT WIDE ESMT FOR ACCESS SUBJ TO ESMT L/P 4399/224 is established as an Industrial Development District pursuant to the provisions of PA 198 of 1974, as amended, to be known as 331 W. Laketon Ave. Industrial Development District.

Adopted this 14th Day of April 2026.

Ayes: German, Jackson, Kochin, St.Clair, Johnson, Kilgo, and Keener

Nays: None

Absent: None

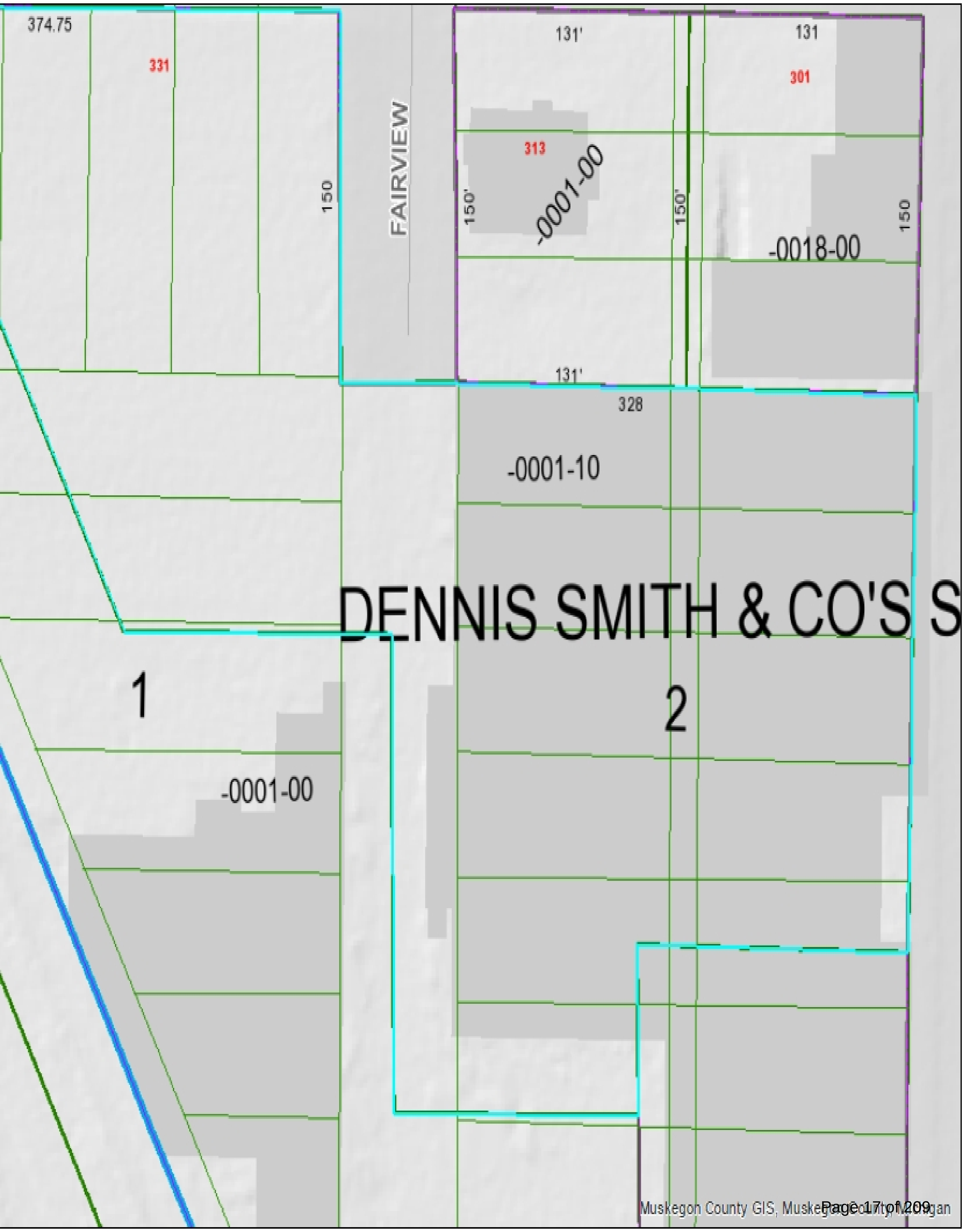
BY: Ken Johnson
Ken Johnson
Mayor

ATTEST: Ann Meisch
Ann Meisch
Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission, County of Muskegon, Michigan, at a regular meeting held on April 14, 2026.

Ann Meisch
Ann Meisch
Clerk


374.75
331
FAIRVIEW
150
131'
131
301
313
-0001-00
150'
150'
150
-0018-00
131'
328
-0001-10
DENNIS SMITH & CO'S S
1
2
-0001-00
Muskegon County GIS

Affidavit of Functional Obsolescence

Project

American Fabricated Products
331 W Laketon Ave
Muskegon, MI 49441

Inspection

The subject property was inspected on Wednesday June 3, 2026, by Donna Vandervries, Wesley Dault and Justin George from the Muskegon County Equalization Department with Russ Golemba of American Fabricated Products.

The existing building consists primarily of concrete block construction and is located on an approximate 2.92 acre site at 331 W. Laketon Avenue, near the corner of W. Laketon Avenue and Business US 31, within the City of Muskegon, Muskegon County, Michigan. The building has been constructed in numerous phases, primarily between 1942 and 1963, and was originally constructed for a piston ring manufacturing use. Since its original construction, the building has been owned by various business entities including Michigan Piston Ring Company, IntraCity Dispatch, Federal Mogul Corp, SRS Fiberglass Products and Michigrown Cannabis.

The structure's façade consists of multiple coverings from steel to brick and block construction with minimal windows and a flat roof. Existing windows appear to be original to the structure and would necessitate replacement, along with exterior block replacement and repairs. Prior to the commencement of the current and proposed renovations, total HVAC replacement, electrical replacement, floor repairs, fire suppression expansion and repairs, lighting fixture replacement and total new office build-outs were required to allow the existing building to be considered to be in a usable condition. Additionally, the subject site reportedly suffered from subsoil environmental issues and no vapor barrier had ever been installed. Subsoil remediation and the installation of a new vapor barrier system is therefore also required to allow for occupancy of the subject building.

In addition to the above-described issues, the ceiling heights are considered low and inconsistent with current manufacturing market standards. This functional limitation will likely cause a need to remove existing floor sections to create recessed machinery pits to allow for installation of contemporary manufacturing equipment.

All of these conditions would need to be addressed in order to make the building viable for any proposed new use.

Certification of Functional Obsolescence

It is this assessor's expert opinion that this property is functionally obsolete and unable to adequately perform the function for which it is intended due to a substantial loss in value resulting from the following conditions: 1.) unserviceable electrical wiring and HVAC Systems requiring all new systems, 2.) the necessity to address subsoil contaminants and lacking a vapor barrier and 3) repairs to flooring and shipping/delivery ramps.

This opinion is made from consideration of the information contained in this report.

Disclaimer

This opinion is based upon the individual research and professional training and experience of the signer. It does not necessarily reflect the official opinion of the local assessor's office as used in the determination of value for the current and/or any future assessment roll.

Donna VanderVries

Donna B. Vandervries, MMAO (4)
Director, Muskegon County Equalization Department

6/05/2026
Date

LEASE

THIS LEASE ("**Lease**") is entered as of October 6, 2025 ("**Effective Date**"), by and between AFP REAL ESTATE, LLC, a Michigan limited liability company, whose address is 331 W. Laketon Avenue, Muskegon, Michigan 49441 ("**Landlord**"), and AMERICAN FABRICATED PRODUCTS, INC., a Michigan corporation, whose address is 331 W. Laketon Avenue, Muskegon, Michigan 49441 ("**Tenant**").

1. Premises and Condition.

1.1. Premises. Landlord leases to Tenant and Tenant leases from Landlord real property located in Muskegon County, Michigan, commonly known as 331 W. Laketon Avenue, Muskegon, Michigan 49441, and legally described on **Exhibit A**, together with all buildings, structures and other improvements located thereon, and all easements and appurtenances thereto (collectively the "**Premises**").

1.2. Condition. Tenant accepts the Premises "as is" on the Commencement Date (as defined below), and Landlord makes no warranties or representations regarding the condition of the Premises as of the Commencement Date.

2. Term.

2.1. Initial Term. This Lease is for a term (the "**Initial Term**") commencing on the Effective Date (the "**Commencement Date**") and extending for fifteen (15) Lease Years. "**Lease Year**" means each period of twelve (12) consecutive calendar months, the first of which shall commence on the first day of the first calendar month after the Commencement Date, provided that if the Commencement Date is the first day of a calendar month, then the Commencement Date shall be the first day of the first Lease Year. "**Term**" means the Initial Term and, if the Extension Option is exercised, the Extension Term.

2.2. Extension Terms. Tenant is granted two (2) options ("**Extension Option**") to extend the Term for five (5) Lease Years (the "**Extension Term**"). An Extension Option shall be exercised in accordance with and subject to the following: (a) Tenant's right to exercise any Extension Option is conditioned upon Tenant not being in default beyond applicable notice and cure periods at the time of the exercise and/or on the commencement of the Extension Term; (b) the Extension Term shall be on the same terms and conditions of this Lease in effect immediately before such Extension Term except that the Base Rent will be determined in accordance with Section 2.3.

2.3. Exercise of Extension Options. If Tenant desires to exercise an Extension Option, it shall do so by giving Landlord written notice (a "**Initial Notice**") thereof not less than two hundred seventy (270) days before the end of the then-current Term. Within thirty (30) days after receipt of the Initial Notice, Landlord shall provide to Tenant a statement ("**Landlord's Statement**") of Landlord's determination of the Market Rent for the Premises during the Extension Term, which shall include the basis for same. "**Market Rate**" means the rent for the Premises, determined by reference to the market for space comparable to the Premises in the Muskegon, Michigan metropolitan area that a willing landlord would offer and a willing tenant would accept in an arm's length transaction for a lease commencing on the first day of the Extension Term and ending on the expiration of the Extension Term, providing (i) annual rent adjustments (or lack of adjustments) as provided in this Lease, (ii) for the tenant to pay toward the expenses of the comparable space in the same fashion as this Lease provides, and (iii) otherwise on the same terms of this Lease. No consideration shall be given to the fact that Landlord is or is not required to pay real estate commissions in connection with this Lease. Tenant shall have thirty (30) days after receipt of Landlord's Statement to provide to Landlord a second notice ("**Second Notice**") pursuant to which Tenant has accepted Market Rent for the Extension Term. If Tenant delivers the Second Notice within the time required hereby, then Landlord and Tenant shall amend this Lease to document the Base Rent during the Extension Term (provided that such amendment shall not be required for the change in Base Rent to be effective). If Tenant fails to provide the Initial Notice or the Second Notice within the time and manner required hereby, the Lease shall expire on the last day of the then-current Term.

3. Rent.

3.1. Base Rent. Tenant will pay to Landlord as rent a fixed payment of $168,000.00 annually which is payable in equal monthly installments of $14,000.00 ("**Base Rent**"). Base Rent shall be adjusted on the first day of each Extension Term in accordance with Section 2.3.

3.2. Additional Rent. Base Rent shall be absolutely net to Landlord so that this Lease shall yield net to Landlord, the Base Rent provided herein. Tenant covenants and agrees to pay all Operating Expenses for the Premises incurred, assessed or levied against the Premises during any calendar year during the Term. "**Operating Expenses**" are defined as all costs and expenses incurred in owning, operating, managing, repairing, and replacing the Premises or any part thereof. Operating Expenses shall include, but not be limited to, those expenses for: (a) Real Estate Taxes (defined below), (b) insurance premiums, (c) utility charges, (d) maintenance, repair, and replacement expenses, (e) expenses relating to compliance with Laws, and (f) all other costs, fees, charges, expenses, reimbursements, and obligations of any kind relating to the Premises which may arise or become due during the Term. Tenant will furnish to Landlord, upon request, a proof of payment of all Operating Expenses. During the Term, all Operating Expenses shall constitute additional rent under this Lease ("**Additional Rent**"), even though not necessarily payable to Landlord. Tenant shall reimburse Landlord for any Operating Expenses incurred by Landlord within thirty (30) days after receipt of Landlord's statement therefor. Nothing contained in this Lease shall obligate Tenant for the payment of any income or franchise taxes payable by Landlord.

3.3. Time and Place of Payment. Base Rent, Additional Rent and other sums payable to Landlord under this Lease shall be considered as rent ("**Rent**"). Rent shall be due and payable to Landlord in advance, in equal monthly installments on the first day of each month, at the address set forth on page 1, or to such other person or entity or to such other address as Landlord may designate in writing. The covenants and obligations of Tenant to pay Rent shall be independent from any obligations, warranties, covenants, or representations, express or implied, if any, of Landlord herein contained and shall be paid without set-off, counterclaim, recoupment, abatement, suspension or deduction. Rent for any partial month during the Term shall be prorated.

3.4. Late Penalty and Interest. If Tenant fails to pay any Rent or other amount within five (5) days after due, Tenant shall pay, as additional Rent, an amount equal to five percent (5%) of such amount to Landlord immediately upon demand. Further, in the event Tenant fails to pay any Rent or other amount within ten (10) days after it becomes due, such amount will thereafter bear interest at the lower of (i) the highest rate permitted by applicable law, and (ii) twelve (12%) above the prime rate as published by the Wall Street Journal or such comparable publication designate by Landlord from time to time (the "**Default Interest Rate**"), until paid.

Similarly, any amounts paid by Landlord to cure any defaults of Tenant under this Lease, will, if not repaid by Tenant within ten (10) days of demand, shall thereafter bear interest at the Default Interest Rate until paid.

4. Use of Premises.

4.1. Permitted Use. Tenant shall use the Premises operation of its metal fabrication and machining business, and for other directly related ancillary uses thereto, and for no other purpose.

4.2. Restrictions on Use. Tenant shall not permit anything to be done in or about the Premises that will (i) conflict with or violate any law, statute, ordinance or governmental rule or regulation affecting the Premises ("**Law**") or any Environmental Encumbrances (defined below); or (ii) increase the rate of, or cause cancellation of any insurance policies covering the Premises. Tenant shall give prompt notice to Landlord of any notice it receives of the violation of any Environmental Encumbrances or any Law or requirement of any public authority with respect to the Premises or the use or occupation thereof. Tenant shall not suffer nor permit the Premises, nor any part thereof, to be used in any manner, nor anything to be done therein, nor suffer or permit anything to be brought into or kept therein, which would in any way (a) cause or in Landlord's reasonable opinion be likely to cause physical damage to the Premises or any part thereof; (b) constitute a public or private nuisance; (c) impair, in the reasonable opinion of Landlord, the appearance, character or reputation of the Premises; or (d) constitute waste.

5. Alterations and Improvements.

5.1. Restrictions. Except for Cosmetic Improvements, no improvements, alterations, additions, or physical changes ("**Improvements**") shall be made upon or to the Premises by Tenant without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole discretion. Tenant shall provide to Landlord in writing copies of plans and/or specifications for any proposed Improvements. Other than Tenant's Property (as defined below), all Improvements shall, upon the termination of this Lease, become the property of Landlord and shall be surrendered with the Premises as a part thereof without disturbance, molestation, or injury; provided, however, that Landlord may elect to have Tenant, at Tenant's expense, remove any or all of the Improvements upon termination of this Lease. If Tenant, without Landlord's authorization, removes any Improvements Landlord shall be entitled to damages in the amount of the fair market value of the Improvements so removed, the cost of repairing the Premises due to the removal of the Improvements and reasonable attorneys' fees. "**Cosmetic Improvements**" means redecoration items, such as carpeting, painting, and wall coverings, which (i) do not affect the structure of the Building or any plumbing, electrical, mechanical, fire protection, or life safety systems serving the Premises, (ii) are not visible from outside of the Building, and (iii) cost less than Fifteen Thousand Dollars ($15,000) per project.

5.2. Permits and Approvals. All Improvements shall be done at Tenant's sole expense and shall be performed in a good and professional manner, by a reputable licensed contractor. Tenant shall obtain all required permits and approvals from all applicable governmental entities and shall provide copies of all such permits and approvals to Landlord before the commencement of construction. Upon completion of any Improvements (regardless of whether such Improvements required Landlord's approval), Tenant shall deliver to Landlord by CAD or other electronic media "as-built" drawings showing such Improvements. All movable partitions, machines and equipment which are installed in or on the Premises by or for the account of Tenant, without expense to Landlord, and can be removed without permanent structural damage to or defacement of the Premises, and all furniture, furnishings and other articles of personal property owned by Tenant and located in or on the Premises (all of which are herein called "**Tenant's Property**"), shall be and remain the property of Tenant and may be removed by it at any time during the Term. However, if any of Tenant's Property is removed, Tenant shall repair or pay the cost of repairing any damage resulting from such removal.

5.3. Insurance. Prior to the commencement of any such work, Tenant shall deliver to Landlord certificates issued by insurance companies qualified to do business in the State of Michigan evidencing that workers' compensation, commercial general liability insurance and property damage insurance, all in amounts, with companies and on forms reasonably satisfactory to Landlord, are in force and effect and maintained by all such contractors and subcontractors engaged by Tenant to perform such work. All such policies shall name Landlord as an additional insured. Each such certificate shall provide that the same may not be canceled or modified without thirty (30) days prior written notice to Landlord.

5.4. Requirements of Law. Tenant, at its sole cost and expense, shall cause any permitted Improvements in or about the Premises to be performed in accordance with all applicable Laws and in compliance with all applicable requirements of insurance bodies having jurisdiction, and in such manner as not to interfere with, delay, or impose any additional expense upon Landlord in the construction, maintenance or operation of the Premises.

5.5. Liens. No work performed by or on behalf of Tenant shall be deemed to be for the immediate use or benefit of Landlord so that no construction or other lien shall be allowed against the Premises or the estate of Landlord by reason of any consent given by Landlord to Tenant to improve the Premises. Tenant shall pay or cause to be paid all costs for work done by Tenant or caused to be done by Tenant on the Premises. Tenant will keep the Premises free and clear of all construction liens and other liens on account of work done for Tenant or persons claiming under it. Tenant agrees to indemnify, defend and save Landlord harmless from and against all costs, attorneys' fees, expenses and liabilities incurred on account of any claims of any nature whatsoever for work performed for, or materials or supplies furnished to that party, including lien claims of laborers, material supplier or others. Should any such liens be filed or recorded against the Premises with respect to any work done or for materials supplied to or on behalf of Tenant or any action affecting the title thereto be commenced, Tenant shall cause such liens to be removed of record within ten (10) days after notice from Landlord. If Tenant desires to contest any such claim of lien, it shall furnish Landlord with adequate security (in Landlord's sole opinion) of at least one hundred fifty percent (150%) of the amount of the claim, plus estimated costs and interest, and if a final judgment establishing the validity or existence of any lien for any amount is entered, Tenant shall pay and satisfy the same at once. If Tenant shall be in default in paying any charge for which such a contractor's lien or suit to foreclose such a lien has been recorded or filed and shall not have given Landlord security as aforesaid, Landlord may (but without being required to do so) pay such lien or claim and any costs, and the amount so paid, together with reasonable attorneys' fees incurred in connection therewith and with interest thereon at the Default Interest Rate, shall be immediately due from Tenant to Landlord as additional Rent hereunder.

6. Maintenance and Repairs. Tenant, at its expense, shall throughout the Term: (a) take good care of the Premises; (b) keep the same in good order and condition; and (c) make and perform all necessary or customary maintenance, replacements, renewals, alterations, additions, and betterments made in the ordinary course of the operation of the Premises, both interior and exterior, structural and nonstructural, ordinary and extraordinary, foreseen and unforeseen, of every nature, kind, and description. Tenant, at its expense, shall throughout the Term: (i) maintain service contracts for the maintenance of the heating and air conditioning system in the Premises, boiler for any other necessary utility services or related utility service facilities; and (ii) be responsible for janitorial services and security and protective services for the Premises. If Tenant fails to comply with its obligations under this paragraph, Landlord shall give Tenant written notice to do such acts as are reasonably required to so comply and a thirty (30) day opportunity to cure the same. If Tenant fails to promptly commence such work and diligently prosecute it to completion, then Landlord shall have the right, but not obligation, to do such acts and expend such funds as are reasonably required to perform such work and the cost thereof shall constitute additional rent immediately payable by Tenant and shall bear interest at the Default Interest Rate until paid. Landlord shall have no liability to Tenant for any damage, inconvenience or interference with the use of the Premises by Tenant as a result of performing any such work.

7. Utilities. Tenant shall be solely responsible for and shall pay before delinquency any and all charges for water, sewer, gas, heat, electricity, and other sources of power for heating, lighting, ventilating and air conditioning, telephone service, telecommunications and all other services of utilities, including meter installation charges therefor and security deposits required thereunder, used in, upon, or about the Premises during the Term. Other than as a result of Landlord's gross negligence or willful misconduct, Landlord shall not be liable for any interruption, failure, surge, or defect of any utility service, including, without limitation, water supply or electric current for injury to persons, including death, or damage to property including, without limitation, computers and electrical equipment, which results from steam, gas, electricity, water, rain or snow which may flow or leak from any part of the Premises or from any pipes, appliances or plumbing works from the street or subsurface or from any other place, or for interference with light.

8. Payment of Real Estate Taxes. Tenant shall pay directly to the authority charged with the collection (or at Landlord's option, reimburse Landlord for), all ad valorem taxes and assessments both general and special, levied, assessed, charged, or imposed upon the Premises for each tax or installment period included in the Term ("**Real Estate Taxes**"). If during the Term any capital levy, sales or use tax, gross receipts tax or other tax on the rents received therefrom is levied, assessed or imposed on Landlord, or on the Rent, or on the Premises or on the value of the Premises, or any portion thereof, the same shall be included in Real Estate Taxes. Notwithstanding anything herein to the contrary, Tenant shall not be required to pay any net income or excess profits taxes assessed against Landlord or any succession, inheritance taxes of Landlord, or franchise taxes imposed upon any corporate owner of the fee of the Premises. All such payments shall be made, and evidence of all such payments shall be provided to Landlord, at least ten (10) days before the delinquency date of the payment. If Landlord's mortgagee requires an escrow fund for payment of real property taxes and special assessments, Landlord may require Tenant to deposit funds into an escrow account consistent with the requirements of the mortgagee.

9. Insurance and Indemnity.

9.1. Tenant's Insurance. Throughout the Term of the Lease, Tenant shall, at its expense, maintain the following:

(a) Commercial general liability insurance against claims for personal injury, death or property damage occurring in or about the Premises, with limits of not less than Two Million Dollars ($2,000,000) for bodily injury, including death, and personal injury for any one occurrence, Two Million Dollars ($2,000,000) property damage insurance or combined single limit of Four Million Dollars ($4,000,000). Such limits shall be subject to increase from time to time at the reasonable discretion of Landlord. The policy shall be written as primary policy coverage and not contributing with or in excess of any coverage which Landlord may carry.

(b) "All risk" property insurance including, but not limited to, fire and extended coverage covering the Premises in its full replacement cost with such deductibles and other provisions as Landlord shall reasonably deem prudent (and which shall name Landlord as loss payee), and with contents coverage covering Tenant's Property and all additions, improvements and alterations to the Premises installed by Tenant located in or on the Premises.

(c) Business interruption insurance with respect to Tenant's business operations on the Premises, in amounts and coverages sufficient to insure Tenant against any loss Tenant may suffer as a result of Tenant's inability to use the Premises during the Term.

(d) Worker's compensation insurance in amounts required by applicable Law.

9.2. General Insurance Requirements. All policies of insurance provided for in this Section 9 shall (i) be issued by insurance companies rated "A-/VII" or better by the then current edition of Best Insurance Reports published by Best Company, and licensed to do business in the State of Michigan; and (ii) name Landlord (and its property manager and mortgagees, in each case of whom Landlord gives notice to Tenant) as an additional insured to the extent of their interests hereunder and duplicate copies of all policies or certificates shall be delivered to Landlord on or before the Commencement Date; and (iii) contain a provision that the insurer will give the named insureds at least thirty (30) days' notice in advance of any material change, cancellation, termination or lapse or the effective date of any reduction in the amounts of insurance thereunder, except in the case of non-payment, in which case such notice shall be at least ten (10) days; and (iv) shall contain a clause or endorsement under which the insurer waives all rights of subrogation against the other party, its officers, members, directors, agents and employees, with respect to losses payable under such policy (provided, further, that Landlord and Tenant agree and acknowledge that the waiver of subrogation herein contained shall expressly extend to and include any uninsured loss paid by the insured in the form of a deductible or self-funded retention cost).

9.3. Evidence of Insurance. Tenant shall deliver a certificate of insurance for each of the insurance policies Tenant is required to carry in compliance with its obligations under this Lease shall be delivered to Landlord, and any other party Landlord may designate, before the commencement of the Initial Term, and upon renewals of said insurance, not less than thirty (30) days before the expiration of any such policy. The certificate of insurance shall identify the insurance company, the term of the policy, the limits of the policy and list the Landlord as an additional insured, contain a primary liability endorsement and state that thirty (30) days' notice will be given to Landlord before the cancellation or modification. If Tenant fails to supply Landlord with evidence of the insurance coverage required hereunder, Landlord may, at its option, purchase such insurance for the account of Tenant and Tenant shall reimburse Landlord the cost thereof together with interest at the Default Interest Rate as Additional Rent.

9.4. Tenant Indemnification. Except to the extent arising from gross negligence or willful misconduct of Landlord or Landlord's agents, employees, or contractors (each, a "**Landlord Party**"), Tenant shall indemnify, hold harmless and defend Landlord, its officers, members, directors, agents and employees from any liability or expense (including, without limitation, reasonable attorney's fees) arising from or relating to any loss of life, damage or injury to person, property or business caused by or in connection with (i) any violation of this Lease by Tenant or Tenant's agents, employees, contractors, licensees or invitees (each, a "**Tenant Party**"), or (ii) the use of the Premises by Tenant or any Tenant Party, or (iii) the gross negligence or willful misconduct of Tenant or any Tenant Party. The obligations of Tenant in this paragraph shall be subject to any waiver of subrogation contained in any insurance policy to be obtained by Landlord hereunder. Tenant's indemnity obligations shall be subject to the release and waiver of recovery in Section 10.1 and the waivers of subrogation in this Lease, and shall survive the expiration or sooner termination of this Lease.

10. Waivers and Release.

10.1. Waivers of Subrogation. Anything in this Lease to the contrary notwithstanding, Landlord and Tenant each hereby waives all rights of recovery, claim, action or cause of action against the other (and the other's officers, members, directors, agents and employees) for any loss or damage that may occur to the Premises or any improvements thereto, or any personal property of Landlord or Tenant, arising from any cause that (a) would be insured under the terms of any insurance required to be carried hereunder; or (b) is insured against under the terms of any insurance actually carried, regardless of whether the same is required hereunder. The foregoing waiver shall apply regardless of the cause or origin of such claim, including but not limited to the negligence of Landlord, any Landlord Party, Tenant and/or any Tenant Party. Landlord and Tenant agree to have their respective insurance companies issuing property damage and loss of income and extra expense insurance waive, by special endorsement (if required by the terms of said policy), any rights of subrogation that such companies may have against Landlord or Tenant, as the case may be. The provisions of the foregoing shall not apply in those instances in which waiver of subrogation would cause either party's insurance coverage to be voided or otherwise made uncollectible.

10.2. Release of Landlord. Landlord shall not be liable for any damage to property of Tenant or of others located on the Premises nor for the loss of or damage to any property of Tenant or of others by theft or otherwise, unless directly caused by Landlord's gross negligence or willful misconduct. Landlord shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any part of the Premises or from the pipes, appliances or plumbing work or from the roof, street or sub-surface, or from any other place or by dampness or by any other cause of whatsoever nature. Landlord shall not be liable for any such damage caused by owners or occupants of adjacent property or the public, or caused by operations in construction of any private, public or quasi-public work. All property of Tenant kept or stored on the Premise shall be so kept or stored at the risk of Tenant only and Tenant shall hold Landlord harmless from any claims arising out of damage to the same. Tenant shall carry such policies of insurance as it deems appropriate to insure its equipment and other assets and personal effects of its employees.

10.3. Limit on Landlord Liability. If Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed, and if as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only against the right, title and interest of Landlord in the Premises and out of rents or other income from the Premises receivable by Landlord, or out of the consideration received by Landlord from the sale or other disposition of all or any part of Landlord's right, title and interest in the Premises, and neither Landlord nor anyone claiming by, through or under Landlord, shall be liable for any deficiency. The damages to which Tenant may be entitled under this Lease shall not include lost profits or damages from loss of business, or any speculative, incidental, or consequential damages.

11. Destruction - Fire or Other Cause. If the Premises is damaged by fire or other casualty, then Tenant shall give immediate notice thereof to Landlord, and the following shall apply:

11.1. Adjustment. Any such loss that is covered by applicable policies of insurance required under this Lease shall be adjusted with the issuing insurance company or companies by Landlord and Tenant.

Except in the event that such insurable damage or loss was caused by the act or omission or Landlord or any Landlord Party, Tenant shall pay the deductible for such insurance. Subject to the rights of the holder of any mortgage to which this Lease is or shall be subject and subordinate, the proceeds of any such insurance shall be paid to Landlord who shall hold the proceeds in trust for payment of the costs of repair, re-building and restoration. If the proceeds of any insurance available to Tenant, less any sums expended in recovery thereof, are insufficient to fully pay all Restoration costs, then at Landlord's option, Tenant shall (a) deposit with Landlord an amount sufficient in Landlord's reasonable judgment to complete the Restoration (the "**Deficiency**"), or (b) or shall provide Landlord with evidence reasonably satisfactory to Landlord that Tenant has available the funds required to cover the Deficiency.

11.2. Restoration. Tenant shall, as soon as is reasonably possible, undertake, in its own name and account, the responsibility for the repair, re-building and restoration of the Premises (hereafter, "**Restoration**"), contracting for all necessary work and materials to the extent necessary to restore the Premises to substantially the condition, character and value existing immediately prior to the loss and damage. The plans for such Restoration shall be subject to the prior written approval of Landlord, such consent not to be unreasonably withheld or delayed. Tenant shall, from time to time, submit invoices for labor and material, along with properly executed waivers of mechanics' liens with respect to such invoices, to Landlord requesting payment. Landlord shall, if such lien waivers are in order (i.e., duly executed), promptly make payment of such invoices to the contractor, laborer or materialman. Tenant shall, at its own expense, replace and repair any of Tenant's trade fixtures and equipment in the Premises which may be damaged or destroyed by fire or any other cause.

11.3. Termination. If such loss or damage (i) occurs during the last year of the Term and, in the reasonable determination of Landlord's contractor, it will take more than forty-five (45) days to complete the Restoration, or (ii) is caused by a peril that is not insurable, then Tenant, at its option, may terminate this Lease by written notice given within sixty (60) days after such loss or damage in lieu of undertaking the Restoration of the Premises. In such event, (a) the entire proceeds of insurance provided for in Section 9 shall inure solely to the benefit of Landlord, and (b) before the termination of this Lease, (1) Tenant shall pay the deductible for such insurance, and (2) Tenant shall pay to Landlord an amount equal to any Deficiency. If this Lease is terminated pursuant to this section, then Rent shall be apportioned (based on the portion of the Premises which is usable or used after such damage or destruction) and paid to the earlier of the date of termination or the date Tenant completely vacates and abandons the Premises on account of such damage.

11.4. No Abatement. Neither Rent nor any other obligations of Tenant shall abate during any period of Restoration.

12. Eminent Domain. If the whole of the Premises are acquired or condemned by eminent domain for any public or quasi-public use or by private purchase in lieu thereof, then the Term of this Lease shall cease as of the date possession is taken and all Base Rent shall be paid and prorated up to that date. Tenant shall have no claim against Landlord for the value of any unexpired Term. If any part of the Premises is acquired or condemned by eminent domain for any public or quasi-public use or by private purchase in lieu thereof, and the remainder of the Premises cannot reasonably be operated by Tenant for its business in substantially the manner in which Tenant was operating its business from the Premises before such taking, then Landlord and Tenant shall each have the option to terminate this Lease by written notice to the other party within sixty (60) days after the date possession is taken in which case all Base Rent shall be paid up to that date and Tenant shall have no claim against Landlord for the value of any unexpired Term. If neither Tenant nor Landlord elect to terminate this Lease, then Tenant shall promptly restore the remainder of the Premises to a complete architectural unit, including all necessary changes and the installation of any systems so that the remainder of the Premises, when complete, shall be substantially the same in character as the Premises immediately before such partial taking. As of the date of such partial taking this Lease shall terminate as to the portion taken, the Base Rent under this Lease shall equitably abate according to the portion of the Premises taken. Tenant shall have no claim against Landlord for the value of any unexpired Term. All compensation awarded on account of such taking or condemnation shall belong to Landlord without any participation by Tenant; however, nothing shall preclude Tenant from prosecuting any claim directly against the condemning authority in such condemnation proceeding for loss or interruption of business or for relocation costs or the cost of removal of trade fixtures, furniture, and other personal property belonging to Tenant.

13. Compliance with Hazardous Materials Laws.

13.1. Disclosure of Environmental Condition. Landlord discloses to Tenant that based upon the Baseline Environmental Site Assessment prepared by Lakeshore Environmental, Inc., Project Number: 25-3027-03, all or part of the Premises constitutes a "Facility" as defined in Part 201 of the Natural Resources and Environmental Protection Act, due to the presence of methylene chloride, trichlorethylene, chromium VI, and/or selenium in the Subject Property soil at concentrations exceeding EGLE Part 201 GRCC.

13.2. Disclosure of Agreements Relating to Environmental Condition. Landlord discloses to Tenant that the Premises is subject to certain agreements and restrictive covenants relating to the environmental condition of the Premises including the following (collectively, the "**Environmental Encumbrances**"), which, among other things, grant to others rights to enter upon and perform remediation activities on the Premises, and which place restrictions on the use of the Premises: (a) Site Access License Agreement dated April 7, 2004, between ICD Property Company, LLC and Federal-Mogul Piston Rings, Inc.; (b) Declaration of Restrictive Covenant dated May 12, 2004, and recorded in Liber 3606, page 287; and (c) Declaration of Easement dated May 12, 2004, and recorded in Liber 3606, page 288.

13.3. Hazardous Substances. Tenant shall not use, store, generate, treat, or dispose of any Hazardous Substance on the Premises or in, on or about the Premises, or cause, suffer, or permit the same to be done by any person, without the prior written consent of Landlord, which consent may be granted or withheld in Landlord's sole discretion. Notwithstanding anything to the contrary contained in this Lease, Tenant may maintain paint, cleansers or solvents commonly used in Tenant's business in the premises so long and only so long as such paint, cleansers or solvents are and remain in compliance with all Environmental Encumbrances and applicable Laws that do not impose any clean up obligation or liability. "**Hazardous Substance**" means any substance, the manufacture, use, treatment, storage, transportation, or disposal of which is regulated by any Law having as its object the protection of public health, natural resources, or the environment, including, by way of illustration only and not as a limitation, the following: The Resource Conservation and Recovery Act; the Comprehensive Environmental Response, Compensation and Liability Act; the Toxic Substances Control Act; the Federal Water Pollution Control Act; the Michigan Water Resources Commission Act; and the Michigan Solid Waste Management Act, as each of such acts shall be amended, from time to time. If any Hazardous Substance is discovered to have been released by Tenant or its agents upon or from the Premises during the Term, whether such discovery is made during the Term or at any time thereafter, Tenant shall, at its sole cost and expense, take all steps necessary to remove and properly dispose of such Hazardous Substance and cleanup or repair any contamination or damage resulting therefrom, in full compliance with all Environmental Encumbrances and applicable Laws and to the reasonable satisfaction of Landlord. Tenant agrees to defend, indemnify and hold Landlord harmless from and against any liabilities including judgments; court costs, and actual attorney fees claimed or asserted against or sustained by Landlord resulting from Tenant's failure to fully comply with the provisions of this paragraph. Tenant's obligations under this section shall survive the expiration or other termination of this Lease.

14. Assignment and Subletting. Tenant shall not assign, sublease, or in any way encumber this Lease, nor any part, right, or interest thereof, unless Landlord shall consent thereto in writing in each and every case and instance, which consent Landlord may withhold in its sole discretion.

15. Default and Remedies.

15.1. Events of Default. Each of the following shall be deemed an "**Event of Default**" under this Lease: (i) if Tenant fails to pay any Rent or other amounts payable by Tenant hereunder when due, and such failure continues for five (5) days; or (ii) if Tenant fails to perform any of its other obligations or covenants under this Lease; provided, however, if such default is capable of cure, then Tenant shall not be in default unless Tenant fails to cure within thirty (30) days after written notice from Landlord (provided if such default is capable of cure, but cannot be cured within thirty (30) days then such cure period shall be extended for so long as Tenant is diligently pursuing cure, but in no event for more than sixty (60) days); or (iii) if Tenant makes a general assignment for the benefit of creditors or becomes bankrupt or insolvent, or filed or has filed against it in any court a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee, which is either not dismissed within ninety (90) days of filing, or results in the issuance of an order for relief against the debtor; or (iv) if Tenant, without Landlord's written consent, assigns this Lease or subleases the Premises or any part thereof.

15.2. Remedies. Upon the occurrence of an event of default, Landlord shall have the right, at its option, in addition to and not exclusive of any other remedy Landlord may have by operation of law or in equity, without any further demand or notice, to re-enter the Premises and eject all persons therefrom, and either:

(a) Terminate this Lease, in which event Tenant shall immediately pay Landlord a sum of money equal to the total of (1) the amount of the unpaid Rent accrued through the date of termination; (2) as agreed liquidated damages, an amount equal to the then present value of the amount of Rent which would have been paid in accordance with this Lease for the remainder of the Term minus the then present value of the aggregate fair market Rent payable for the Premises for the period beginning twelve (12) months after the termination and continuing for the remainder of the Term (if less than the rent and additional charges payable hereunder), estimated as of the date of the termination, provided that the Federal Reserve discount rate (or equivalent) shall be used in calculating present values; and (3) all of Landlord's costs reasonably incurred, or reasonably to be incurred, in connection with enforcing this Lease and reletting the Premises including necessary renovation and alterations of the Premises, reasonable attorneys' fees and real estate commissions; or

(b) Without terminating this Lease, relet the Premises, or any part thereof, for the account of Tenant upon such terms and conditions as Landlord may reasonably deem advisable, and any monies received from such reletting shall be applied first to the reasonable expenses of such reletting and collection, including necessary renovation and alterations of the Premises, reasonable attorneys' fees and real estate commissions paid, and thereafter toward payment of all sums due or to become due Landlord hereunder, and if a sufficient sum shall not be thus realized to pay such sums and other charges, Tenant shall pay Landlord any deficiency monthly, notwithstanding that Landlord may have received rent in excess of the rent stipulated in this Lease in previous or subsequent months, and Landlord may bring an action therefor as such monthly deficiency shall arise.

(c) No re-entry and taking of possession of the Premises by Landlord shall be construed as an election on Landlord's part to terminate this Lease, regardless of the extent of renovations and alterations by Landlord, unless a written notice of such intention is given to Tenant by Landlord. Notwithstanding any reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach.

15.3. Mitigation of Damages. Notwithstanding anything herein to the contrary, upon the occurrence of any default by Tenant, Landlord shall have an affirmative obligation to take reasonable efforts to mitigate damages. Landlord shall be deemed to have taken reasonable efforts to mitigate its damages if Landlord lists the Premises for lease with a commercial real estate broker, and Landlord cooperates in good faith with the broker's efforts to lease the Premises, provided, however, that (i) if there shall then be other un-leased space in any comparable building owned by Landlord (or any entity owned or controlled by Landlord or any of its principles), Landlord shall have no obligation to lease the Premises with priority over such un-leased space, and (ii) Landlord shall be under no obligation to offer the Premises for lease upon terms that are less favorable than those for any vacant space owned by Landlord (or any entity owned or controlled by Landlord or any of its principals).

15.4. Litigation. LANDLORD AND TENANT DO HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER AGAINST THE OTHER UPON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, TENANT'S USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM OR INJURY OR DAMAGE OR BOTH. It is further mutually agreed that if Landlord commences any summary proceeding for nonpayment of rent or other sums or charges payable hereunder, Tenant will not interpose any counterclaim whatsoever in any such proceeding; provided, however, that the foregoing shall not constitute a waiver of Tenant's right to bring a separate action for any claim Tenant may have.

15.5. Cure by Landlord. In the event of any event of default by Tenant, Landlord may at any time, cure the default for the account of and at the expense of Tenant. If Landlord pays any sum of money or does any act which will require the payment of money or incurs any expense, including reasonable attorney fee in instituting, prosecuting or defending any action to enforce Landlord's rights under this Lease, the sums reasonably paid by Landlord, with all interest, costs and damages shall be deemed to be additional rent and shall be due from Tenant to Landlord on the first day of the month following the incurring of the respective expenses.

16. Surrender of Premises. Upon the expiration of the Term or earlier termination of this Lease, Tenant shall quit and surrender the Premises to Landlord broom clean and in good order and condition, ordinary wear and tear, casualty (but subject to Tenant's obligations under Article 11) and condemnation (subject to Tenant's obligations under Article 12) excepted; and Tenant, at its expense, shall remove all of its moveable personal property and shall repair any damage caused by such removal and remove any of its Improvements as Landlord directs. Any personal property of Tenant or of anyone claiming under Tenant which shall remain in or on the Premises after the expiration of the Term or earlier termination of this Lease shall be deemed to have been abandoned by Tenant. Landlord, at Tenant's expense, may dispose of any abandoned property in such manner as Landlord sees fit and Landlord shall not be responsible for the same.

17. Access to Premises. Landlord shall have the right to enter upon the Premises upon twenty-four (24) hours advance written notice (which notice may be given electronically) for the purpose of (i) inspecting the same, (ii) preventing waste, loss, or destruction (provided, that in an emergency, Landlord shall only be required to give such notice, if any, as is practicable), (iii) removing obstructions, (iv) making such repairs or alterations as it is obligated to make under this Lease, (v) to enforce any of Landlord's rights under this Lease, (vi) show the Premises to prospective purchasers, or (vii) during the last six (6) months of the then-current Term show the Premises to prospective tenants, and Landlord shall not be liable nor responsible for any loss that may accrue to Tenant's business by reason thereof. Landlord shall use commercially reasonable efforts not to unreasonably interfere with Tenant's use of the Premises when exercising its rights under this Section 17.

18. Projections and Attachments. Tenant shall not attach or hang any curtains, blinds, shades, screens, awnings or other projections to the interior or exterior of any window of the Premises or on the outside wall of the Building (except in accordance with a standard reasonably approved by Landlord), nor shall Tenant attach or exhibit any sign, display, lettering or advertising matter of any kind on the exterior walls of the Building, or on any window or door of the Premises, without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Any signage or other projection or attachment installed by Tenant without Landlord's prior written consent shall constitute a default by Tenant and shall be removed immediately upon notice from Landlord. In the event of such a default, Landlord shall have the right to remove such sign or other projection or attachment, repair any damage associated therewith and collect from Tenant the entire cost of such removal and repair. Any curtain, blind, shade, screen, awning, or other projection, and any sign, display, lettering, or advertising matter attached or exhibited in violation hereof may be removed by Landlord without liability for any damage arising therefrom, and Landlord shall have free access to the Premises to do so.

19. Signage. Subject to Tenant obtaining all necessary governmental approvals, Tenant may install, at its expense, signage on the Premises. The location and size and appearance of Tenant's signage shall be subject to Landlord's prior written approval, which shall not be unreasonably withheld, conditioned, or delayed.

20. Rules and Regulations. Landlord reserves the right to adopt from time to time reasonable Rules and Regulations for the operation of the Premises and with respect to the activities of all persons thereon as are customary for buildings of this character and are not inconsistent with the provisions of this Lease. Written notice of any such Rules and Regulations shall be given by Landlord to Tenant. Tenant and each Tenant Party shall comply with all such Rules and Regulations.

21. Holding Over. Should Tenant hold over after the termination of this Lease, Tenant shall become a Tenant from month to month only upon each and all of the terms herein provided as may be applicable to such month to month tenancy, except that monthly installments of Base Rent for each month shall be equal to one hundred fifty percent (150%) of the monthly Base Rent for the period immediately before the expiration of the Term. Any such holding over shall not constitute an extension of this Lease. Such tenancy shall continue until terminated by Landlord or Tenant by a written notice of its intention to terminate such tenancy given at least one month before the date of termination of such monthly tenancy.

22. Estoppel Certificate. Tenant shall, within ten (10) days after request by Landlord, execute and deliver to Landlord an estoppel certificate certifying (to the extent it believes the same to be true) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified, and stating the modifications), that there have been no defaults thereunder by Landlord of which Tenant is aware (or if there have been defaults, setting forth the nature thereof), and the date to which the Rent and other charges have been paid. If Tenant fails to deliver the executed certificate to Landlord within the ten (10)-day period, the accuracy of any proposed certificate prepared by Landlord will be deemed conclusively confirmed.

23. Subordination. This Lease is and shall be subject and subordinate to the lien of any mortgage that now or hereafter affects the Premises, and to each advance made under and pursuant to any such mortgage. If Landlord's mortgagee becomes a mortgagee in possession or takes action to realize the security of such mortgage, Tenant will attorn to the mortgagee as landlord upon the terms of this Lease. Notwithstanding this paragraph and provided that Tenant is not in default beyond any applicable notice and cure period, Tenant shall be allowed to remain in occupancy of the remaining Term. Tenant shall, within ten (10) days after request by Landlord, execute a commercially reasonable subordination, non-disturbance and attornment agreement or such other instruments, in form reasonably acceptable to Landlord and its mortgagee, as may be reasonably required to carry out the intent of this paragraph, provided such document contains language that Tenant's occupancy of the Premises will not be disturbed so long as no default by Tenant exists beyond any applicable notice and cure period.

24. Force Majeure. Neither Landlord nor Tenant shall not be considered in default of its obligations under this Lease if performance of such obligations is delayed by Force Majeure (other than any financial obligation or obligation to pay any amounts due hereunder). "**Force Majeure**" means any event reasonably beyond the control of such party including but not limited to, wars (declared or undeclared), hostilities, revolutions, riots, civil commotion, pandemic, epidemic, national emergency, strikes and lockouts, epidemic, fire, flood, earthquake, force of nature, explosion, embargo, or any other act of God, or any Law, proclamation or other act of any governmental entity, or any cause, whether of the same or different nature, existing or future. If Landlord or Tenant is prevented from or delayed in performing any of its obligations hereunder by Force Majeure, it shall notify the other party of the circumstances constituting Force Majeure and of the obligation that is delayed or prevented, and shall thereupon be excused from performance of such obligation for as long as the circumstances of Force Majeure continue.

25. Miscellaneous.

25.1. No Waiver. The failure of either party to enforce any covenant or condition of this Lease shall not be deemed a waiver thereof or of the right of either party to enforce each and every covenant and condition of this Lease. No provision of this Lease shall be deemed to have been waived unless such waiver is in writing.

25.2. Notices. Except as expressly provided herein, all notices, bills or statements required hereunder shall be in writing, and shall be delivered personally, by nationally recognized overnight courier, or by postage prepaid United States first class, certified (return receipt requested) mail, addressed to the party at the address set forth on page 1, or such other place as may be designated by notice given in accordance with this section. Notice shall be deemed to have been given on (i) the date when delivered, if delivered in person, (ii) one (1) business day after deposit for overnight delivery, if delivered by nationally recognized overnight courier, or (iii) three (3) business days after deposit with United States Postal Service, if delivered by U.S. Mail.

25.3. Amendment. No amendment or modification of this Lease shall be binding upon the parties unless made in writing and signed by both parties.

25.4. Brokerage. Landlord and Tenant represent and warrant to each other that they have not dealt with any real estate broker or real estate sales agent in connection with the negotiation, execution and delivery of this Lease. Landlord and Tenant each hereby agree to indemnify, defend and hold the other harmless of and from any and all loss, cost, damage or expense (including, without limitation, all counsel fees and disbursements) by reason of any claim of or liability to any real estate broker or real estate sales agent claiming through it and arising out of or in connection with the negotiation or execution and delivery of this Lease.

25.5. Governing Law. The terms of this Lease shall be construed under the laws of the State of Michigan.

25.6. Captions. The captions in this Lease are for reference only and no section caption or heading shall be considered in the interpretation of the provisions of the section.

25.7. Cumulative Remedies. All rights, remedies and recourses under this agreement or otherwise are separate and cumulative and may be pursued separately, successively or concurrently, are non-exclusive and the exercise of any one or more of them shall in no way limit or prejudice any other legal or equitable right, remedy or recourse to which any party may be entitled.

25.8. Parties Bound. The covenants, agreements, terms, provisions and conditions of this agreement shall bind and benefit the several respective heirs, representatives, successors and assigns of the parties hereto.

25.9. No Third-Party Beneficiaries. No third party, except heirs, representatives, successors and assigns of parties, as provided in this agreement, shall be a beneficiary of any provision of this agreement.

25.10. Usage of Terms. The use of gender references in this agreement is not meant to be a limitation, and the use of a particular gender shall be interpreted to include the other of masculine, feminine and neuter as the context requires; similarly, the use of the singular shall be interpreted to include the plural as the context requires, and vice versa.

25.11. Entire Understanding. This Lease contains the entire understanding of the parties on the subject matter of this agreement and the parties hereby acknowledge that there have been and are no representations, warranties, covenants, or understandings other than those expressly set forth herein.

25.12. Quiet Enjoyment. Landlord covenants and agrees with Tenant that upon Tenant's paying the Rent and observing and performing all the terms, covenants and conditions on Tenant's part to be performed and observed, Tenant may peaceably and quietly enjoy the Premises hereby leased.

25.13. Prior Agreement. This Lease supersedes any other agreements between Landlord and Tenant with respect to the Premises.

25.14. Counterparts. This Lease may be executed electronically and/or in counterparts, and all such executed counterparts, taken together, shall, for all purposes, constitute one (1) instrument and each executed counterpart shall be deemed an original of this Lease.

Signed by the parties as of the date and year first above written.

EXHIBIT A

THE LAND SITUATED IN THE CITY OF MUSKEGON, COUNTY OF MUSKEGON, STATE OF MICHIGAN, AND DESCRIBED AS FOLLOWS:

LOTS 5-7 AND PART OF LOTS 2, 3, 4, 8 AND 9 OF BLOCK 1 AND LOTS 4-7, 14-17 AND PART OF LOTS 8, 9 AND 13 OF BLOCK 2 OF DENNIS SMITH AND COMPANY'S SECOND ADDITION TO THE CITY OF MUSKEGON AS RECORDED IN LIBER 3 OF PLATS PAGE 10, MUSKEGON COUNTY RECORDS, ALSO THE EAST 33.00 FEET OF VACATED FAIRVIEW STREET, AND PART OF VACATED MAY STREET, AND ALSO PART OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 31, TOWN 10 NORTH, RANGE 16 WEST, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, LYING EASTERLY OF THE GTW RAILROAD RIGHT-OF -WAY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 7 OF SAID DENNIS SMITH AND COMPANY'S ADDITION, SAID POINT BEING THE POINT OF BEGINNING; THENCE SOUTH 00 DEGREES 14 MINUTES 00 SECONDS WEST ALONG THE WESTERLY RIGHT-OF-WAY LINE OF KEATING STREET (FORMERLY FAIRVIEW STREET), A DISTANCE OF 150.28 FEET; THENCE NORTH 89 DEGREES 31 MINUTES 05 SECONDS EAST, A DISTANCE OF 329.11 FEET; THENCE SOUTH 00 DEGREES 11 MINUTES 47 SECONDS EAST ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SIXTH STREET, A DISTANCE OF 224.34 FEET; THENCE SOUTH 89 DEGREES 09 MINUTES 04 SECONDS WEST, A DISTANCE OF 149.91 FEET; THENCE SOUTH 00 DEGREES 14 MINUTES 00 SECONDS WEST, A DISTANCE OF 62.17 FEET; THENCE NORTH 89 DEGREES 21 MINUTES 25 SECONDS WEST, A DISTANCE OF 147.89 FEET; THENCE NORTH 00 DEGREES 14 MINUTES 00 SECONDS EAST, A DISTANCE OF 194.05 FEET; THENCE NORTH 89 DEGREES 46 MINUTES 00 SECONDS WEST, A DISTANCE OF 151.64 FEET; THENCE NORTH 34 DEGREES 34 MINUTES 28 SECONDS WEST, A DISTANCE OF 291.58 FEET; THENCE SOUTH 89 DEGREES 58 MINUTES 00 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF LAKETON AVENUE, A DISTANCE OF 285.08 FEET TO THE POINT OF BEGINNING.

1009189_2

LANDLORD:	TENANT:
AFP REAL ESTATE, LLC, a Michigan limited liability company	AMERICAN FABRICATED PRODUCTS, INC., a Michigan corporation
By:	By:
Name: Bill Dodds	Name: Russell Bolomba
Its: Owner	Its: CEO

Resolution No. _______

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING APPLICATION FOR ISSUANCE OF INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE *American Fabricated Products, INC*

WHEREAS, pursuant to P.A. 198 of 1974 as amended, after duly noticed public hearing held on April 14, 2026 this Commission by resolution established an Industrial Development District as requested by American Fabricated Products, INC, 331 W. Laketon Ave., Muskegon, Michigan 49441; and

WHEREAS, American Fabricated Products, INC has filed an application for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to the rehabilitation of a facility within said Industrial Development District; and

WHEREAS, before acting on said application the Muskegon City Commission held a public hearing on June 9, 2026 at the Muskegon City Hall in Muskegon, Michigan at 5:30 p.m. at which hearing the applicant, the assessor and representatives of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, the rehabilitation of the facility is calculated to and will have the reasonable likelihood to retain, create, or prevent the loss of employment in Muskegon, Michigan; and

WHEREAS, the aggregate SEV of real property exempt from ad valorem taxes within the City of Muskegon, will not exceed 5% of an amount equal to the sum of the SEV of the local government unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED by the Muskegon City Commission of the City of Muskegon, Michigan that:

1) The Muskegon City Commission finds and determines that the Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Act of 1974 as amended shall not have the effect of substantially impeding the operation of the City of Muskegon or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Muskegon.

2) The application of American Fabricated Products, INC, for the issuance of an Industrial Facilities Tax Exemption Certificate with respect to the rehabilitation on the following described parcel of real property situated within the City of Muskegon to wit:

   CITY OF MUSKEGON LOTS 5-7 & PART OF LOTS 2-4 & 8-9 INC BLK 1 & LOTS 4-7 & LOTS 14-17 & PART OF LOTS 8-9 INC & 13 BLK 2 DENNIS SMITH & CO'S

2ND ADDITION ALSO E 33 FT VAC FAIRVIEW ST AND PART OF VACATED MAY ST ALSO PART OF NW 1/4 OF NE 1/4 SEC 31 T10N R16W LYING ELY OF GTW R/R ROW DESC AS FOLLOWS BEG AT NE COR LOT 7 OF DENNIS SMITH & CO'S 2ND ADDITION BEING POB TH S 00D 14M 00S W ALG WLY ROW LN OF KEATING ST 150.28 FT TH N 89D 31M 05S E 329.11 FT TH S 00D 11M 47S E ALG WLY ROW LN OF 6TH ST 224.34 FT TH S 89D 09M 04S W 149.91 FT TH S 00D 14M 00S W 62.17 FT TH N 89D 21M 25S W 147.89 FT TH N 00D 14M 00S E 194.05 FT TH N 89D 46M 00S W 151.64 FT TH N 34D 34M 28S W 291.58 FT TH S 89D 58M 00S E ALG SLY ROW LN OF LAKETON AVE 285.08 FT TO POB TOGETHER WITH & SUBJ TO A 20 FT WIDE ESMT FOR ACCESS SUBJ TO ESMT L/P 4399/224

3) The Industrial Facilities Tax Exemption Certificate is issued and shall be and remain in force and effect for a period of nine (9) years on real property.

Adopted this 9 Day of JUNE 2026

Ayes:

Nays:

Absent:

BY: ________________________________
Ken Johnson Mayor

ATTEST: ___________________________
Ann Meisch, City Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission, County of Muskegon, Michigan, at a regular meeting held on June 9, 2026.

____
Ann Meisch, City Clerk

CITY OF MUSKEGON

CONTRACT FOR TAX ABATEMENT
Act 198 Public Acts of 1974

AGREEMENT between CITY OF MUSKEGON, a municipal corporation of 933 Terrace Street, Muskegon, Michigan 49440, ("City") and AMERICAN FABRICATED PRODUCTS, INC ("Company').

Recitals:

A. The Company has applied to City for the establishment of an industrial development district pursuant to the provisions of Act198 of the Public Acts of 1974, as amended, which act requires a contract between the City and the Company to be agreed and submitted with the Company's subsequent anticipated application for an industrial facilities exemption certificate.

B. That in addition to the statutory requirement, the City has determined that it is in the best interests of the taxpayers, property owners and residents of the City that this Agreement be approved and executed prior to the establishment of the requested district, and the City deems this Contract, together with the conditions set forth in the said Act to constitute a necessary element in the City's determination whether or not to create the district.

C. The Company intends to install the project set forth in its application ("project") which it believes qualifies for the process of establishing the district and the application for industrial facilities exemption certificate.

D. The City, provided this Agreement is executed, will determine whether to create the district based upon the potential for the production of permanent jobs, the continuation, stabilization or increase of economic activity, planning and zoning considerations and the City's general plan and intentions regarding economic development. In addition to the City policy considerations and predictions that the Company's proposed district and certificate benefit the community in those ways, the City has further determined that the contractual commitments made by the Company to thereby assist the community shall be binding on the Company and necessary to continue the tax exemption made possible by the certificate.

E. This contract shall become effective upon the issuance of an Industrial Facilities Tax Exemption Certificate.

NOW THEREFORE THE PARTIES AGREE:

1. **COMPANY AGREEMENT**. The Company irrevocably commits to the investment, job retention and job creation promises made in its application, a copy of which is attached hereto and incorporated herein. In particular the Company agrees:

1.1 That 100% of the jobs shall be filled and in existence with full-time employees by a date no later than two (2) years from the date of the granting of the certificate by the State Tax Commission, subject to the provisions of section 3.4 of this agreement.

1.2 That the amount of jobs listed on the application, whether new or retained, will be maintained through the life of the abatement, subject to the provisions of section 3.4 of this agreement.

1.3 The Company shall meet the affirmative action goal included in the application or in any documents supplied by the City and utilized by the Company, including any additional representations made to the City Commission on or before the date two (2) years after the granting of the certificate by the State Tax Commission. It shall maintain the said levels of employment diversity during the period of the certificate, subject to the provisions of section 3.4 of this agreement.

1.4 The Company, by the end of two (2) years from the date of the grant of the certificate by the State Tax Commission shall have completed the investment of $665,996 in improvements as shown in the application, subject to the provisions of section 3.4 of this agreement.

1.5 That the improvements and equipment to receive the tax abatement treatment shall be completed on or before the date two (2) years from the date of granting of the certificate by the State Tax Commission.

1.6 The Company shall pay its specific taxes required by the act in a timely manner, and shall not delay payments so as to incur any penalties or interest.

1.7 The Company shall fully cooperate with the City representatives in supplying all requested and required documentation regarding jobs, investment, the meeting of all goals and the timely installation and utilization of equipment and improvements. The City shall be entitled to inspect at reasonable hours the Company's premises where the said improvements and equipment have been installed and where the said jobs are performed.

1.8 The Company shall maintain, during the entire period for which the tax abatement is granted, the level of jobs, affirmative action goals, production and utilization of the improvements and equipment at the site where the district has been created and for which the tax exemption has been granted.

1.9 The Company shall not cause or fail to cure the release of any hazardous substance, or the violation of any environmental law on its premises in the City. It shall report any releases to the appropriate governmental authority in a timely and complete manner, and provide copies of said report documentation to the City. It shall comply with all orders and actions of any governmental agency having authority.

1.10 The Company shall maintain the equipment and improvements so as to minimize physical or functional obsolescence.

1.11 The Company shall continue to operate its business location in the City, containing the same number of and type of jobs, for the term of the certificate.

2. **AGREEMENT BY THE CITY**. Provided this contract has been executed and further provided all applications to create the district and achieve the industrial facility exemption certificate have been properly filed, the City shall, in a timely manner, determine in a public meeting to whether to create the district and whether to receive, process, and approve thereafter the Company's application for an industrial facilities exemption certificate. The City may consider this contract in a meeting separate from and prior to the meeting in which the City considers the approval of the application for certificate. Further, the City shall require the submission of this contract signed by the Company together with its applications, before creating the district.

3. **EVENTS OF DEFAULT**. The following actions or failures to comply shall be considered events of default by the Company:

3.1 Failure to meet any of the commitments set forth above.

3.2 The closing of the Company's facilities in the City. Closing shall mean for purpose of this Agreement, the removal, without transfer to another site within the City of substantially all of the production facilities, and the elimination of substantially all the jobs created or retained thereby, which are set forth in the Company's application.

3.3 Failure to afford to the City the documentation and reporting required.

3.4 The failure to create or retain jobs, meet affirmative action goals or expend the funds on equipment and improvements as represented in the application within the times required hereby, unless the company can show that there has been a loss of revenue and employment due to circumstances beyond the control of the company. In order to make that showing the company shall have the burden of supplying, to the City's satisfaction, complete and convincing documentation supporting and justifying reductions in investment, failures to attain affirmative action goals or job losses, such as, without limitation, written evidence of lost contracts, accounting information showing reduced revenues due to the loss of business, (not due to diversion of production to affiliate companies or divisions of the company), production records showing reduced quantities over significant periods of time, and such other information required by the City to support the Company's claim that the failure to invest, failure to achieve affirmative action goals, or loss of jobs should not form the basis for a finding of default.

3.5 The bankruptcy or insolvency of the Company.

3.6 The failure to pay any and all taxes and assessments levied on the Company's property or any other taxes, local, state or federal, including but not limited to City income taxes and the withholding of said City income taxes from employees as required by the City Income Tax Ordinance.

3.7 The performance or omission of any act which would lead to revocation under MCLA 207.565, being §15 of the Act.

3.8 The violation of any provisions, promises, commitments, considerations or covenants of this Agreement.

4. **REMEDIES ON DEFAULT.** In the event of any of the above defaults the City shall have the following remedies which it may invoke without notice, except as may be reasonably required by the Company's rights to due process:

4.1 In the event of closing as determined after investigation of the facts and a public hearing, the Company shall be immediately liable for penalties to be paid forthwith to the city as determined as follows:

4.1.1 The Company shall pay to the City for prorata distribution to the taxing units experiencing the abatement, an amount equal to the difference between the industrial facilities tax which it has paid, and the total property taxes to the relevant taxing units which it would have paid, given its installations of improvements and equipment, during the years for which the certificate was in effect.

4.1.2 Immediate Revocation. The Company hereby consents to revocation to the IFT certificate before the State Tax Commission, without hearing, and the City shall submit a copy of this Agreement to the State Tax Commission in connection with its revocation procedure, giving notice that the default has occurred and immediate revocation should occur.

4.2 In the event the improvements and equipment have not been installed before the two (2) year period, in addition to the revocation procedures before the State

Tax Commission, the abatement should immediately be reduced by the City proportionately, and any installations which have not been finished at the end of said two (2) year period shall not be eligible for the abatement thereafter and shall be placed on the regular tax roll.

4.3 Failure to Expend the Funds Represented. In the event, (whether or not the installations have been completed), the Company has not expended the funds it has represented on its application that it would invest for the installation of equipment, the abatement shall be reduced prorata, and any remaining value of equipment shall be placed on the regular tax roll, unless the company can show, through receipts, etc. that the cost of the equipment was actually less than the amount estimated by the company (i.e., the same equipment was purchased as listed in the IFT application, but the bids came in less then expected).

4.4 Job Creation and Retention. In the event the promised number of jobs have not been created or retained at the end of the two (2) years after the grant of the certificate by the State Tax Commission, the abatement shall be proportionately reduced, unless the company can show that the loss of jobs, or inability to hire as many people as expected, is due to circumstances beyond the control of the company (such as an economic downturn).

4.5 Affirmative Action Goals. In the event, after one (1) year from the grant of the certificate by the State Tax Commission, the affirmative action goals of the City for additional jobs have not been met on a prorata basis, the abatement shall be revoked.

4.6 For other violations of this Agreement or for actions or omissions by the Company amounting to grounds for revocation by statue, the City shall recommend to the State Tax Commission immediate revocation of the certificate.

4.7 Special Assessment. For any amount due to be paid to the City, under this Section 4, the Company consents that the City shall have a personal action against the Company for the said amount, and in addition, cumulatively, and not by election, the City shall have a special assessment lien on all the property of the Company personal and real, located in the City, for the collection of the amounts due as and in the manner of property taxes and in such case the collection of the said special assessment shall be accomplished by addition by the City to the Company's property tax statement regularly rendered.

5. 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.

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

7. Benefit. This Agreement shall be binding upon and inure to the benefit of the respective parties, their successors and personal representatives.

8. Effective Date. This Agreement shall be effective on the date the State of Michigan Tax Commission grants the company at Industrial Facilities Exemption Certificate.

CITY OF MUSKEGON

By____________________
Ken Johnson, Mayor

and____________________
Ann Meisch, Clerk

By____________________
Russell Golemba, Vice President

and____________________
Andrew Blankenship, Operations Manager

Its____________________

COMPANY: AMERICAN FAB **DATE:** 3-Jun

ADDRESS: 16910 148th Ave. Spring Lake, MI 49456

CONTACTS: Andrew Blankenship **PHONE:** 313-712-6600 **EMAIL:** ablankenship@american-fab.com

Russ Golemba **PHONE:** 616-485-8899 **EMAIL:** rsgolemba@american-fab.com

TOTAL EMPLOYEES: 27

	HISPANIC OR LATINO		MALE						FEMALE						
JOB CLASSIFICATION	MALE	FEMALE	WHITE	BLACK OR AFRICAN AMERICAN	ASIAN	NATIVE HAWAIIAN/ PACIFIC ISLANDER	AMERICAN INDIAN/ ALASKAN NATIVE	TWO OR MORE RACES	WHITE	BLACK OR AFRICAN AMERICAN	ASIAN	NATIVE HAWAIIAN/ PACIFIC ISLANDER	AMERICAN INDIAN/ ALASKAN NATIVE	TWO OR MORE RACES	TOTALS
Office Employee			6						1						7
Production Employee	1		19												20

	Total #	Total %
Total Caucasian	**26**	**96%**
Total Minorities	**1**	**4%**
Male	**26**	**96%**
Female	**1**	**4%**
Totals:		

CITY OF
MUSKEGON

Letter of Intent: Equal Employment Opportunity and Inclusive Workforce Development

_AMERICAN FAB__ reaffirms its ongoing commitment to the principles of equal opportunity, diversity, equity, and inclusion. In alignment with the intent of applicable executive orders and the City of Muskegon's Equity and Inclusion goals, we will continue to partner with the City's Equal Employment Opportunity (EEO) Director and the Development Services Department to review, maintain, and strengthen our Equal Employment Opportunity policies and practices.

Our Commitment

It remains the policy of __AMERICAN FAB_____ to provide equal employment opportunities based solely on merit, qualifications, and business need—without discrimination based on race, color, religion, sex, national origin, age, disability, weight, height, veteran status, marital status, sexual orientation, or gender identity.

We are committed to advancing workforce diversity and will continue to evaluate our internal metrics as we work toward the City's goals of achieving 14% minority and 6.9% female representation in our workforce.

_AMERICAN FAB____ is dedicated to identifying and eliminating systemic barriers that may prevent underrepresented groups from fully participating in our employment processes. We will continue to source, recruit, and engage talent from the greater Muskegon community, and we will prioritize the intentional inclusion of minority and women candidates who meet the minimum qualifications for open positions.

As part of our ongoing efforts, __AMERICAN FAB____ will follow up in one year to assess progress toward these goals and to identify areas of improvement, ensuring accountability and continued alignment with our commitments.

This policy and our commitment to it are hereby reaffirmed by:

Russell S Golemba, Vice President
American Fabricated Products
June 4, 2026

CITY OF MUSKEGON

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** Approval of Minutes
Submitted by: Ann Meisch, City Clerk	**Department:** City Clerk

Brief Summary:
To approve minutes of the May 26, 2026, City Commission Meeting.

Detailed Summary & Background:

Goal/Action Item:

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:

Budgeted Item:

Yes		No		N/A	X

Fund(s) or Account(s):

Budget Amendment Needed:

Yes		No		N/A	X

Recommended Motion:
Approval of the minutes.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:

CITY OF MUSKEGON

CITY COMMISSION MEETING

May 26, 2026 @ 5:30 PM

MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440

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, May 26, 2026. Pastor Adam Dollar from Evanston Avenue Church, opened the meeting with prayer, after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL

Present: Mayor Ken Johnson, Vice Mayor Destinee Keener, Commissioners Rebecca St.Clair, Jay Kilgo, Willie German, Jr., Kiley Jackson, and Katrina Kochin (left at 8:15 p.m.), City Manager Jonathan Seyferth, City Attorney Brennen Gorman, and City Clerk Ann Marie Meisch

2026-37 PUBLIC HEARINGS

A. **Neighborhood Enterprise Zone Certificates — 367 E. Forest Ave., 377 E. Forest Ave., 58 E. Grand Ave., 77 Monroe Ave., and 181 Irwin Ave.** Economic Development

Stephens Homes and Investments LLC has submitted five applications for Neighborhood Enterprise Zone (NEZ) certificates for the construction of new single-family homes at 58 E. Grand Avenue, 367 E. Forest Avenue, 377 E. Forest Avenue, 79 Monroe Avenue, and 181 Irwin Avenue. These addresses are located within existing Neighborhood Enterprise Zone Districts and are eligible for consideration under the Neighborhood Enterprise Zone Act, which encourages the construction and rehabilitation of residential housing within eligible communities.

These properties were previously purchased from the City of Muskegon for residential development. As part of the development process, one parcel was split to create two separate addresses and one parcel underwent an address change. Estimated project costs for the proposed homes range between $125,000 and $180,000. The applicant has paid all required application fees

and has met all local requirements for the issuance of NEZ certificates. Stephens Homes and Investments LLC is requesting that each certificate be issued for a term of 15 years. Approval of these applications would grant each home a Neighborhood Enterprise Zone tax abatement that may reduce property taxes by up to approximately 50% for the requested 15-year term.
STAFF RECOMMENDATION: I move to close the public hearing and approve Neighborhood Enterprise Zone (NEZ) certificates for 15 years for the properties located at 58 E. Grand Avenue, 367 E. Forest Avenue, 377 E. Forest Avenue, 79 Monroe Avenue, and 181 Irwin Avenue, and authorize the Mayor and City Clerk to sign the applications and resolutions.
The Public Hearing opened to hear and consider any comments from the public. No public comments were made.

Motion by Commissioner St.Clair, second by Vice Mayor Keener, to close the public hearing and approve Neighborhood Enterprise Zone (NEZ) certificates for 15 years for the properties located at 58 E. Grand Avenue, 367 E. Forest Avenue, 377 E. Forest Avenue, 79 Monroe Avenue, and 181 Irwin Avenue, and authorize the Mayor and City Clerk to sign the applications and resolutions.

ROLL VOTE: Ayes: Johnson, Kilgo, Keener, German, Jackson, Kochin, and St.Clair
Nays: None

MOTION PASSES

B. <u>FY 2026-27 Budget - Public Hearing</u> Manager's Office

This is a public hearing for the Fiscal Year 2026-27 budget which was presented to the Commission on May 12, 2026. We anticipate final budget adoption at the June 9, 2026, meeting.
STAFF RECOMMENDATION: Motion to close the public hearing.
The Public Hearing opened to hear and consider any comments from the public. No public comments were made.

Motion by Commissioner Kilgo, second by Commissioner St.Clair, to close the public hearing.

ROLL VOTE: Ayes: Kilgo, Keener, German, Jackson, Kochin, St.Clair, and Johnson
Nays: None

MOTION PASSES

<u>PUBLIC COMMENT ON AGENDA ITEMS</u>

Public comments received.

2026-38 CONSENT AGENDA

A. Approval of Minutes City Clerk

To approve minutes of the May 11th Commission Worksession and the May 12th Commission Meeting.

STAFF RECOMMENDATION: Approval of the minutes.

B. Amendment to the Zoning Ordinance - Waterfront Setbacks in FBC, LMR. (SECOND READING) Planning

Staff-initiated request to amend Section XX of the zoning ordinance to change the required front setbacks for waterfront properties in the Lakeside Mixed Residential context area.

The Lakeside Mixed Residential context area has a front build-to-zone of 5-12 feet. The Form-Based Code allows waterfront properties to consider either the street side or the waterfront side as the front of the property. This means that a building may be required to be placed anywhere from 5 to 12 feet from the property line facing the water. Since all of the property may not be above the ordinary high watermark, and also since water levels fluctuate, it would not be possible to place a building this close to the water in many situations.

Staff is proposing to amend the ordinance to require waterfront properties to only build above the ordinary high watermark and not to have a traditional setback from the waterfront property line.

The Lakeside Mixed Residential context area allows detached houses, duplexes, rowhouses, small multiplexes, and cottage retail buildings.

The Planning Commission unanimously (5-0, 4 members absent) recommended approval of the amendment.

STAFF RECOMMENDATION: I move the request to amend Section XX of the zoning ordinance to change the required front setbacks for waterfront properties in the Lakeside Mixed Residential context area be approved.

E. Energy Performance Contract with Johnson Controls, Inc. Public Works

Staff offers an Energy Performance Contract with Johnson Controls, Inc. that will satisfy many capital needs throughout the City and generate over $19M in savings, as detailed in the contract, for a total cost of $43,296,839.

In May of 2025, the Commission approved Johnson Controls, Inc. (JCI) as the City's service provider for an Energy Performance Contract (EPC). Since that time, and with various approvals along the way by the Commission, staff and JCI have worked to develop a series of items that address capital needs of the City and fit well within the structure of an EPC. On Monday, May 11 of this year, staff and JCI presented the details of the contract and the items proposed within it. The specific items and terms are also detailed within the contract. To reiterate the highlights:

- A complete renovation of the DPW facility, including the addition of 6,000 ft2 of community space
- Replacement of over 10,000 water meters and the repair or replacement of all commercial meters
- HVAC improvements at City Hall and the Water Filtration Plant, including replacing all City Hall windows
- Leak detection in portions of the water system, and infiltration-reducing measures in the sewer system
- Other electric- and water-saving improvements at City Hall, the marina, and in our parks and cemeteries

The EPC format allows future savings that are generated by the improvements to be used to defray the cost of those improvements. As such this EPC includes savings of $19,593,375, provided by such things as increased water revenue due to the meter replacements, and utility savings generated by more efficient equipment. These savings are guaranteed - if they fail to materialize and the City has met its related obligations, JCI will pay the City an equivalent amount for the missing savings.

The project is proposed to be financed using a financial instrument known as a Tax-Exempt Lease Purchase (TELP). If the Energy Performance Contract is approved, JCI will work with City staff to issue a Request for Proposals to banks. Staff and JCI will negotiate terms, and return to the Commission with the loan proposal for approval at a future Commission meeting. The TELP does not count against the City's bonding capacity, yet still provides a competitive rate structure.

After financing and savings, and after being distributed to the various funds that support the items included in the project, the financial impact to the City's budget is approximated by fund below. Actual payments in any given year will vary according to the offsetting savings. The figures shown are an annual average over the life of the project financing assuming a rate of 4.5%.

Annual Total	**$2,345,188**
101 (General)	$356,609
20X (Highway)	$575,617
590 (Sewer)	$324,754
591 (Water)	$511,143
594 (Marina)	$19,231
643 Engineering)	$104,279
661 (Equipment)	$457,397

On the "Budgeted Item" line, it is noted as N/A as this will be budgeted for in

future fiscal years starting in FY 2027-28.
STAFF RECOMMENDATION: Move to approve the Energy Performance Contract with Johnson Controls, Inc. as detailed in the contract for a total cost of $43,296,839, and to authorize the Mayor and Clerk to sign.

G. Purchase of New Excavator for DPW Public Works

Staff requests authorization to purchase a CAT 317 excavator from MacAllister Equipment in the amount of $247,825.58.
The time has come to replace our existing excavator. The current excavator is from 2004 and is becoming unreliable. The excavator is used for snow fence at the beach, docks at the marina, tearing down hazardous structures after fires, road projects, and water/sewer line repairs. After demoing a new 317 CAT from MacAllister Equipment at the compost site, staff verified it is the right piece of equipment for the needs at hand. The 317 CAT is similar to the existing excavator with slight upgrades to load capacity and digging depth. The new excavator comes with modern technology and safety features, like 360 view cameras, that will help the DPW staff operate safely and efficiently. MacAllister has been awarded the Sourcewell contract for Caterpillar equipment in the state of Michigan, with pricing for this model at $247,825.58.
Sourcewell is an organization that competitively solicits equipment, technology, and services and provides the pricing via cooperative purchasing agreements that allow public entities - such as government agencies, school districts, tribal nations, and nonprofits - to make purchases satisfying policy requirements such as public bidding.
STAFF RECOMMENDATION: Move to authorize staff to purchase a CAT 317 excavator from MacAllister Equipment in the amount of $247,825.58.

K. Termination of Easement - 20 W. Muskegon Avenue Economic Development

Muskegon Pediatrics is buying the building at 20 W. Muskegon from Fresh Coast Alliance in the Pine Street corridor for their new offices. There is an unnecessary facade easement on the building that must be terminated prior to sale.
Muskegon Pediatrics has an accepted offer on the building at 20 W. Muskegon after they determined it was a preferable location for their offices than their previous planned site at the Century Club. During title work on the transaction, it was discovered there is an old easement related to the exterior facade of the building. It appears to date back decades and may actually be related to a companion building that has since been removed from the parcel. In order for the building sale to proceed, the easement must be terminated. Staff recommends approval of the termination prepared by the City Attorney.
STAFF RECOMMENDATION: Motion to approve the termination of easement for 20 W. Muskegon Avenue, and to authorize the Mayor and Clerk to sign.

Motion by Commissioner German, second by Commissioner Kilgo, to adopt the Consent Agenda as presented minus Items C, D, F, H, I, and J.

ROLL VOTE: Ayes: German, Jackson, Kochin, St.Clair, Johnson, Kilgo, and Keener
Nays: None

MOTION PASSES

2026-39 ITEMS REMOVED FROM THE CONSENT AGENDA

C. Amendment to the Zoning Ordinance - Several Changes to the Form Based Code (SECOND READING) Planning

Staff-initiated request to amend Section XX of the zoning ordinance to remove/edit several areas of the form-based code.
Staff is proposing several amendments to the Form-Based Code (FBC). The reasoning behind these amendments is as follows:

- The FBC has been used for over 10 years now, staff have noticed some regulations that need to be removed or revised.
- Rezonings have brought about multiple expansions across eight neighborhoods (Nelson, Lakeside, Nims, Jackson Hill, Campbell Field, Northeast, Angell, and McLaughlin).
- Creation of new Context Areas specific to the Lakeside Business District and adjacent residential areas in May, 2019. Modeled after, but never fully integrated into the original FBC document.
- Continued rezonings/expansion anticipated to implement the goals of the Master Land Use Plan.
- Eliminate redundancies to improve readability for users and generally make the document more accessible.
- Simplify regulations to ensure that the code regulates the things that it should be, and not the things it shouldn't be.
- Opportunity to address document formatting as the Zoning Ordinance transitions to the Municode platform.

In general, the proposed updates include:

- Updated wording to be more specific, clear, or concise, where necessary.
- Eliminated redundant language and references to Zoning Ordinance sections with overlapping regulations.
- Corrected Zoning Ordinance section references throughout.
- Removed unhelpful regulations that have minor effect on intended results.

- Removed "suggested" regulations, some of which will be used to draft actual regulations.

Jamie Pesch from the Planning Department gave a presentation on the proposed amendments.
The Planning Commission unanimously (5-0, 4 members absent) recommended approval of the amendments.
STAFF RECOMMENDATION: I move the request to amend Section XX of the zoning ordinance to edit several areas of the form-based code be approved as presented.

Motion by Commissioner Kilgo, second by Commissioner St.Clair, to move the request to amend Section XX of the zoning ordinance to edit several areas of the form-based code be approved as presented.

ROLL VOTE: Ayes: Jackson, Kochin, St.Clair, Johnson, Kilgo, Keener, and German
Nays: None

MOTION PASSES

D. <u>Amendment to the Harbor 31 Planned Unit Development (PUD) (SECOND READING)</u> Planning

Request to amend the Harbor 31 Planned Unit Development (PUD) at 600 Shoreline Dr. (PUD address) for a new residential development at 170 Viridian Dr. (development address) and to amend the waterfront access paths within Harbor 31.
The proposed development is located within the Harbor 31 Planned Unit Development (PUD). Much of the interior of the subject parcel is considered a wetland and is prohibited from development by the Michigan Department of Environment, Great Lakes, and Energy (DELEG). The areas restricted from development are enclosed by split rail fencing and are considered an environmental easement.
The project consists of four large multiplex buildings, each containing 12 units, for a total of 48 units. There are 67 off-street parking spaces and five parking spaces in the terrace proposed.
Large multiplex buildings are an allowed building type in this context area. However, the location of the wetlands prohibits traditional building and parking placement, requiring the need to amend the PUD. The initial project for this parcel was townhomes, but the environmental easements caused issues with the site layout.
A portion of the Grand Valley State University (GVSU) parking lot to the west of the development actually encroaches onto the Meadows property. This will

have to be removed prior to construction. Page 2 of the site plan depicts the existing parking lot in relation to the proposed development, and Page 3 depicts what the revised GVSU parking lot could look like, although this is not a finalized concept. GVSU will have to apply to the City to reconfigure their parking lot.

A stormwater management permit application will need to be submitted to the Engineering Department, and the original storm water management permit for the overall site may need to be modified if changes to the original management plan are contemplated.

Notice was sent to all addresses within 300 feet of the property. At the time of this writing, staff had received one comment from the public. Kevin Murphy, who is an owner of the Vida Nova condominiums, made several comments regarding issues he has with the overall development of Harbor 31. His comments appear to be issues with the Harbor 31 board, the lack of boardwalk signage for the public, and issues with the placement of electrical equipment, but there were no specific comments about the proposed development.

Staff recommends approval of the request with the condition that the western path to the boardwalk is installed and functional before Certificates of Occupancy are issued for the Meadows.

The Planning Commission unanimously recommended approval of the request with the following conditions:

1. The stormwater permit must be updated with the Engineering Dept.
2. The Certificates of Occupancy for the Meadows are not issued until the western path to the boardwalk is constructed and usable and includes a public access sign.
3. Any street trees removed for terrace parking must be replaced elsewhere within Harbor 31, as approved by staff.
4. The landscaping plan shall be revised to include an additional 10 canopy trees on-site, including at least two per parking lot.
5. The drive entrance to the north be realigned, as approved by staff. The eight parking spaces in this area must also be removed.

The site plan has been updated since the Planning Commission meeting and has addressed items 3–5.

STAFF RECOMMENDATION: I move the request to amend the Harbor 31 Planned Unit Development for a new residential development at 170 Viridian Dr., and to amend the waterfront access paths within Harbor 31, be approved with the following conditions:

1. The stormwater permit must be updated with the Engineering Dept.

2. The Certificates of Occupancy for the Meadows are not issued until the western path to the boardwalk is constructed and usable and includes a public access sign.

Motion by Commissioner Kochin, second by Commissioner Kilgo, that the request to amend the Harbor 31 Planned Unit Development for a new residential development at 170 Viridian Dr., and to amend the waterfront access paths within Harbor 31, be approved with the following conditions:
1. The stormwater permit must be updated with the Engineering Dept.
2. The Certificates of Occupancy for the Meadows are not issued until the western path to the boardwalk is constructed and usable and includes a public access sign.

ROLL VOTE: Ayes: St.Clair, Johnson, Kilgo, and Jackson
Nays: Kochin, Keener, and German

MOTION PASSES

F. <u>Juneteenth Resolution 2026</u> Commissioner Request

Resolution to recognize Friday, June 19, 2026, as Juneteenth National Independence Day and to authorize the flying of the Juneteenth Flag at City Hall and Hackley Park from June 19th through the end of the month.
STAFF RECOMMENDATION: Motion to approve the resolution as presented and fly the Juneteenth flag at City Hall and Hackley Park from Friday, June 19, 2026, through June 30, 2026.

Motion by Commissioner German, second by Vice Mayor Keener, to approve the resolution as presented and fly the Juneteenth flag at City Hall and Hackley Park from Friday, June 19, 2026, through June 30, 2026.

ROLL VOTE: Ayes: St.Clair, Johnson, Kilgo, Keener, German, Jackson, and Kochin
Nays: None

MOTION PASSES

H. <u>Liquor License Extension – Wonderland Distilling Co, 1989 Lakeshore Drive, Suite B</u> Economic Development

Wonderland Distilling Company, located at 1989 Lakeshore Drive, Suite B, is requesting Local Government Approval for an amendment to its existing liquor license originally approved in 2019, to allow the addition of beer and wine service. The business currently operates under an Off-Premises Tasting Room Spirits License connected to its distillery operations at 2217 Lemuel Street in Muskegon.
The requested amendment would allow Wonderland Distilling to expand its current offerings to include beer and wine service in addition to its existing cocktail menu. According to the applicant, this is not a new liquor license

request, but rather an extension of the previously approved license already associated with the business's manufacturing operations.
The applicant has indicated they are aware of and intend to satisfy all applicable Michigan Liquor Control Commission (MLCC) requirements associated with the license request. The applicant has indicated the facility has already received approvals from the County Health Department and MDARD (Michigan Department of Agriculture and Rural Development) .
Approval of the Local Government Approval form would authorize the City Clerk to sign the required documentation for submission to the State of Michigan and the MLCC.
STAFF RECOMMENDATION: I move to approve the liquor license amendment request for Wonderland Distilling Company located at 1989 Lakeshore Drive, Suite B, and authorize the City Clerk to sign the required Local Government Approval documentation.

Motion by Commissioner German, second by Commissioner Kilgo, to approve the liquor license amendment request for Wonderland Distilling Company located at 1989 Lakeshore Drive, Suite B, and authorize the City Clerk to sign the required Local Government Approval documentation.

ROLL VOTE: Ayes: Johnson, Kilgo, Keener, German, Jackson, Kochin, and St.Clair
Nays: None

MOTION PASSES

I. **Contract for Housing Exemption - Jackson Hill Estates** Economic Development

The PILOT for Jackson Hill Estates is expiring in March of 2027, and General Capital is requesting a 10-year extension.
The Village at Jackson Hill is a longtime senior housing LIHTC in the community that features some of the lowest rents per square foot in the metro area. In March of 2027, the 25-year affordability period will expire, which places the community on the regular tax rolls. General Capital is requesting a 10-year extension with a 4% PILOT as currently applies to the site. They have recently been awarded a Weatherization Program Grant from Mid Michigan Community Action in order to perform capital improvements to the units such as new windows and other energy efficiency improvements. The current PILOT payment is roughly 13-14,000 dollars per year.
The site will de facto revert to market rate, unsubsidized units in the event of an expiration of the PILOT and so staff recommends approval of the extension.
STAFF RECOMMENDATION: Motion to approve the Contract for Housing

Exemption as presented, and to authorize the Mayor and Clerk to sign.

Motion by Commissioner German, second by Commissioner Kilgo, to approve the Contract for Housing Exemption as presented, and to authorize the Mayor and Clerk to sign.

ROLL VOTE: Ayes: Kilgo, Keener, German, Jackson, Kochin, St.Clair, and Johnson
Nays: None

MOTION PASSES

J. <u>Recognizing June as Pride Month</u> Mayor's Office

June is Pride Month; the resolution is offered as a way to acknowledge Pride Month and the LGBTQ+ community. The resolution notes that the Pride Flag will be flown at Hackley Park during Pride Month and that a Pride Display can be done at City Hall.
STAFF RECOMMENDATION: To approve the resolution as presented, fly the Pride Flag at Hackley Park during Pride Month, and support a Pride display at City Hall.

Motion by Commissioner Kochin, second by Commissioner St.Clair, to approve the resolution as presented, fly the Pride Flag at Muskegon City Hall and Hackley Park during Pride Month, and support a Pride display at City Hall.

ROLL VOTE: Ayes: Keener, German, Jackson, Kochin, St.Clair, Johnson, and Kilgo
Nays: None

MOTION PASSES

<u>2026-40 NEW BUSINESS</u>

A. <u>Rad Dads Agreement — Discussion REMOVED PER REQUEST OF STAFF</u> Manager's Office

B. <u>Amendment to Chapter 82 of the Code of Ordinances - Affordable Housing</u> Economic Development

Updates to the Code of Ordinances to reflect changes to the MSHDA Act and more easily facilitate infill housing.
With the new programming available from the State of Michigan that has been empowered by updates to the MSHDA Act, we have been able to facilitate many infill housing units with pricing controls. Examples include Housing TIF, Workforce PILOT, and nearly 300 units of LIHTC apartment housing. We are rare

in the sense that we have adopted regulations around allowing affordable housing in our code of ordinances, which makes the local policy environment attractive for investment.

However, with all of these recent changes to the State Act, we need to update our code of ordinances to make sure that our local law acts in concert with State Law. The proposed update to the ordinance covers all bases for the current affordable housing types in Michigan and sets us up to continue our momentum in this development space.

STAFF RECOMMENDATION: Motion to adopt the Amendment to Chapter 82 of the General Code of Ordinances as presented.

Motion by Commissioner St.Clair, second by Commissioner Kochin, to adopt the Amendment to Chapter 82 of the General Code of Ordinances as presented.

ROLL VOTE: Ayes: German, Jackson, Kochin, St.Clair, Johnson, Kilgo, and Keener
Nays: None

MOTION PASSES

ANY OTHER BUSINESS

Economic Development Director Jake Eckholm gave an update on the marketing of the Nelson House.

Commissioner Kilgo stated there is a three-week Financial Empowerment Series June 15, June 22, and June 29 at Access Health.

City Manager Jonathan Seyferth gave an update on the fire at the Village at The Oaks.

GENERAL PUBLIC COMMENT

Public comments received.

2026-41 CLOSED SESSION

A. **Attorney/Client Communication** City Clerk

Motion by Commissioner St.Clair, second by Commissioner Kilgo, to go into Closed Session to consider material exempt from discussion or disclosure under State or Federal Statute being an attorney/client communication.

ROLL VOTE: Ayes: Kochin, St.Clair, Johnson, Kilgo, Keener, German, and Jackson
Nays: None

MOTION PASSES

Motion by Commissioner Kilgo, second by Vice Mayor Keener, to come out of Closed Session.

ROLL VOTE: Ayes: Kilgo, Keener, German, Jackson, St.Clair, and Johnson
Nays: None

MOTION PASSES

Motion by Vice Mayor Keener, second by Commissioner St.Clair, to approve the settlement offer as discussed.

ROLL VOTE: Ayes: Keener, German, Jackson, St.Clair, Johnson, and Kilgo
Nays: None

MOTION PASSES

ADJOURNMENT

The City Commission meeting adjourned at 9:17 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC City Clerk

CITY OF MUSKEGON

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** Financial Policies
Submitted by: Kenneth Grant, Finance Director	**Department:** Finance

Brief Summary:
To update the City of Muskegon Financial Policies

Detailed Summary & Background:
Key changes to the financial policies:

- Proceeds from Sale of City-Owned Real Estate goes towards the Housing Fund not the Public Improvement Fund
- Updated Travel Expense Reimbursement & Meal Costs
- Coin Acceptance Language (New)
- Updated Poverty Exemption Guidelines for the Assessor

Goal/Action Item:

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:	**Budgeted Item:**
Fund(s) or Account(s):	**Budget Amendment Needed:**

Budgeted Item:

Yes		No		N/A		

Budget Amendment Needed:

Yes		No		N/A		

Recommended Motion:
Staff recommends the approval of the updated Financial Policies as presented to the Commission.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		

Name the Policy/Ordinance Followed:

Legal Review			

CITY OF

EST. 1869

MUSKEGON

THE SHORELINE CITY

FINANCIAL POLICIES

DATE: 1/2026

PURPOSE/OVERVIEW: FINANCIAL POLICIES

CONTACTS:

For assistance with your needs, please contact the Department at 231-724-6932. For assistance with the associated process and application, please contact the Department at 231-724-6932.

CITY OF MUSKEGON FINANCIAL POLICIES

INTRODUCTION

The financial policies presented here set forth the basic policy framework for the financial management of the City of Muskegon. Many of the policies represent long-standing principles, practices, or traditions that have guided the City in the past. They have been brought together in one place to ensure their consistency and to provide Commission and staff a comprehensive reference document for current and future decision-making. While these policies are intended to provide continuity within a constantly changing environment, it is also intended that they be reviewed regularly and amended as needed.

I. OPERATING BUDGET POLICY

The City shall adhere to the requirements of the State of Michigan "Uniform Budget Act" (P.A. 621 of 1978, as amended).

The budget shall be balanced by Fund. Budgeted expenditures of each fund will be less than or equal to the sum of projected fund balance at the beginning of the fiscal year and all revenues which reasonably can be expected to be received during the fiscal year. It will be the annual goal of the City to match current operating expenditures with current operating revenues for each fund. Where this is not possible due to economic downturn or other factors, the "operating deficit" (i.e. operating revenues less operating expenditures) will be clearly highlighted.

Budgets will be adopted on a basis of accounting consistent with generally accepted accounting principles. Revenues are budgeted when they become measurable and available and expenditures are charged against the budget when they become measurable, a liability has been incurred, and the liability will be liquidated with current resources.

The budget shall be adopted through a "Resolution of Appropriation." Appropriations will be made at the departmental or project level for the General Fund Budget and at the fund level for all other budgets. The level of formal appropriation will constitute the "appropriation center" for each fund as defined in the state Uniform Budget Act. Transfers of budgeted funds between appropriation centers will require the formal approval of the City Commission.

The City Manager and City Department Heads are authorized to transfer line-item budget amounts within appropriation centers. Budget transfers between appropriation centers or changes to appropriation center totals require formal amendment by the City Commission, which may be done at any time during the budget year.

Budgets will be carefully monitored throughout the year. Each quarter the budget together with the policies and priorities on which it is based will be thoroughly reviewed by the City Manager to determine whether changes are necessary. An amended budget reforecast will be presented to the City Commission based on this review.

Department Heads are authorized to reallocate budgeted positions between activities under their jurisdiction; however, new positions may only be created with approval of the City Manager and within the budgetary authority approved by the City Commission.

All operating funds of the City are subject to the annual budget process and will be reflected in the annual budget document with the exception of certain "pass-through" funds (such as the current tax fund), trust and agency funds, funds having a separate fiscal year (e.g. CDBG), and non-recurring project and grant funds for which a budget shall be adopted at the time the project is approved.

The enterprise fund and internal service fund operations of the City are intended to be fully self-supporting, i.e. current revenues will cover current expenditures, debt service, and capital costs.

The City's budget will portray both direct and indirect costs of programs whenever practical.

As permitted by state law (P.A. 30 of 1978), the City will fund and maintain a separate Budget Stabilization Fund for the purpose of ensuring that adequate funding is available to maintain levels of municipal services in the event of a major revenue loss.

II. CAPITAL IMPROVEMENTS POLICY

A capital improvement program (CIP) will be developed for a period of five years. The CIP will outline and prioritize all proposed capital projects, including land acquisitions, land improvements, construction projects and equipment purchases having estimated costs over $50,000 and useful lives of four or more years. As resources are available, the most current year of the CIP will be incorporated into the current year of the City's operating budget. The CIP will be reviewed and updated annually prior to the beginning of the operating budget cycle.

III. REVENUE POLICY

The City will strive to maintain a diversified and stable revenue system to shelter it from short-run fluctuations in any one revenue source. The revenue mix should combine elastic and inelastic revenue sources to minimize the effect of an economic downturn.

The City will estimate its annual revenues using the best information available.

The City will establish all user charges at a level related to the cost of providing the services and will *annually* revise user fees (with review by the City Commission) to adjust for the effects of inflation, program changes or other factors.

The City will set fees and user charges for each enterprise fund, such as the Water Fund and Sewer Fund, at a level that fully supports the total direct and indirect costs of the activity. Costs shall include the cost of annual depreciation of capital assets.

The City will set fees for other user activities, such as recreation services, at a level to support the direct and appropriate indirect costs of the activity.

The City will aggressively pursue collections of delinquent accounts receivable utilizing appropriate legal means (including outside collection agents) to enforce payment of amounts owed.

IV. FUND BALANCE POLICY INCLUDING GASB STATEMENT 54 POLICIES

Fund balance is an important indicator of the City's financial position. Maintaining reserves is considered a prudent management practice. Adequate fund balances are maintained to allow the City to continue providing services to the community in case of unexpected emergencies or requirements and/or economic downturns.

GENERAL FUND

It will be the City's policy to maintain an unassigned (General Fund) fund balance equal to at least <u>thirteen percent (13%) of total actual General Fund Revenues</u> for the preceding year. This level of fund balance is consistent with the municipal fiscal stress indicator system used by the Michigan Department of Treasury to monitor the financial health of local units.

FUND BALANCE REPORTING IN GOVERNMENTAL FUNDS

Fund balance will be reported in governmental funds under the following categories using the definitions provided by GASB Statement No. 54:

Nonspendable fund balance – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained in-tact.

Nonspendable amounts will be determined before all other classifications and consist of the following items (as applicable in any given fiscal year):

- The City will maintain a fund balance equal to the balance of any long-term outstanding balances due from others (including other funds of the government)

- The City will maintain a fund balance equal to the value of inventory balances and prepaid items

- The City will maintain a fund balance equal to the corpus (principal) of any permanent funds that are legally or contractually required to be maintained in-tact

- The City will maintain a fund balance equal to the balance of any land or other nonfinancial assets held for sale

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Commitments will only be used for specific purposes pursuant to a formal action of the City Commission.

Assigned fund balance – includes amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

The City Commission delegates to the City Manager the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

Unassigned fund balance – includes the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

BUDGET STABILIZATION FUND

The City will continue to maintain on its books a budget stabilization fund (as originally created under PA 30 of 1978). However, for year-end reporting purposes (in accordance with requirements of GASB 54), the City's budget stabilization fund will be reported as an assigned fund balance of the general fund for the purpose of public improvements.

.

V. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICY

The City will establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements will be established, however, because unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration.

An independent full scope audit of all City funds will be performed on an annual basis. Selection of the independent auditor will be made by the City Commission.

The City will prepare an Annual Comprehensive Financial Report (ACFR) in accordance with Generally Accepted Accounted Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB). It will be the City's goal to complete the annual audit and prepare the ACFR within 120 days of the end of the fiscal year.

The City shall submit annually its ACFR to the Certificate of Achievement for Excellence in Financial Reporting Program sponsored by the Government Finance Officers Association. Recommendations made by GFOA reviewers shall be incorporated into the City's ACFR for the subsequent year.

VI. DEBT POLICY

EXTERNAL DEBT

The City of Muskegon will not use long-term debt to finance current operations.

The City of Muskegon will follow a policy of full disclosure and report all material facts about its financial condition in a timely manner.

The retirement of bonds issued by the City (or its component units and authorities) will be equal to or less than the useful life of the project being funded.

Whenever possible the City of Muskegon (including its authorities) will limit its issuance of debt to a maximum of $10 million per calendar year to maintain the yield advantages associated with bank qualified obligations.

The City will structure bond issues to maintain level or decreasing debt service schedules and maintain debt service payments as a predictable and manageable part of the operating budget.

"Pay-As-You-Go" financing will be used when practical. However, when the City utilizes long-term debt financing it will ensure that the debt is financed soundly by:

- Conservatively projecting revenue sources that will be utilized to repay the debt.
- Financing the improvement over a period not greater than the useful life of the improvement, and
- Determining that the benefits to be derived outweigh the total costs (including interest costs) of the project.

Capital lease, certificates of participation, and lease-purchase financing will be treated as debt financing and be subject to the same policies.

The City will award sale of its bonds to the responsible bidder whose bid produces the lowest "true interest cost" (TIC) to the City over the life of the bond issue.

The City (and its Authorities) will normally issue debt through a competitive process in which formal bids will be solicited from as many interested parties as possible. Under some circumstances, it is in the City's best interest to issue debt through a negotiated sale process instead of using a competitive process. The negotiated sale process will only be used when: 1) the nature of the debt issue is unique and requires particular skills from the investment banks involved, 2) the interest rate environment or other economic factors that may affect the issue are particularly volatile and the negotiated sale process can provide needed stability or, 3) the debt issue is bound by a closing deadline. In all cases where the negotiated process is utilized, the underwriter/manager will be selected by a competitive review of their fees, qualifications, and recent performance.

INTERFUND LOANS

In some situations it may be cost effective to loan money from one City fund to another in lieu of borrowing from external sources. Such interfund loans may only be made with formal approval of the City Commission including establishment of a fixed repayment schedule. Interest on interfund loans will be charged at the rate then available on U.S. Treasury notes having a comparable maturity.

VII. FIXED ASSETS CAPITALIZATION AND DEPRECIATION POLICY

CAPITALIZATION THRESHOLDS

Fixed assets are assets of a long-term character (i.e. a minimum useful life of two years) which are intended to continue to be held and used, such as land, buildings, improvements other than buildings, machinery, vehicles and equipment. This policy is intended to establish guidelines for accounting for, capitalizing and depreciating fixed assets held by the various City funds.

Category	*Capitalization Threshold (Unit Cost)*
Land	$ N/A
Land Improvement	10,000
Buildings	10,000
Equipment	10,000
Vehicles	10,000
Office Equipment and Furniture	10,000

Only those items having *unit* costs in excess of the threshold limits specified above will be considered fixed assets for purposes of City accounting records. Fixed assets in the City's proprietary type funds (i.e. Enterprise, Internal Service) shall be capitalized in the year of purchase and depreciated over their estimated useful lives. Fixed assets of all other funds shall be maintained by the City and depreciated over their estimated useful lives and shown on the City's full accrual Government Wide Statement. These include certain public domain general fixed assets consisting of improvements such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems.

General fixed assets are valued at historical cost or estimated historical cost if actual cost is not available. Donated assets are valued at their estimated fair value on the date donated. Property and equipment of the enterprise funds and internal service funds are carried at cost.

DEPRECIATION AND ESTIMATED USEFUL LIFE

Depreciation of Fixed Assets in the City's Proprietary Funds shall be accomplished using the simple straight life method. The estimated useful life of assets will be based on IRS policies, past experience, or other reliable sources. Useful lives typically will not exceed fifty (50) years.

VIII. LIABILITY INSURANCE CLAIM SETTLEMENTS

Under the Michigan Municipal Risk Management Authority (MMRMA) program the City is self-insured for the first $150,000 of any single liability claim. A portion of the City's annual "premium" paid to MMRMA is set aside in a reserve account to cover this retained risk and no disbursement can be made from this reserve without prior authorization from the City.

When a claim is made against the City, all pertinent information is turned over to MMRMA. The "claims adjusting" section of MMRMA then investigates the claim thoroughly and recommends a course of action to the City (e.g. deny claim, settle for no more than X dollars, etc.).

The following policy will govern the handling of such liability claims:

- The City Manager or the Finance Director is authorized to approve settlements up to $15,000 provided that the settlement is consistent with the recommendation of the MMRMA.
- Settlements for amounts less than $15,000 which are not consistent with the recommendation of MMRMA may only be authorized with concurrence of the City Attorney and timely notification of the City Commission.

- Proposed claim settlements in excess of $15,000 must be reviewed and approved by the City Commission.

IX. POLICY FOR ADJUSTING UNCOLLECTIBLE ACCOUNTS

During the normal course of conducting its business, the City invoices outside parties for a variety of reasons ranging from taxes, fines, or penalties to the sale of City services or goods. Most billings are paid promptly and the majority of those that are not are ultimately collected through discontinuance of service, use of third-party collection services, or other means. However, it is periodically necessary to adjust the City's receivable records by "writing-off" accounts deemed to be uncollectible or by making an adjustment to reflect the negotiated settlement of a disputed account.

The City's policy for adjusting accounts receivable shall be:

> The City shall maintain in its general ledger records delinquent accounts receivables for the five most recent years. A reserve for estimated uncollectible accounts receivable shall be maintained in the general ledger. The reserve will be equal to one-half of the fund's delinquent accounts receivable outstanding as of each June 30th. At the close of each fiscal year, the City will write-off any balances remaining uncollected that are more than five years old. Accounts that are written-off may be turned over to a private collection agency for additional collection efforts.
>
> For receivables under five years old preliminary authorization for adjustments or write-offs of individual accounts receivable for amounts not in excess of $15,000.00 may be given by the City Manager or other responsible official designated by the City Manager (e.g. the City Treasurer in the case of water bills).
>
> The adjustment or write-off of individual accounts receivable for amounts in excess of $15,000.00 shall be approved by the City Commission on an individual basis.

Adjustments to accounts receivable which are determined by the City Treasurer to be necessary due to administrative error may be made without going through the procedure outlined above.

X. POLICY FOR ADJUSTING DELINQUENT REAL & PERSONAL PROPERTY TAXES

The City's policy for adjusting delinquent personal property taxes shall be as follows:

- A reserve for estimated uncollectible personal property taxes shall be maintained in each fund having delinquent personal property tax receivables. The reserve will be equal to one-half of the fund's delinquent personal property taxes outstanding as of each June 30th.
- The City shall only maintain in its general ledger records delinquent personal property tax receivables for the two most recent years in an attempt to comply with the GASB 60-day rule. At the close of each fiscal year, the City will write-off any balances remaining uncollected that are more than two years old. Balances written off may be turned over to a private collection agency for additional collection efforts.

Real property taxes that become delinquent are turned over to the County treasurer for collection. The City is generally made whole at the outset of the collection process and only "charged back" for those taxes that remain delinquent after 2-3 years of unsuccessful collection effort. If in the City's judgment a delinquent account will ultimately be uncollectible through this process the City will escrow the funds received from the County to cover an eventually charge back.

XI. INVESTMENT POLICY

The Director of Finance serves as the City's Investment Officer as defined in Michigan Compiled Laws (MCL) Chapter 129.91.

This Investment Policy replaces any previously dated investment policies, guidelines or lists of authorized investments.

SCOPE

This Policy shall apply to the investment management of all financial assets under control of the City.

To the extent practical, all excess cash, except for cash in certain restricted and special accounts, shall be pooled for investment purposes. The investment income derived from the pooled investment account shall be allocated to the contributing funds based upon the proportion of the respective average balances relative to the total pooled balance. Interest earnings shall be distributed to individual funds on a monthly basis.

OBJECTIVES

The City's principal investment objectives are (in order of importance):

- SAFETY: Preservation of capital and protection of investment principal.
- LIQUIDITY: Maintenance of sufficient liquidity to meet anticipated cash flows.
- YIELD: Attainment of a market value rate of return.

PRUDENCE

The standard of prudence to be used for managing the City's assets shall be the "prudent investor rule" which in general states that investments shall be made with the judgment and care that under the circumstances then prevailing, persons of prudence, discretion and intelligence would exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital.

The City recognizes that no investment is totally risk less and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses are inevitable in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the City.

The Director of Finance and authorized investment personnel acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion to the City Commission and appropriate action is taken to control adverse developments.

DELEGATION OF AUTHORITY

The Director of Finance may delegate the authority to conduct investment transactions and to manage the operation of the investment portfolio to the Assistant Finance Director and/or the City Treasurer. No person may engage in an investment transaction except as expressly provided under the terms of this Investment Policy.

The City may engage the support services of outside professionals in regard to its investment program, so long as it can be clearly demonstrated that these services produce a net financial advantage or necessary financial protection of the City's financial resources.

AUTHORIZED SECURITIES AND TRANSACTIONS

All investments of the City shall be made in accordance with MCL Chapter 129.91 - 129.96 (Act 20 of 1943). Any revisions or extensions of these sections of MCL will be deemed to be part of this Investment Policy immediately upon being enacted.

INVESTMENT DIVERSIFICATION AND LIQUIDITY

It is the intent of the City to diversify the investments within the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. The maximum investment in each of the following categories shall not exceed 25% of the total portfolio: Commercial Paper, Eligible Bankers Acceptances and uninsured Certificates of Deposit.

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The City shall maintain at least 10% of its total portfolio in cash and/or instruments maturing in 30 days or less.

SELECTION OF BROKER/DEALERS

Broker/dealers will be selected by the Director of Finance on the basis of their expertise in public cash management and their ability to provide services for the City's account. Approved broker/dealers and the firms they represent shall be licensed to do business in the State of Michigan and as such are subject to the provisions of Michigan Statutes relating to the investment of public funds. Broker/dealers shall attest in writing that they have received and reviewed a copy of this Policy.

The City may purchase commercial paper, CD’s and other securities from direct issuers as long as they meet the criteria outlined in the Authorized Securities and Transactions section of this Policy.

SELECTION OF DEPOSITORY BANKS

Periodically, through a Request for Proposal process, the City shall select a bank or credit union to provide checking account and other banking services for the City. To be eligible for authorization, a bank or credit union must (1) be a member of the FDIC or NCUA, (2) be eligible to be a depository of funds belonging to the State of Michigan and, (3) be financially stable and sound as periodically determine through credit analysis provided through a reputable bank rating service.

Time Certificates of Deposit described in the section of this policy, “Authorized Securities and Transactions” may be purchased from authorized banks if they meet requirements of Act 20.

SAFEKEEPING AND CUSTODY

The Director of Finance shall select a bank to provide safekeeping and custodial services for the City. The custodian bank will be selected on the basis of its ability to provide services for the City's account and the competitive pricing of its safekeeping related services, and shall be financially stable and sound as periodically determined through credit analysis provided through a reputable bank rating service.

The Director of Finance shall maintain a file of the credit rating analysis reports performed for the custodian bank. Bank credit analysis shall be performed on a semi-annual basis.

REPORTING

Accounting and reporting on the City's investment portfolio shall conform to Generally Accepted Accounting Principles (GAAP) and the Governmental Accounting Standards Board (GASB) recommended practices. On a quarterly basis, the Director of Finance shall submit to the City Commission an investment report, listing the investments held by the City, the current market valuation of the investments and performance results. The report shall include a summary of investment earnings during the period.

XII. PETTY CASH USES AND LIMITS

Petty cash accounts may be established in such locations and in such amounts as may be determined necessary by the City Manager. Petty cash disbursements up to $300.00 are permitted for the following purposes: 1) for the expedited purchase of minor goods or services, 2) to provide immediate reimbursement to employees for travel or other costs paid out of their own pocket in the conduct of City business and, 3) to provide immediate refunds to customers as warranted. All uses of petty cash must be fully supported by receipts or other appropriate documentation. Petty cash procedures shall be reviewed periodically by the City's Finance Department.

Employees traveling on City business may receive a petty cash travel advance of up to $300.00 from the City Treasurer's Office to be used for travel purposes. The employee's department head must approve travel advances. Cash advances of more than $300.00 are discouraged and will only be made upon written authorization of the employee's department head and the City manager.

Note that all travel expenses should be reported on the *Travel Expense Reporting Form* as soon as possible upon returning from travel. *Travel Expense Reporting Forms* are available on the City's Intranet Page.

XIII. PROCEEDS FROM SALE OF CITY-OWNED REAL ESTATE

From time to time the City sells real estate that it owns. It is City policy that, unless required by law or by specific direction of the City Commission, proceeds from such property sales shall be deposited to the City's Public Improvement Fund to be used to finance general purpose capital needs.

In the case of tax reverted property sold by the City, sale proceeds will first be used to reimburse appropriate City funds for expenses incurred in maintaining and selling the property. Any remaining sale proceeds will be distributed to the City and other taxing jurisdictions in the same manner as regular property taxes.

In instances where the specific property sold is a part of the City's Infill Housing Program, proceeds from the sale of the property shall be retained in the City's Infill Housing Program Fund, so as to further continue the program.

XIV. PROCUREMENT CARD PROGRAM POLICY

GENERAL

Regular government purchasing methods, such as purchase orders, can be cumbersome and costly in relation to the value of goods being purchased. To promote operational efficiency, the City has adopted a procurement card purchasing program for use with small dollar value purchases.

A number of unique controls have been developed for the procurement card program. These controls will ensure that cards can be used only for specific purchases and within specific dollar limits. In addition, documentation of all purchases is required by each cardholder with further approval from the department head and the City Manager's office before payment is made.

The unique procurement card issued by the City has the employee's name embossed on it together with the City's tax-exempt status. No one other than the employee whose name is on the card may use the card. **CITY ISSUED PROCUREMENT CARDS MAY ONLY BE USED BY DESIGNATED CITY EMPLOYEES FOR THE PURCHASE OF GOODS OR SERVICES FOR THE OFFICIAL BUSINESS OF THE CITY OF MUSKEGON. UNDER NO CIRCUMSTANCES IS THE PROCUREMENT CARD TO BE USED FOR PERSONAL PURCHASES.**

DESIGNATION OF RESPONSIBLE OFFICIAL

The Finance Director is designated as the official responsible for overseeing compliance with this procurement card policy including procurement card issuance, accounting for procurement card transactions, monitoring and payment of procurement card statements.

TRANSACTION AMOUNTS

The procurement card may be used for purchases of individual items up to $2,500.00 in value. The *total monthly dollar value* of transactions on each procurement card will generally be limited to $5,000.00. The City Manager or Finance Director may establish higher monthly credit limits for employees whose positions require higher than normal use of the procurement card. The total combined authorized credit limit of all procurement cards issued by the City shall not exceed five percent of the City's total budget for the current year. All purchases made with a City procurement card must be fully supported by receipts, invoices, and other documentation. Such documentation is to be attached to the monthly procurement card statement and cardholder's reconciliation.

CREDIT CARD REBATES/REWARDS

To the extent the City earns rebates or rewards from use of procurement cards, the rebates will be recorded as general fund income used to offset the costs of bank service charges.

CREDIT CARD USE FOR LARGE RECURRING ITEMS

Some vendors accept credit card payment for large recurring bills such as electric bills and solid waste collection. Since the City can earn rebates on credit card use, it may be to the City's benefit to pay these bills via credit card. The City manager and/or finance director will inform the City commission of these opportunities in advance and will establish special use credit card accounts that are electronically restricted to the specific type of transaction/vendor.

EMERGENCY TRANSACTION AMOUNTS

In the event of an extended emergency, the City Manager or Finance Director is authorized to establish higher procurement card limits on a temporary basis so that City employees may procure goods and services necessary to deal with the emergency. In no event are emergency transaction limits to be in effect for more than thirty days.

INTEREST COSTS AND SALES TAX

It is the City's policy to pay in full each month on or before the due date the total balance due on its procurement cards thereby avoiding interest charges. As a municipality, the City is exempt from payment of state sales tax. City procurement card users are expected to exercise care in conducting transactions to ensure that they are not incorrectly charged for sales tax.

OTHER PURCHASING POLICIES

The procurement card is a supplement to other purchasing procedures such as purchase orders. As with the other purchasing methods, the following conditions must be met when using your procurement card.

- Each single purchase may be comprised of multiple items, but the total cannot exceed the single purchase dollar limit on your procurement card.
- When purchases exceed the established dollar limits, the normal procedures of using purchase orders must be followed unless written authorization is given by the employee's department head.
- The least expensive item that meets your basic needs should be bought and competitive quotes must be obtained in accordance with existing purchasing policies.
- Cardholders must follow normal budgetary control procedures to ensure that sufficient funds are available prior to making purchase.
- Use of the procurement card does not relieve the cardholder from complying with Federal, State and City ordinances, regulations, policies and procedures.
- Use of the procurement card is not intended to replace effective procurement planning which enable volume discounts.
- Purchases are not to be split to circumvent procurement regulations.

RESTRICTIONS ON USE

The following list covers purchases for which procurement cards use is prohibited:

- Cash advances through bank tellers or teller machines.
- Traveler's Checks.
- Purchase of gasoline or diesel fuel for City vehicles except in emergencies (use City pumps or authorized fuel system).
- Purchase of items stocked in City inventory unless required in emergencies.
- Additional specific restrictions as deemed necessary by individual departments.

XV. ELECTRONIC PAYMENTS

Modern technology makes it possible to transfer funds electronically in lieu of issuing paper checks. This technology offers many benefits to users including lower transaction costs, reduced opportunities for fraud, and better cash management control. The City has effectively utilized this technology for several years for purposes such as direct deposit of employee paychecks and automatic payment of customers' water bills. The City supports continued use and expansion of electronic payments technology for payment of vendors and other uses provided appropriate internal controls are established. The City Manager and Finance Director, in conjunction with the City's independent auditors, are authorized to develop the necessary procedures and controls for expanded use of this technology in the City of Muskegon.

XVI. ACCEPTANCE OF CREDIT CARD PAYMENTS

The City has studied the costs and benefits of accepting credit card payments from customers and has determined that credit card acceptance significantly enhances customer service and provides administrative and other benefits to the City. Accordingly, the City's policy shall be to accept credit cards for payment of all City bills and invoices with any associated processing fees passed on to the customer. Utility customers that are signed up for automatic payments initiated by the City using a credit card will not be charged processing fees.

XVII. TRAVEL POLICY AND GUIDELINES

SCOPE

This policy applies to all City of Muskegon elected officials, employees, board members, volunteers and others when travelling on official City business and/or travelling at City expense.

AUTHORIZED TRAVEL

In the normal course of conducting City business, employees are required to travel for purposes of work-related meetings, training opportunities, professional conferences, or other business purposes. As part of the annual budget process, departments' request funding for travel purposes for the coming year. Department heads have full authority to approve travel for their employees (without additional authorization) within limits of the department's approved travel budget. Travel that is significantly beyond the parameters of the department's travel budget should be approved by the City Manager together with a corresponding budget adjustment if required.

TRAVEL COSTS

The City recognizes that its employees are responsible adults who take the same care in incurring travel expenses while on City business as when traveling on personal business. Accordingly, this policy does not establish rigid cost limits for lodging, meals, or other travel costs. Instead, the following general guidelines are offered while recognizing that special circumstances may dictate that employees incur costs beyond these guidelines:

Lodging - Lodging costs should generally range between $100.00 - $250.00 per night depending on location (based on single occupancy and including local taxes which the City is not exempt from). Employees are relied upon to use their good judgment in selecting safe and economical accommodations.

Two important factors to remember when making hotel reservations: 1) you should always ask for special "government" rates that are typically deeply discounted from regular rates and, 2) you should identify the travel as official City business exempt from state sales tax and inquire as to any specific documentation requirements the hotel may have.

Costs for in-room movies, exercise rooms, or other hotel services not included in the basic room rate are not reimbursable by the City.

Meals - Meal costs should generally not exceed $62.00 per person for each full day of travel (including gratuities and taxes). For partial day travel or individual meal reimbursements, the following limits will apply:

Breakfast	$15.00	Travel Before 8:00 AM
Lunch	$17.00	Travel Before 12:00 Noon
Dinner	$30.00	Travel Before 6:00 PM

Individual meal limits will apply regardless of whether or not reimbursement is sought for other meals during the day. For example, it is not permissible to “skip” breakfast and lunch in order to be reimbursed $62.00 for a dinner; instead, the dinner will only be reimbursed up to the $30.00 limit specified above. Often lunch or other meals are included in the registration price of a seminar or conference. It is expected that employees attending these functions will partake in these meals. The City will not reimburse meal costs if the employee chooses to forgo the conference meal and dine elsewhere.

Transportation - Vehicle travel may be by either City vehicle or the employee's private vehicle. If a private vehicle is used, reimbursement will be based on the number of miles traveled times the allowable IRS business mileage rate in effect at that time. Air travel is generally used for destinations more than 300 miles away. Employees are encouraged to take advantage of discounted airfares and should utilize the Muskegon County Airport whenever possible.

Employees may elect to use private vehicles for travel to destinations more than 300 miles away and will be reimbursed based on the current IRS mileage rate or equivalent round trip coach airfare for that destination, whichever is less. However, no reimbursement will be made for added lodging or meal costs incurred because of the extra travel time.

Employees who elect to use their own vehicle should be aware that under the laws of the State of Michigan, every vehicle owner is required purchase insurance that is the primary coverage for that vehicle. While using a private vehicle for City travel, any automobile liability insurance coverage in force for the City is excess coverage only for the employee/vehicle owner.

Other Costs - Other incidental costs (such as parking and ground transport), should not exceed an average of $50.00 per day. Rental car costs generally will not be reimbursed by the City as it is expected that employees will utilize lodging in close proximity to the conference or other event. In extraordinary circumstances where the employee deems it necessary to rent a car, reimbursement will only be made with the written authorization of the City Manager.

Traveling With Spouse - There is no objection to employees inviting their spouse to travel along on City business. However, the City will pay for none of the spouse’s travel expenses and care should be taken to maintain separate records of the employee's reimbursable travel costs.

PAYING FOR TRAVEL COSTS

Methods available for employees to pay travel costs include the following:

City Credit Card - Employees who have been issued a City of Muskegon credit card should use it to pay their travel costs. Additionally, in each department a credit card holder is designated to use their card to pay for other employees' travel costs that can be readily handled in advance (e.g. airline tickets, conference registration, hotel, etc.).

Personal Credit Card - Employees who have not been issued a City credit card may find it convenient to pay travel costs on their own personal credit card and receive cash reimbursement from the City.

Note that all travel expenses should be reported on the *Travel Expense Reporting Form* as soon as possible upon returning from travel. *Travel Expense Reporting Forms* are available on the City's Intranet Page.

REPORTING REQUIREMENTS FOR TRAVEL EXPENSE REIMBURSEMENT

Travel expense reporting has been simplified to the extent possible. The following guidelines apply to travel expense reporting:

- Travel expenses are to be reported on the Travel Expense Reporting Form included with this pamphlet as soon as possible upon returning from travel.
- Only expenses for which cash reimbursement is sought by the employee need to be reported. Expenses paid in advance or expenses paid by City credit card should not be included on the Travel Expense Reporting Form.
- **Expenses must always be supported by receipts or other documentation.**
- If total expenses to be reimbursed are $300.00 or less, you may obtain immediate reimbursement from the City Treasurer's Office.
- If total expenses to be reimbursed are more than $300.00, they will be reimbursed as a separately itemized, non-taxable category on the employee's regular bi-weekly paycheck. Accordingly, travel expense report forms must be submitted to the Finance Office with all necessary approvals no later than 5:00PM on the Friday prior to payday for reimbursement on that paycheck.

DOUBLE-DIPPING

It should go without saying that City expects honest and ethical behavior from its employees in handling travel expense matters. Travel expenses that are partially or fully paid by outside parties (such as federal agencies) are not to also be submitted for reimbursement from the City. Any employee found to be deliberately misreporting travel expenses will be subject to disciplinary action, up to and including termination, as well as potential prosecution.

LOCAL BUSINESS EXPENSES

In addition to travel expenses, it is sometimes appropriate for City employees to incur costs on behalf of boards or committees or in the course of entertaining visiting guests. Department heads have full authority to approve such costs (within budgetary limits) and the same general guidelines as outlined above for employee travel expenses should be followed.

XXVIII. CELL PHONE POLICY

GOAL

It is the goal of the City to provide cellular telephones to City employees who need them to perform the essential functions of their jobs.

SAFETY

The first concern of the City is the safety of their employees and the public. Employees should use proper safety procedures at all times when using a cellular phone, especially while operating equipment, driving on City business or performing similar duties. This requires complying with ALL state and local laws regarding electronic device usage while driving, including Michigan's

“Hand’s Free” and distracted driving laws. Text messages under no circumstances should be sent or viewed while driving.

POLICY

Department Heads and Supervisors may request cellular phones for employee use when the expense and use of the phone is justifiable in terms of improved service and responsiveness to citizens and/or other employees. Cellular phones should be provided only when they are required for the employee to perform essential functions of his/her job. City realizes the phone will be used for personal use as well as City use however excessive use or abuse of the phone and/or phone services could result in additional charges or cancellation of phone services.

With approval from the City Manager and Department Head an employee may elect to use his/her own cellular phone for City business. The phone must be fully available during the employee’s scheduled work hours. Employees using their personal cellular phone will be reimbursed per month for the use of their phone. This reimbursement is taxable income to the employee and the amount will be determined by Finance annually.

XIX. CASH HANDLING POLICY FOR DEPARTMENTS ACCEPTING PAYMENTS FROM CITIZENS

This policy is intended as a guide and supplement to other measures which should exist surrounding the collection, timely deposit, and recording of collections in the records at each City location.

Each City department that processes cash transactions (Treasury, Income Tax, Clerk, Arena, Marina, DPW, Police, Inspections, Planning, and Farmer’s Market) uses BS&A Cloud to record the payment using the Cash Receipting application. All cash transactions must be entered into the BS&A Cash Receipting application and a receipt must be issued to each customer.

City departments handling cash have starting cash, which is used for making change for their customers. Each City department that processes these transactions must complete a deposit in BS&A, by using the Drawer Balancing Utility in the Cash Receipting application. This allows the user to count the cash and verify totals compared to the receipts taken into the system. The receipts should offset the money (cash, checks, and credit cards) that you have remaining. If this is not the case, then, you have an overage or a shortage, which needs to be receipted to COS (cash over/short). Once it is verified and balanced, each department will then bring the Receipt Register and the funds comprising the deposit to the Treasury Department for posting. The CSRII in the Treasury will process a department receipt and include the deposited items from that department with their daily deposit for their individual drawer.

Each Treasury CSRII balances their cash drawer daily. Daily deposit processing is done by using the BS&A Drawer Balancing Utility to match the amounts of each tender type and the Receipt Register report to verify the totals. Each Treasury CSRII then gives the cash and receipt register to the Treasury Services Supervisor to count and verify totals, who then prepares the cash deposit to be sent to the bank for deposit. Afterwards, the CSRII assigned to doing the overall deposit for all departments and the Treasury, combines all Treasury CSRII report totals to verify against a cumulative Receipt Register and Deposit report generated from the BS&A Cash Receipting application to post all of the receipts for that day.

If assistance is needed in reference to any of the above, please contact the treasurer’s office.

COIN ACCEPTANCE

State of Michigan MCL(Michigan Compiled Law) 21.153 requires the treasurer to accept United States silver coins in payment of any debt, taxes or other obligations collectible by the municipality. Because the statute specifies silver coins, not nickel or copper coins, the treasurer is not required to accept payment in nickels or pennies. The treasurer can require that the coins be rolled and wrapped with the name, address, and phone number of the payer on each wrapper.

With regard to the MCL listed above, the City will not accept more than 20 (twenty) coins in payment of any debts or obligations owed to the City. The City Treasurer or their designee, may waive this guideline provided the following conditions are met:

- Only one (1) roll of each denomination is accepted or six (one of each) total for pennies, nickels, dimes, quarters, half dollars, and dollar coins.
- Coins are wrapped in coin wrappers containing the customer's name, address, and telephone number
- Coins are wrapped in the following categories
  - Pennies $.50 roll wrapper (50 pennies)
  - Nickels $2.00 roll wrapper (40 nickels)
  - Dimes $5.00 roll wrapper (50 dimes)
  - Quarters $10.00 roll wrapper (40 quarters)
  - Half Dollars $10.00 roll wrapper (20 half dollars)
  - Dollar Coins $25.00 roll wrapper (25 dollar coins)

Shortages or overages in excess of $1.00 will be adjusted to the customer's account. The City will not supply coin wrappers to accommodate these transactions.

XX. ACCOUNTS PAYABLE

The City fully recognizes the importance of paying its vendors and suppliers in a timely manner. Late vendor payments result in higher costs as well as damage to the City's reputation. Accordingly, it is City policy to issue accounts payable (A/P) paper checks on the second and fourth Fridays of each month. Electronic Payments (ACH) are issued every Friday of each month. This cycle will ensure that (provided timely departmental approvals are obtained) vendor payments will be made within 30 days of invoice receipt.

City departments are expected to plan their payment transactions around the regular A/P check cycle; off-cycle A/P checks will not be permitted without the approval of the Finance Director or Assistant Finance Director. In emergency situations where payment cannot wait for the regular A/P check cycle, arrangements can be made with the Finance Department to electronically transfer funds to the vendor's account.

XXI. ACCOUNTS RECEIVABLE AND BANKRUPTCY

ACCOUNTS RECEIVABLE BILLING OUTSOURCE

The City's Collection Agency will handle billings for the following types of invoices:

- Environmental
- Demolition and Board Ups
- Impounds

- Vacant Building
- Income Tax Receivables
- Other Invoices or Receivable as necessary

Environmental Invoices can be appealed through the Planning department within 30 days from the date of the original invoice.

ACCOUNTS RECEIVABLE PROCEDURES

Each department will input invoices through the City's A/R system software for billing types not handled by the Collection Agency. The Treasurer's Office will process the Receivables every Friday. Each department should periodically but no less than monthly review invoices their office has initiated for payment. It is up to the individual departments to monitor the payment of their accounts and notify the Finance Division of problems. The Treasurer's Office will review and turn over to the Collection Agency invoices outstanding for 90 or more days.

LEGAL ACTION

Legal action may be used only as a last resort to collect on delinquent accounts. On the advice of the Collection Agency it will be up to the City Treasurer and/or Income Tax Administrator to determine which accounts warrant such action taking into consideration time and added costs in collecting the delinquent account(s).

SETTLEMENTS

From time to time, debtors may want to enter into negotiations regarding their delinquent account(s). The City Treasurer and/or Income Tax Administrator will have the authority to enter into meaningful settlement negotiations with the debtor for accounts under $15,000.

OBSERVATION OF COLLECTION LAWS

The City Treasurer and/or Income Tax Administrator Federal, State and local laws are observed and understood by all whom engage in collection activities on behalf of the City of Muskegon.

BANKRUPTCIES

Bankruptcy notices should always be forwarded to the Income Tax Administrator and City Treasurer, regardless of whether the department receiving the notice of bankruptcy has an outstanding receivable balance due from the debtor or not. Other departments throughout the City may also have business pending with the debtor and must be notified of the bankruptcy status.

Upon receipt, the Income Tax Administrator and the City Treasurer, will circulate a notice to various departments which typically deal with receivable accounts and who may be maintaining a collection account with the debtor. Departments wishing to be included in the routing on a regular basis should contact the Income Tax Administrator and the City Treasurer.

If a department receives correspondence from the Income Tax Administrator and City Treasurer, requesting information on outstanding debts involved in a bankruptcy, the department should return to the Income Tax Administrator and the City Treasurer, the requested information, with supporting documents, within seven days of receipt. The Income Tax Administrator and the City Treasurer, will consolidate information from the City as a whole and prepare and file a claim on a timely basis.

Departments utilizing an outside collection agency should notify the agency that upon receipt of a bankruptcy notice, the agency is required to close and return the account to the City immediately. Under no circumstances is an outside agency, such as a collection agency, to file a bankruptcy claim on behalf of the City.

The Income Tax Administrator and the City Treasurer will review certain accounts that may be forwarded to the City Attorney's Office for consideration due to the complexity of the bankruptcy proceeding.

Upon receipt of a bankruptcy discharge or dismissal, the Income Tax Administrator and the City Treasurer will notify all departments involved.

XXII. PAYROLL

DEDUCTIONS

The City is required to make various deductions from employee paychecks for taxes, pension contributions, union dues and other purposes mandated by law, union contracts, or terms of employment. Additionally, the City offers a range of "voluntary" deduction programs deemed to be of general benefit to employees. These include deferred compensation retirement savings, and additional life insurance purchase.

From time to time, outside firms (typically offering investment and/or insurance products) approach the City about including their programs on the City's voluntary payroll deduction menu. Although such programs are touted as "employee benefits having no-cost to the City", the fact is that these programs can entail significant costs not only for payroll administration, but also in terms of employee time consumed in marketing or educational efforts. The City's general policy will be to deny such requests. However, the City may elect to implement voluntary deduction programs it deems to be worthwhile.

DIRECT DEPOSIT

The City requires Direct Deposit of payroll checks both as a means to improve operational efficiency and reduce opportunities for fraud. To the extent allowed by state law, the City may elect to mandate all employees be paid via Direct Deposit, with the exception of a first check, change of bank or other extenuating circumstances. The following polices will govern the City's Direct Deposit practices:

- New employees will be given the choice of full direct deposit to one or multiple financial institution and/or accounts or to receive a paper check.
- Current employees will no longer be able to choose partial direct deposit and receipt of a paper check.
- Employees who currently direct deposit a portion of their payroll and receive a paper check will not be allowed to make any changes to their deposit accounts or amounts unless they are switching to full direct deposit.
- To the extent allowed by state law, the City may elect to mandate all employees be paid via Direct Deposit.

XXIII. SOCIAL SECURITY NUMBER PRIVACY POLICY

Section 1. Purpose

The purpose of this policy is to protect confidential information from individuals and businesses that have contact with the City of Muskegon.

Section 2. Definitions

(a) "Computer", "computer network", or "computer system" mean those terms as defined by the City of Muskegon's Information Technology Department

(b) "Mailed" means delivered by United States mail or other delivery service that does not require the signature of recipient indicating actual receipt.

(c) "Person" means an individual, partnership, Limited Liability Company, association, corporation, public or nonpublic elementary or secondary school, trade school, vocational school, community or junior college, college, university, state or local governmental agency or department, or other legal entity.
(d) "Publicly display" means to exhibit, hold up, post, or make visible or set out for open view, including, but not limited to, open view on a computer device, computer network, website, or other electronic medium or device, to members of the public or in a public manner.

(e) "Website" means a collection of pages of the world wide web or internet, usually in HTML format, with clickable or hypertext links to enable navigation from 1 page or section to another, that often uses associated graphics files to provide illustration and may contain other clickable or hypertext links.

Section 3. Prohibited use of social security number of an employee, student, or other individual; exceptions.

(1) Except as provided in subsection (2), a person shall not intentionally do any of the following with the social security number of an employee, student, or other individual:

(a) Publicly display all or more than 4 sequential digits of the social security number.

(b) Subject to subsection (3), use all or more than 4 sequential digits of the social security number as the primary account number for an individual. However, if the person is using the social security number under subdivision (c) and as the primary account number on the effective date of this act, this subdivision does not apply to that person until January 1, 2006.

(c) Visibly print all or more than 4 sequential digits of the social security number on any identification badge or card, membership card, or permit or license.

(d) Require an individual to use or transmit all or more than 4 sequential digits of his or her social security number over the internet or a computer system or network unless the connection is secure or the transmission is encrypted.

(e) Require an individual to use or transmit all or more than 4 sequential digits of his or her social security number to gain access to an internet website or a computer system or network unless the connection is secure, the transmission is encrypted, or a password or other unique personal identification number or other authentication device is also required to gain access to the internet website or computer system or network.

(f) Include all or more than 4 sequential digits of the social security number in or on any document or information mailed or otherwise sent to an individual if it is visible on or, without manipulation, from outside of the envelope or packaging.

(g) Subject to subsection (3), beginning January 1, 2006, include all or more than 4 sequential digits of the social security number in any document or information mailed to a person, unless any of the following apply:

- (i) State or federal law, rule, regulation, or court order or rule authorizes, permits, or requires that a social security number appear in the document.
- (ii) The document is sent as part of an application or enrollment process initiated by the individual.

(iii) The document is sent to establish, confirm the status of, service, amend, or terminate an account, contract, policy, or employee or health insurance benefit or to confirm the accuracy of a social security number of an individual who has an account, contract, policy, or employee or health insurance benefit.

(iv) The document or information is mailed by a public body under any of the following circumstances:

(a) The document or information is a public record and is mailed in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246

(b) The document or information is a copy of a public record filed or recorded with a county clerk or register of deeds office and is mailed by that office to a person entitled to receive that record.

(c) The document or information is a copy of a vital record recorded as provided by law and is mailed to a person entitled to receive that record.

(v) The document or information is mailed by or at the request of an individual whose social security number appears in the document or information or his or her parent or legal guardian.

(2) Subsection (1) does not apply to any of the following:

(a) A use of all or more than 4 sequential digits of a social security number that is authorized or required by state or federal statute, rule, or regulation, by court order or rule, or pursuant to legal discovery or process.

(3) It is not a violation of subsection (1)(b) or (g) to use all or more than 4 sequential digits of a social security number if the use is any of the following:

(a) An administrative use of all or more than 4 sequential digits of the social security number the ordinary course of business, by a person or a vendor of a person or a vendor or contractor of a person, to do any of the following:

(i) Verify an individual’s identity, identify an individual, or do another similar administrative purpose related to an account, transaction, product, service, or employment or proposed account, transaction, product, service, or employment.

(ii) Investigate an individual’s claim, credit, criminal, or driving history.

(iii) Detect, prevent, or deter identity theft or another crime

(iv) Lawfully pursue or enforce a person’s legal rights, including, but not limited to, an audit, collection, investigation, or transfer of a tax, employee benefit, debt, claim, receivable, or account or an interest in a receivable or account.

(v) Lawfully investigate, collect a spousal obligation or tax liability.

(vi) Provide or administer employee or health insurance or membership benefits, claims, or retirement programs.

(b) A use of all or more than 4 sequential digits of a social security number as a primary account number that meets both of the following;

(i) The use began before the effective date of this act.

(ii) The use is ongoing, continuous, and in the ordinary course of business. If the use is stopped for any reason, this subdivision no longer applies.

Section 4. Privacy policy

(1) Effective January 1, 2006, all employees for the City of Muskegon are required to abide by the Social Security Policy.

(a) All information that contains social security numbers must be handled discretely and remain confidential

(b) Prohibits unlawful disclosure of the social security numbers.

(c) Employees will only have access to social security numbers on a need-to-know basis and if it pertains the ordinary course of business.

(d) All documents that contain social security numbers must be shredded or destroyed in a manner that information is no longer legible.

Section 5. Exemption from disclosure

All or more than 4 sequential digits of a social security number contained in a public record are exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, pursuant to section 13(1)(d) of the freedom of information act, 1976 PA 442, MCL 15.243.

Sec. 6. Violation of Privacy Policy

(1) A person who violates section 3 with knowledge that the person's conduct violates this act is guilty of a misdemeanor punishable by imprisonment for not more than 93 days or a fine of not more than $1,000.00, or both.

(2) An individual may bring a civil action against a person who violates section 3 and may recover actual damages. If the person knowingly violates section 3, an individual may recover actual damages or $1,000.00, whichever is greater. If the person knowingly violates section 3, an individual may also recover reasonable attorney fees. Except for good cause, not later than 60 days before filing a civil action, an individual must make a written demand to the person for a violation of section 3 for the amount of his or her actual damages with reasonable documentation of the violation and the actual damages caused by the violation. This subsection does not apply to a person for conduct by an employee or agent of the person in violation of a privacy policy created pursuant to section 4 or in compliance with the fair credit reporting act, 15 USC 1681 to 1681v, or subtitle A of title V of the Gramm-Leach-Bliley act, 15 USC 6801 to 6809, if the person has taken reasonable measures to enforce its policy and to correct and prevent the reoccurrence of any known violations.

XXIV. WATER AND SEWER POLICIES

CHARGES FOR LATE PAYMENTS

Bills not paid by the due date shall be subject to a service charge equal to ten (10%) percent of the billing. Payment date is determined to be the date payment is received. The City is not responsible for USPS delivery delays or issues. Post-dated checks will not be accepted for payment and will be returned to the payer. In the event a delinquent bill must be spread on the taxes, for the purpose of covering associated administrative costs, an additional service charge equal to twenty (20%) percent with a minimum service charge of $25.00 and a maximum service charge of $100.00 of the original delinquent billing amount shall be charged.

ADJUSTMENT OF BILLS FOR MAJOR LEAKS

RESIDENTIAL WATER/SEWER LEAK ADJUSTMENT REGUALTIONS

The purpose of these regulations is to promote water conservation by encouraging customers to promptly fix leaks and plumbing problems and to establish guidelines that provide fair and consistent treatment of customers requesting leak adjustments.

TYPES OF ADJUSTMENTS

1) Adjustments for leaks where water was discharged into the sanitary sewer system.
2) Adjustments for leaks where water was *not* discharged into the sanitary sewer system.

RULES

No more than one leak adjustment will be allowed in any two year (24 month) period.

No more than two consecutive billing periods will be adjusted.

The request must be made within 30 days of the due date for the period initially involved and must be accompanied by the following:

- A written statement from the customer describing the nature of the problem, the date repairs were completed, and copies of the paid receipts for services and/or supplies (where applicable).
- Current readings (at the time of the request) from both the meter and remote device to be furnished by customer.

Leak adjustments will be based on metered usage experience after repairs are made and will be made only if usage is demonstrably reduced (after adjusting for any extenuating circumstances).

If lost water entered the sanitary sewer system, leak adjustments to the customer's water and sewer billing will equal 25% of the estimated loss for no more than two billing periods.

If the lost water *did not* enter the sanitary sewer system (i.e., leaks in crawl spaces or into the ground) water charges will be adjusted 25% of the estimated loss for no more than two billing periods and sewer charges will be adjusted to normal usage based on prior year's usage patterns.

If a leak is suspected but cannot be detected by the occupant or owner, additional assistance may be requested from the Water Maintenance Department at no charge to the customer.

SHUTOFF PRACTICES

While the City is authorized to shut off water service for any delinquent bill, the City will normally shut off water or sewer service if the charges to the premises or the meter in question are delinquent in the amount of $100.00 or more. This amount and practice shall vary, and the threshold amount for shutoff may be changed by the decision of the City Manager, from time to time, to an amount less or more than $100.00. This decision shall be made by the City Manager based on the administrative and enforcement availability and capability of City personnel, and the cost incurred by the City by using this method of enforcement. Personal or business checks will not be accepted for payment to restore service after an account has been shut off. Payment arrangements cannot be made to avoid shut off. Accounts paid after 3:00 pm will be turned on the following business day.

BILLING INITIATION AND SERVICE CHANGES

The Michigan Compiled Law (MCL) 123.162, Act 178 of 1939, dictates that a municipality that provides municipal water and sewer service to a property shall have a lien against the premises, the City requires that the legal property owner sign on for water and/or or sewer billing service and sign off for water and/or sewer service. The owner must approve any billing changes by signing an application for service form located at the Treasurer's Office/Water Billing Department. Positive identification is required to be provided. These procedures are required to be followed per the City of Muskegon's Code of Ordinances, section 94-64.

BILLING CYCLES

For the purpose of reading water meters and billing customers, the city is divided into districts. The meters for each district are read monthly and the customer accounts are also billed each month with bills being due at least 15 days after the billing date.

E-BILLING

City water and sewer customers can sign up to receive their monthly bill in paperless format via the internet. Customers that agree to receive their monthly water and sewer bill via the internet help save paper, printing and postage costs and also receive a credit on their monthly bill.

AUTOMATIC PAYMENT (AUTOPAY)

City water and sewer customers can sign up to automatically pay their water and sewer bill in the Automatic Pay program. Under the Automatic Pay program the customer's water bill payment is automatically deducted from their bank checking account or charged to their credit card account each month when the bill is due. Customers enrolled in the Automatic Pay program receive a credit on their monthly bill.

WATER/SEWER AFFIDAVIT

Property owners who desire, pursuant to MCL123.165, to avoid a tenant's unpaid water/sewer bill from becoming a lien against the real estate, may execute an affidavit and file it with the City of Muskegon Water/Sewer Billing Department, 933 Terrace Street, Muskegon, MI 49440, together with a deposit of an amount which may be established from time to time by the Muskegon City Commission. A copy of the executed lease agreement must also be provided. The owner is required to use the affidavit form provided by the City. The requirements and contents of the affidavit are as follows:

1) The written lease with tenant; said lease must specifically provide that the tenant, not the owner of the property, is directly responsible for all water and sewer bills associated with the unit under lease to that tenant.

2) The affidavit must be filled in completely, accurately, signed and notarized. If it is not correctly and completely filled out, signed and notarized, any benefits allowed pursuant to MCL 123.165 will not be available to the property owner.

3) If there is more than one property owner or tenant; said affidavit must provide all applicable names. All required data must provide for said affidavit to be valid and enforceable.

4) The affidavit must contain the exact date upon which the tenant's written lease terminates. If the lease is extended, the extension must be in writing and the new termination date provided to the City with an affidavit containing the new information.

5) The required deposit must be paid at the time of submission of the affidavit to the City.

XXV. PROPERTY TAX POLICIES

OVER/UNDER PAYMENT POLICY

It is recognized that from time to time, property owners will inadvertently send payment for property taxes in the incorrect amount due to taxpayer error.

When the payment received is more than the tax amount owed, a refund will be issued via City check. However, the cost to return small overpayments can exceed the amount due to be refunded. In cases where the amount is $5.00 or less, the City Treasurer is authorized to adjust the administrative fee in an amount that is equal to the refund amount, so that a refund is not necessary.

In cases where the payment is less than the amount due, a notice of amount due will be sent to the taxpayer, unless there is insufficient time to do so before the tax roll is transferred to the county. Recognizing that the County Treasurer will not collect on amounts due of $5.00 or less, parcels that have an amount due of $5.00 or less will be adjusted via the administration fee prior to sending the tax roll to the County Treasurer.

GENERAL PROPERTY TAX PAYMENT POLICIES

Date of payment is considered to be the date payment is received by the City Treasurer's office. Postmarks are not accepted as date of payment. City Treasurer is not responsible for delivery issues arising due to the USPS or other carriers. Post-dated checks are not accepted, and will be returned to the tax payer.

XXVI. POVERTY EXEMPTION INCOME GUIDELINES

The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the residence.

To be eligible, a person shall do all of the following on an annual basis:

1) Be an owner of and occupy as a principal residence the property for which an exemption is requested.

2) File a claim with the City Assessor or Board of Review, accompanied by Federal and State Income tax returns for all persons residing in the residence, or a form 4988, if applicable.
3) Produce a valid driver's license or other form of positive identification if requested.
4) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if requested.
5) Meet the Federal poverty income guidelines as defined and determined annually by the United States Office of Management and Budget (or its successor).
6) Total household assets, except for the principal residence being claimed, essential household goods, and one motor vehicle, may not exceed one quarter (25%) of the Federal poverty guideline for the entire household. Assets include, but are not limited to real estate, motor vehicles, recreational vehicles and equipment, time shares, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, antiques and collectibles, etc. Assets do not include basic essential household goods such as furniture, appliances, dishes and clothing. The value of assets will not be reduced by the amount of any indebtedness owed on such assets, or any indebtedness otherwise owed by the applicant or members of the household.

The Board of Review shall follow the above stated policy and Federal guidelines in granting or denying an exemption. *Updated 1/21/2026*

XXVII. INCOME TAX POLICIES

PAYMENT AGREEMENTS

The City of Muskegon Income Tax Office does accept payment agreements. The terms of the agreement are as follows:

- Twenty five percent (25%) of the total tax due for all years must be paid plus a $15.00 fee.
- The remaining balance must be paid one year from the inception of the agreement.
- All future tax liabilities must be paid on time. This includes withholding tax payments if required.
- Interest and penalties will continue to accrue until the payment plan is paid in full.
- The City of Muskegon has the right to void this agreement at anytime.

If the taxpayer does not remain current on their payment agreement the City of Muskegon has the right to pursue payment through the court system or a collection agency.

WRITE OFF POLICY

The Income Tax Department may write off income tax liability deemed not collectable due to death or other reason. The Income Tax Administrator is authorized after ten (10) years to review and to write off total tax liability of a taxpayer up to $15,000. Income Tax liability over $15,000 requires City Commission approval before a write off can occur.

PROOF OF RESIDENCY

The City of Muskegon Income Tax follows the State of Michigan law to determine residency.

Resident means an individual domiciled in the city. Domicile means a place where a person has true, fixed and permanent home and principal residence.

Michigan law defines principal residence as the one place where a person has his or her true, fixed, and permanent home to which, whenever absent he or she intends to return and that shall continue as a principal residence until another principal residence is established.

In order to verify a person's claim that a particular property is a principal residence, the City of Muskegon will accept various documents that, taken together, to establish that the person or persons is a resident. Examples include drivers license, voter registration card, state identification cards, property tax records, mortgage deeds, rental agreements, income tax records and other documentation. No one of these factors taken alone is controlling over any other factor.

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** Equipment Purchase: Parks Department - Bobcat UW56
Submitted by: Kyle Karczewski, Parks and Recreation Director	**Department:** DPW- Parks

Brief Summary:
Staff requests authorization to purchase a Bobcat UW56 along with attachments from Grand Rental for $107,255

Detailed Summary & Background:

The Parks Department seeks to purchase a Bobcat UW56, also known as a ToolCat, along with multiple attachments for a total cost of $107,255 through a Sourcewell cooperative purchasing contract. This equipment is well-suited for municipal and parks operations because it combines the functionality of several pieces of equipment into one compact platform. The machine is capable of operating in tighter park environments, trails, parking lots, athletic complexes, sidewalks, and facility areas where larger equipment can be less efficient or cause turf damage. Its all-season capabilities allow the City to utilize the equipment throughout the year for snow and ice control, hauling materials, brush and debris cleanup, landscaping, field maintenance, construction support, and general maintenance activities.

Included attachments and accessories consist of a 68-inch angle broom to improve sand clearing down by the beach on sidewalks, 14-inch auger drive unit to help our plant trees (currently hand digging) and bollard installations, 68-inch heavy-duty bucket, an 8-foot snow pusher that will be extremely helpful in snow clearing as well as a snow blower attachment (sidewalk snow clearing). The package also includes an extended warranty for 3000 hours. This equipment will benefit parks, recreation, forestry, cemetery, water & sewer and highway.

<u>Goal/Action Item:</u>
2027 Goal 1: Destination Community & Quality of Life

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
$107,255

Budgeted Item:

Yes	x	No		N/A		

Fund(s) or Account(s):
445 Public Improvement

Budget Amendment Needed:

Yes		No	x	N/A		

Recommended Motion:
Move to authorize staff to purchase a Bobcat UW56 from Grand Rental for $107,255.

Approvals:

Immediate Division Head	X	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:
Purchasing Policy

GRAND RENTAL
EQUIPMENT RENTALS AND SALES

Grand Rental
2835 Sales and Service Corp.
2835 W US Hwy 10
Ludington, MI 49431
(231) 843-0407

Sales Order 5427

SALESPERSON Lance Lester
lance.l@glhcorp.com

SHIP TO
City of Muskegon
1350 E Keating
Muskegon, MI 49442
(231) 730-3896

BILL TO (#3833827)
City of Muskegon
1350 E Keating
Muskegon, MI 49442
(231) 730-3896

CUST PO

CONTACT City of Muskegon chuck.tazelaar@shorelinecity.com (231) 730-3896

SHIP OUT Will Call

DROP SHIP No

#	PART	DESCRIPTION	QTY	B/O	FILLED	RATE	DISC	NET	EXT
1	Warranty	(BOB) Pro Plus Ext Warr. 60 months (or) 3000 hrs	1.00			5,700.00		5,700.00	5,700.00
2	7460863	(BOB) KIT SEAT SUSPENSION *	1.00	1.00		1,990.00		1,990.00	1,990.00
3	M7046-R01-C03 130cc motor PKG for snow blower	(BOB) snow blower motor	1.00			871.72		871.72	871.72
4	snow blower 32 x 60 M7046	(BOB) Snow Blower	1.00			5,561.68		5,561.68	5,561.68
5	6540182	(BOB) PALLET FORK 48 IN HEAVY DUTY 4K (PAIR) *	1.00	1.00		357.20		357.20	357.20
6	7294305	(BOB) FRAME PALLET FORK HEAVY DUTY 4K *	1.00	1.00		482.60		482.60	482.60
7	7406869	(BOB) SNOW PUSHER PRO 72" includes Angle Blade &removable pusher box *	1.00	1.00		7,796.08		7,796.08	7,796.08
8	6718006	(BOB) EDGE CUTTING BOLT-ON 68 IN *	1.00	1.00		295.29		295.29	295.29
9	7272679	(BOB) BUCKET 68 IN HEAVY DUTY	1.00			1,364.20		1,364.20	1,364.20
10	6666898	(BOB) AUGER BIT STD 36 IN *	1.00	1.00		2,169.84		2,169.84	2,169.84
11	7500771	(BOB) AUGER BIT 24 IN STANDARD DUTY 2 IN HEX *	1.00	1.00		1,364.20		1,364.20	1,364.20

#	PART	DESCRIPTION	QTY	B/O	FILLED	RATE	DISC	NET	EXT
12	7500767	(BOB) AUGER BIT 12 IN STANDARD DUTY 2 IN HEX *	1.00	1.00		815.71		815.71	815.71
13	46948006	(BOB) Auger Drive Unit	1.00			1,808.80		1,808.80	1,808.80
14	7508119	(BOB) Auger Mounting Frame *	1.00	1.00		573.80		573.80	573.80
15	7337703	(BOB) BROOM ANGLE 68 IN *	1.00	1.00		6,208.44		6,208.44	6,208.44
16	7425593	(BOB) TIRE SNOW 7X15 10 PLY ASSY *	4.00	4.00		456.02		456.02	1,824.08
17	BobMS	(BOB) 3152 - UW56 TOOLCAT UTILITY WORK MACHINE SN:B4RC19868 UW56 TOOLCAT UTILITY WORK MACHINE	1.00			68,318.30		68,318.30	68,318.30

PAYMENT	DETAILS	DATE	AMT

COMMENTS

SUBTOTAL	107,501.94
TOTAL	**107,501.94**
PAYMENTS	0.00
BALANCE DUE	**107,501.94**

ACCEPTANCE: ______________________________ DATE: ______________

Items returned within 30 days of purchase with original invoice are subject to a 30% restocking fee. Special order items are only returnable with factory "ok", plus a 30% restocking fee and return freight. Special order items not picked up after 30 days will be placed back in inventory, a 30% restocking fee and inbound shipping are charged. No returns on electrical parts. Signers warrant authority to execute this sales order on behalf of customer.

LUDINGTON


4x4
5600
Bobcat
Bobcat

Agenda Item Review Form
Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** Equalization and Assessing Contract
Submitted by: Kenneth Grant, Finance Director	**Department:** Finance

Brief Summary:
Contract with the County of Muskegon to provide Equalization and Assessing Services from July 1, 2026 to June 30, 2031.

Detailed Summary & Background:
The purpose of this Agreement is to provide for a property assessment administration program to be administered by the County Equalization Director, or designated representative, which will list, appraise, and maintain a complete set of records for all real and personal property, subject to ad valorem taxation, specific taxes, and in-lieu-of tax agreements within the Corporate limits of the City of Muskegon. The base annual fee of $470,000 starting July 2026 will be subject to a 3% increase effective July 1, 2027, and annually on this date for every year thereafter. The County Equalization Department will provide a staff member to be on site at City Hall one full working day per week beginning September 8, 2026.

Goal/Action Item:
2027 Goal 4: Financial Infrastructure

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
Starting July 2026 the base cost is $470,000 that is subject to a 3% increase annually until June 30, 2031.

Budgeted Item:

Yes		No		N/A		

Fund(s) or Account(s):
101-267

Budget Amendment Needed:

Yes		No		N/A		

Recommended Motion:

Staff recommends that the Commission approve the agreement with the County of Muskegon to provide Equalization and Assessing Services for the City of Muskegon, effective July 1, 2026, through June 30, 2031.

Approvals:

Immediate Division		

Name the Policy/Ordinance Followed:

Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

AGREEMENT BETWEEN THE CITY OF MUSKEGON
AND
MUSKEGON COUNTY BOARD OF COMMISSIONERS

THIS AGREEMENT, entered into as of the 1st day of July 2026, between the City of Muskegon, a municipal corporation, by its City Commission, hereinafter referred to as "The Municipality", and the County of Muskegon, by its Board of Commissioners, hereinafter referred to as "The County", is as follows:

PURPOSE

The purpose of this Agreement is to provide for a property assessment administration program to be administered by the County Equalization Director, or designated representative, which will list, appraise, and maintain a complete set of records for all real and personal property, subject to ad valorem taxation, specific taxes, and in-lieu-of tax agreements within the Corporate limits of The Municipality pursuant to Public Act No. 160 of 1972.

TERM AND TERMINATION

This agreement shall commence July 1, 2026, and terminate June 30, 2031, provided that either party may terminate the Agreement on June 30 of each year upon ninety (90) days prior written notice. The notice shall be sent by certified mail to the County Equalization Director if terminated by The Municipality. The notice shall be sent by certified mail to the City Manager if terminated by the County.

I. The County agrees to perform the following services and provide the materials set forth herein:

   A. **Scope of Service** - To classify and appraise, according to the constitution and laws of the State of Michigan, each parcel of real property which lies within the confines of The Municipality, and to process all assessable personal property that is in such Municipality, and use the methods prescribed by the Michigan State Tax Commission. The Equalization Department will provide an assessment roll that will equal the tentative State Equalized Values for each classification of property. The final factor will be determined by the action of The Municipality's Board of Review and the process of state equalization as determined by the State Tax Commission.

   B. **Qualified Staff** - All County employees engaged in the performance of this Agreement shall be professional in manner and appearance and be trained in property appraisal techniques. The assessor shall be certified by the State Tax Commission, as required for The Municipality's size and State Equalized Value.

   C. **Equipment and Supplies** - The County will provide all equipment and supplies needed for the routine performance of its duties without additional expenses, except as otherwise set forth herein.

D. **Maps and Records** - The Municipality shall provide current land use maps, zoning maps, street/centerline maps, plats, topographical maps, sewer and water maps, and shall make available any records or data which may be of use in making the appraisal, without cost to the County. The County has implemented a GIS system in which mapping data is maintained. The GIS system is addressed in sub-point "M" of this agreement.

E. **Appraisal Manuals/Schedules** - The current Michigan State Tax Commission Assessor's Manuals shall be the cost schedules used in the appraisal of all properties. All cost schedules shall be indexed to reflect current costs as of Tax Day.

F. **Record Cards** - The County will maintain the master file at a specified location. The master file shall become the property of The Municipality when delivered.

G. **Public Relations** - Both parties recognize that good public relations are vital to the success of the assessment administration program. During the term of this Agreement, County employees shall endeavor to promote understanding and amicable relations with all members of the public. County staff will be assigned by the Equalization Director to report to the designated Municipal Building to conduct their duties, interact with Municipal staff, attend meetings and promote community relations. An Equalization Department staff member will be on site at the City Hall one full working day per week beginning September 8, 2026. The Municipality will provide adequate office area and operational infrastructure, such as telecommunication, data communication, utilities, networking capabilities and electronic storage capacity to adequately support required staff activities and necessary ancillary functions. The accommodations shall be safe, modern, and reflect a professional function.

H. **Property Owner Notification and Official Statements** - It shall be the responsibility of the County to notify all property owners annually of assessed and taxable values, as provided by law, whether values increase or decrease, as well as distribute personal property statements and other official forms.

I. **Assessment Roll** - The County shall prepare the assessment roll and certify the same for The Municipality in a timely manner.

J. **Board of Review** - County staff will advise and assist The Municipality's Board of Review in preparing for, conducting, and implementing any changes resulting from the required meetings of the Board.

K. **Appeals** - The County Equalization Director, or designated representative, shall represent The Municipality in all property assessment appeals and in proceedings before the Tax Tribunal concerning properties under this Agreement. The Municipality shall designate and provide the legal services for such appeals or proceedings; however, costs or expenses which may be incurred by the County in employing additional counsel, expert appraisers, or performing extraordinary specific appraisal work in connection with such appeals, proceedings, or other functions shall be paid by The Municipality provided that the Equalization Director seeks and obtains approval from The Municipality prior to incurring such costs or expenses. Additionally, should either party terminate this agreement, the County, or designated representative, shall represent The Municipality in all property assessment appeals and in proceedings filed during the existence of this agreement. The fee shall be $100.00 per hour for preparation, appearance, and travel after termination of the agreement.

L. **Computerized Appraisals and Information Technology** – The County will provide staff, equipment, and the BS&A Assessing software to maintain electronic property records using a computer assisted mass appraisal system. Assessment administration, including digital photography and sketching, as well as general business application software shall be prescribed by the County. All property information shall adhere to the requirements of the County Wide Area Network and its specifications. The records will be utilized for annual valuation updates. The County may request the assistance of designated staff of The Municipality to determine proper neighborhoods for market value determinations. The County will ensure that the assessment records reflect the property's true cash value, assessed valuation, and taxable valuation to be utilized for any property tax calculations in conformance with applicable General Property Tax Law requirements. The computer assisted mass appraisal system and its attributes shall become the property of The Municipality upon termination of this agreement.

Additionally, the County and The Municipality shall participate in an electronic building permit system that will transfer such data to the computer aided assessment administration system without modification or hesitation. The system and its attributes shall be determined by the County.

M. **Geographical Information Systems** – The County and The Municipality may implement a geographical information system. An independent formal mutual agreement will govern this function.

N. **Special Assessments**- Special assessment benefit analysis, roll preparation, processing, and related reports will be provided by the County when formally requested. The fee shall be $100.00 per hour.

O. **Records Maintenance and Access** – The County agrees to maintain records with the most current information the County has available.

1. All changes in property ownership will be recorded in the assessment records within 30 days of being filed with the Muskegon County Register of Deeds unless incomplete property documentation prevents timely recording. In these cases, the Equalization Department will strive to get complete, accurate ownership information recorded as quickly as practical.

2. City staff will be afforded full access to assessment records (including photographs).

P. Pursuant to Public Act 453 of 1976, neither party shall discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, weight, or marital status. Breach of this covenant may be regarded as a material breach of the contract.

II. The County will perform all the above services for The Municipality, subject to costs and expenses set forth, under the terms and conditions below:

A. **Annual Fees** - For each year of this agreement the annual fee shall be calculated in the following manner: The initial period shall be from July 1, 2026, to June 30, 2027, and the fee shall be $470,000. The base Annual Fee of $470,000 shall be subject to a 3 percent (3%) increase effective July 1, 2027, and annually on this date for every year thereafter.

This annual fee does not include the cost associated with a full re-inspection. A re-inspection fee can be negotiated between the County Equalization Director and if staff field reviews determine this to be necessary. Additionally, this re-inspection may be required by the State following their Assessment Roll Audit conducted every five years.

B. **Payments -** The Municipality shall remit the annual fee in equal quarterly payments commencing July 1 of each year of this agreement.

C. **Relationship of the Parties** – The parties acknowledge that the agreement between the County and The Municipality is one of an independent contractor. Neither of the parties should represent that an employment relationship is created or exists with regard to the employees of the other. This independent contractor relationship shall be given its full scope and intent including without limitation as it pertains to liability, wages, benefits, and taxation.

III. **Miscellaneous**

A. **Section Headings** – The headings of the sections shall be solely for convenience of reference and shall not affect the meaning, construction, or effect hereof.

B. **Severability** – If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

C. **Entire Agreement and Amendment** – In conjunction with matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties, or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended, or modified only by an instrument in writing, executed by the parties to this Agreement, and by no other means. Each party waives their future right to claim, contest, or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver, or estoppel.

D. **Successors and Assigns** – All representations, covenants and warranties set forth in this Agreement by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, it successors and assigns.

E. **Terms and Conditions** – The terms and conditions used in this Agreement shall be given their common and ordinary definition and will not be construed against either party.

F. **Execution of Counterparts** – This Agreement may be executed in any number of counterparts and each such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

ACKNOWLEDGEMENTS

City of Muskegon:

By: ________________________________
Ken Johnson
Its: Mayor

By: ________________________________
Ann Marie Meisch
Its: City Clerk

County of Muskegon:

By: ________________________________
Charles Nash
Its: Chairman Board of Commissioners

By: ________________________________
Karen D. Buie
Its: County Clerk

Agenda Item Review Form
Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** MERS 457 Participation Agreement
Submitted by: Kenneth Grant, Finance Director	**Department:** Finance

Brief Summary:
MERS requires that Contribution Addendum to ensure that our Employer Match on record matches what was negotiated or agreed upon per each bargaining unit. Non-Union's employer match is $3,000. Clerical and DPW's employer match is $2,000.

Detailed Summary & Background:
MERS requires a Contribution Addendum be approved by the the City Commission to ensure that the employer match on record aligns with what was negotiated or agreed upon for each bargaining unit. The employer match for Non-Union employees is $3,000, while the employer match for Clerical and DPW employees is $2,000.

Goal/Action Item:
2027 Goal 4: Financial Infrastructure

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:

Budgeted Item:

Yes X		No		N/A		

Fund(s) or Account(s):

Budget Amendment Needed:

Yes		No		N/A		

Recommended Motion:
I recommend that the Commission approve the MERS Contribuition Addendum for the employer 457 match for the Non-Union, DPW, and Clerical bargaining units.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		

Name the Policy/Ordinance Followed:

Legal Review			

1134 Municipal Way Lansing, MI 48917 | 800.767.6377 | mersofmich.com

I. EMPLOYER INFORMATION

Municipality Name: City of Muskegon

Municipality Address:

Street: ______

City: ______ Zip: ______

Municipality Phone: ______ Municipality Number: 6116

Plan Number: 6461161-01 Reporting Unit: 01

Payroll Frequency: [ ]

If **Other** is selected, provide details here: ______

II. EFFECTIVE DATE

☐ New Plan
Effective Date: ______

☒ Amended Plan
This agreement is a substitution and amendment of an existing MERS 457 Program.

Note: This agreement only reflects changes to the plan.

Effective Date: June 1, 2026

III. PLAN ELIGIBILITY

Only Employees as defined in the Program may be covered by this Participation Agreement. Subject to other conditions in the Program, this Agreement, and Addendum (if applicable), the following Employees are eligible to participate in the Program:

Eligible Employees (examples: Full-Time, Clerical, Union Employees participating in XXXX Union):

This plan will be named:

Probationary Period

☐ No probationary period

☐ Contributions will begin after the probationary period has been satisfied. Probationary periods are allowed in one-month increments, no longer than 12 months. Participant wages must be reported to MERS from the time of hire, including during the probationary period.

Probationary months: ____

IV. CONTRIBUTIONS

1. **Definition of Compensation**
   This must be used when determining both employer and employee contributions.
   Select one option below.

   ☐ Base Wages

   ☐ Box 1 Wages of W-2

   ☐ Gross Wages

   ☐ Box 5 Medicare Wages of W-2

   ☐ Custom Definition. If selected, you must submit a Custom Definition of Compensation Addendum (MD-008)

2. **Employee Contributions**
   The Program allows for both pre-tax and Roth deferrals. Participants can increase, decrease, or stop contributing at any time, subject to IRS limits and requirements, through their online account access.

3. **Automatic Enrollment**

   ☐ No – If No, skip to question 4.

   ☐ Yes – If Yes, complete 3.1-3.2 below.

   3.1 Covered Employees
   The following eligible employees are covered employees (check one):

   ☐ Only employees hired, rehired, or promoted into a position covered by the MERS 457 Program on or after the effective date of this agreement will be automatically enrolled in the Program.

   ☐ Employees currently employed, hired, rehired, or promoted into a position covered by the MERS 457 Program on or after the effective date of this agreement will be enrolled, regardless of their date of hire.

   3.2 Automatic Enrollment Contribution

   Participant's pre-tax contribution per payroll will be:

   ☐ $_________ or ☐ __%

   3.3 Automatic Escalation Schedule

   This contribution will be increased annually each January 1 by the **Annual Increase** up to the **Maximum Escalation** amount as defined below.

   Annual Increase: _____% or $____________________

   Maximum Escalation: _____% or $____________________

   Automatic Enrollment / Automatic Escalation can only be added to an existing plan as of the first day of the Employer's Plan year and after a 30 day notice is provided to employees. Contributions are withheld and reported on a pre-tax basis according to the contribution schedule selected in this Agreement and will continue until the covered employee affirmatively elects otherwise or has a severance from employment.

   Employers are responsible for notifying employees of their right to opt out of participation at the time of eligibility and allow up to 90 days for the Opt Out and Refund Form to be returned.

4. Employer Contributions

Employer Contribution shall be permitted:

☐ No

☒ Yes – If Yes, contributions are outlined in the Contribution Addendum for MERS 457 (MD-470b).

V. LOANS

Loans are permitted:

☐ No

☐ Yes – If Yes, your signature on this document confirms you have received and reviewed the Defined Contributions & 457 Loan Addendum (MD-071). Also, the election of loans for any division automatically applies to all divisions of your 457 Plan.

VI. APPOINTING MERS AS THE PLAN ADMINISTRATOR

The Employer hereby agrees to the provisions of this MERS 457 Participation Agreement and appoints MERS as the Plan Administrator pursuant to the terms and conditions of the Plan. The Employer also agrees that in the event of any conflict between the MERS Plan Document and the MERS 457 Participation Agreement, the provisions of the Plan Document control.

VII. MODIFICATION OF THE TERMS OF THE ADOPTION AGREEMENT

If the Employer desires to amend any of its elections contained in this Adoption Agreement, including attachments, the Governing Body or Chief Judge, by resolution or official action accepted by MERS, must adopt a new Adoption Agreement. The amendment of this Agreement is not effective until approved by MERS.

VIII. ENFORCEMENT

1. This Participation Agreement may be terminated only in accordance with the MERS 457 Plan Document.
2. The Employer hereby agrees to be bound by the MERS 457 Plan Document and all policies adopted by the Board as applicable to the MERS 457 Plan, as these may be amended from time to time.
3. The employer hereby acknowledges it understands that failure to properly fill out this Participation Agreement may result in the ineligibility of the program.

IX. EXECUTION

Authorized Designee of Governing Body of Municipality or Chief Judge of Court

This Adoption Agreement is hereby approved by (municipality/court):
City of Muskegon

Dated (DD/MM/YYYY): ______________________

Authorized signature: ______________________

Name (printed): ______________________

Title: ______________________

Approved by the Municipal Employees' Retirement System of Michigan

Dated (DD/MM/YYYY): ______________________

Authorized MERS Signature: ______________________

Contribution Addendum to the MERS 457

MERS®
Municipal Employees' Retirement System

1134 Municipal Way Lansing, MI 48917 | 800.767.6377 | mersofmich.com

This is an addendum to the 457 Participation Agreement completed by the following municipality.

Municipality Name: City of Muskegon

Plan Number: 6461161-01

The details below apply to ☐ **ALL** covered employees –OR– a specific group of covered employees (specify here): Non-Union employees

1. Employer Matching Contributions

☐ No – If No, skip to section 2.

☒ Yes – If Yes, complete 1.1 and 1.2 below.

1.1 Employer Match Calculation
The employer elects the following matching contribution formula (check one):

☐ **Percentage:** The employer will match ____% of the participant deferrals at a rate of ____% (minimum) up to ____% (maximum).

For example, if an employer chooses a 50% match, they contribute 0.50% for every 1% the participant defers. For a 100% match with a 5% minimum and 10% maximum, the employer matches contributions dollar-for-dollar on amounts above 5% and below 10%.

☒ **Flat Dollar:** The employer will match 100 % of participant deferrals as a flat dollar rate of $1 (minimum) up to $3,000 (maximum) per year.

1.2 Employer Match Frequency
Employer match contributions will be made (check one):

☒ Per Payroll ☐ Quarterly ☐ Annually ☐ Other: ____________

2 Non-Matching Contributions

☐ No

☐ Yes – If Yes, complete 2.1 to 2.2 below.

2.1 Employer Non-Match Calculation
The employer hereby elects to make contributions to the participants' accounts without regard to a participant's contribution amount (check all that apply).

☐ **Compensation:** a contribution of $__________ or ___%

☐ **One-Time:** $____________

2.2 Employer Non-Match Frequency
Employer non-matching contributions will be made (check one):

☐ Per Payroll ☐ Quarterly ☐ Annually ☐ Other: ____________

Contribution Addendum to the MERS 457

MERS®
Municipal Employees' Retirement System

1134 Municipal Way Lansing, MI 48917 | 800.767.6377 | mersofmich.com

This is an addendum to the 457 Participation Agreement completed by the following municipality.

Municipality Name: City of Muskegon

Plan Number: 6461161-01

The details below apply to ☐ **ALL** covered employees –OR– a specific group of covered employees (specify here): Clerical & DPW

1. Employer Matching Contributions

☐ No – If No, skip to section 2.

☒ Yes – If Yes, complete 1.1 and 1.2 below.

1.1 Employer Match Calculation
The employer elects the following matching contribution formula (check one):

☐ **Percentage:** The employer will match ____% of the participant deferrals at a rate of ____% (minimum) up to ____% (maximum).

For example, if an employer chooses a 50% match, they contribute 0.50% for every 1% the participant defers. For a 100% match with a 5% minimum and 10% maximum, the employer matches contributions dollar-for-dollar on amounts above 5% and below 10%.

☒ **Flat Dollar:** The employer will match 100 % of participant deferrals as a flat dollar rate of $ 1 (minimum) up to $ 2,000 (maximum) per year.

1.2 Employer Match Frequency
Employer match contributions will be made (check one):

☒ Per Payroll ☐ Quarterly ☐ Annually ☐ Other: ____________

2 Non-Matching Contributions

☐ No

☐ Yes – If Yes, complete 2.1 to 2.2 below.

2.1 Employer Non-Match Calculation
The employer hereby elects to make contributions to the participants' accounts without regard to a participant's contribution amount (check all that apply).

☐ **Compensation:** a contribution of $__________ or ___%

☐ **One-Time:** $____________

2.2 Employer Non-Match Frequency
Employer non-matching contributions will be made (check one):

☐ Per Payroll ☐ Quarterly ☐ Annually ☐ Other: ____________

CITY OF MUSKEGON

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** Asphalt Emulsion Spill Remediation
Submitted by: Joe Buthker, DPW Superintendent	**Department:** Public Works

Brief Summary:
Staff is requesting retroactive approval to pay $129,366.50 to GFL Environmental for cleanup related to an asphalt emulsion spill at DPW.

Detailed Summary & Background:
On March 26, 2026, Department of Public Works staff discovered that asphalt emulsion had discharged from a heated storage tank at the DPW facility. The material entered the storm sewer system and eventually flowed into Little Black Creek near the Roberts Street outfall.

DPW staff immediately contained the release at our facility to prevent additional material from entering the storm sewer system. Muskegon County Hazardous Materials Response Team and EGLE were notified, and GFL Environmental was contracted to perform containment and cleanup. GFL responded within hours, installed containment booms in the creek, and cleaned the impacted sections of the storm sewer system. Waste was temporarily stored in containers at the DPW facility prior to disposal. The cost for containment, cleanup, and disposal by GFL Environmental for $129,366.50 was approved under the Emergency Procurements section of the Purchasing Policy. This expense was not included in the adopted streets budget, and the necessary budget amendments have been made as part of the Q4 reforecast.

While the indicident is regrettable, the prompt action of DPW staff and our community partners prevented the spill from permanently affecting our waterways and environment. Staff is evaluating improvements to our asphalt emulsion storage system to eliminate the potential for future unexpected discharges and flows into the storm sewer system. Until that time the City has been purchasing asphalt emulsion from the County, which has a similar tank at their facility.

<u>Goal/Action Item:</u>

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
$129,366.50

Budgeted Item:

Yes		No	X	N/A		

Fund(s) or Account(s):
202-450

Budget Amendment Needed:

Yes	X	No		N/A		

Recommended Motion:

I move to authorize staff to pay GFL Environmental $129,366.50 for the cleanup of an asphalt emulsion spill at DPW.

Approvals:

Immediate Division Head	X	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:
Purchasing Policy

Invoice

Whitehall Industrial
1680 Peach Street
Whitehall, Michigan
49461
Tel: (231) 893-1173 Fax:

Invoice
LQ03371406
Invoice Date
3/31/2026

Bill To: Acct #: L000682384

City of Muskegon
Attn: Accounts Payable
1350 East Keatlng Street
Muskegon, MI
49442

Job Site: Site #: 000795543

City of Muskegon
Attn: Joe Buthker
2409 Roberts St
Muskegon, MI
49444
Tel: (231) 724-6989 Fax:
Email: joe.buthker@shorelinecity.com

Work Order No: W4205004 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: 5020-2950**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Emergency Response Emulsion Spill Clean-up

Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
3/26/2026	13		BR2	EM5			On Account	Net 30 Days	PTruck-633			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			5020-2950	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
1	8321	Project Manager w/ Support Vehicle	0				13.50000	$150.0000	Hour	$2,025.00
2	8321	Project Manager w/ Support Vehicle	0				10.50000	$150.0000	Hour	$1,575.00
3	8321	Project Manager w/ Support Vehicle	0				8.00000	$150.0000	Hour	$1,200.00
4	8321	Site Supervisor w/ Support Truck	0				13.50000	$135.0000	Hour	$1,822.50
5	8321	Site Supervisor w/ Support Truck	0				11.00000	$135.0000	Hour	$1,485.00
6	8321	1 Ton w/ Driver	0				12.50000	$165.0000	Hour	$2,062.50
7	8321	1 Ton w/ Driver	0				7.50000	$165.0000	Hour	$1,237.50
8	8321	Vacuum Tanker w/ Operator	0				5.25000	$225.0000	Hour	$1,181.25
9	8321	Vacuum Truck w/ Operator	0				13.25000	$205.0000	Hour	$2,716.25
10	8320	Laborer	0				12.25000	$71.5000	Hour	$875.88
11	8320	Overtime After 8 Hours or 5PM (Monday - Friday)	0				30.50000	$33.0000	Hour	$1,006.50
12	8323	4" & 6" Plastic Vacuum Hose (Per 100' Roll)	0				4.00000	$265.0000	Each	$1,060.00
13	8323	Boom/Bundle of 4 (8" x 10') (Per Bundle)	0				4.00000	$230.0000	Bag	$920.00
14	8325	ER/Rush Analysis & Testing	0				1.00000	$2,050.0000	Flat rate	$2,050.00
15	8323	PPE	0				341.00000	$1.0000	Each	$341.00
16	3259	Fuel Surcharge					1.00000	$0.0000	Each	$3,221.70
17	3260	EERF					1.00000	$0.0000	Each	$1,185.71

Invoice

Whitehall Industrial
1680 Peach Street
Whitehall, Michigan
49461
Tel: (231) 893-1173 Fax:

Invoice
LQ03371406
Invoice Date
3/31/2026

Work Order No: W4205069 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: 5020-2917**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Emergency Response Emulsion Spill Clean-up

Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
3/26/2026	13		BR2	JH35			On Account	Net 30 Days	512014			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			5020-2917	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
18	8321	Vacuum Tanker w/ Operator	0				7.50000	$225.0000	Hour	$1,687.50
19	8321	Vacuum Truck w/ Operator	0				7.50000	$205.0000	Hour	$1,537.50
20	8321	1 Ton w/ Driver	0				7.50000	$165.0000	Hour	$1,237.50
21	3259	Fuel Surcharge					1.00000	$0.0000	Each	$939.36
22	3260	EERF					1.00000	$0.0000	Each	$245.44

Work Order No: W4205091 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: 5020-2910**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Deliver Roll-off Box 1 for Emergency Response Emulsion Spill Clean-up

Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
3/26/2026	13		BR2	AW3			On Account	Net 30 Days	529015			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			5020-2910	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
23	8321	Six Axle Roll-Off Truck/Trailer w/ Operator	0				2.00000	$225.0000	Hour	$450.00
24	8323	Box Liner	0				1.00000	$65.0000	Each	$65.00
25	3259	Fuel Surcharge					1.00000	$0.0000	Each	$94.73
26	3260	EERF					1.00000	$0.0000	Each	$28.33

Work Order No: W4205119 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: 5020-2911**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Deliver Roll-off Box 2 for Emergency Response Emulsion Spill Clean-up

Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
3/26/2026	13		BR2	AW3			On Account	Net 30 Days	529015			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			5020-2911	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
27	8321	Six Axle Roll-Off Truck/Trailer w/ Operator	0				2.00000	$225.0000	Hour	$450.00
28	8323	Box Liner	0				1.00000	$65.0000	Each	$65.00
29	3259	Fuel Surcharge					1.00000	$0.0000	Each	$94.73
30	3260	EERF					1.00000	$0.0000	Each	$28.33

Invoice

Whitehall Industrial
1680 Peach Street
Whitehall, Michigan
49461
Tel: (231) 893-1173 Fax:

Invoice
LQ03371406
Invoice Date
3/31/2026

Work Order No: W4205132 Project: 0041367 City Of Muskegon - ER Spill Clean-Up Ref: 5020-2912

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Deliver Roll-off Box 3 for Emergency Response Emulsion Spill Clean-up

Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
3/26/2026	13		BR2	AW3			On Account	Net 30 Days	529015			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			5020-2912	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
31	8321	Six Axle Roll-Off Truck/Trailer w/ Operator	0				2.00000	$225.0000	Hour	$450.00
32	8323	Box Liner	0				1.00000	$65.0000	Each	$65.00
33	3259	Fuel Surcharge					1.00000	$0.0000	Each	$94.73
34	3260	EERF					1.00000	$0.0000	Each	$28.33

Work Order No: W4205142 Project: 0041367 City Of Muskegon - ER Spill Clean-Up Ref: 5020-2916

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Deliver Roll-off Box 4 for Emergency Response Emulsion Spill Clean-up

Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
3/26/2026	13		BR2	ZJ2			On Account	Net 30 Days	Rental-633			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			5020-2916	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
35	8321	Six Axle Roll-Off Truck/Trailer w/ Operator	0				1.50000	$225.0000	Hour	$337.50
36	8323	Box Liner	0				1.00000	$65.0000	Each	$65.00
37	3259	Fuel Surcharge					1.00000	$0.0000	Each	$71.04
38	3260	EERF					1.00000	$0.0000	Each	$22.14

Work Order No: W4205154 Project: 0041367 City Of Muskegon - ER Spill Clean-Up Ref: 5020-2913

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Deliver Roll-off Box 5 for Emergency Response Emulsion Spill Clean-up

Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
3/26/2026	13		BR2	AW3			On Account	Net 30 Days	529015			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			5020-2913	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
39	8321	Six Axle Roll-Off Truck/Trailer w/ Operator	0				2.50000	$225.0000	Hour	$562.50
40	8320	Overtime After 8 Hours or 5PM (Monday - Friday)	0				1.00000	$33.0000	Hour	$33.00
41	8323	Box Liner	0				1.00000	$65.0000	Each	$65.00
42	3259	Fuel Surcharge					1.00000	$0.0000	Each	$118.41
43	3260	EERF					1.00000	$0.0000	Each	$36.33

Invoice

GFL GREEN FOR LIFE environmental

Whitehall Industrial
1680 Peach Street
Whitehall, Michigan
49461
Tel: (231) 893-1173 Fax:

Invoice
LQ03371406
Invoice Date
3/31/2026

Work Order No: W4205174 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: 5020-2915**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Emergency Response Emulsion Spill Clean-up **Note Comments:**

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
3/27/2026	13		BR2	EM5			On Account	Net 30 Days	PTruck-633			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			5020-2915	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
44	8321	Project Manager w/ Support Vehicle	0				9.50000	$150.0000	Hour	$1,425.00
45	8321	Vacuum Tanker w/ Operator	0				9.75000	$225.0000	Hour	$2,193.75
46	8321	1 Ton w/ Driver	0				9.50000	$165.0000	Hour	$1,567.50
47	8321	1 Ton w/ Driver	0				9.50000	$165.0000	Hour	$1,567.50
48	8320	Overtime After 8 Hours or 5PM (Monday - Friday)	0				6.25000	$33.0000	Hour	$206.25
49	8323	4" & 6" Plastic Vacuum Hose (Per 100' Roll)	0				1.00000	$265.0000	Each	$265.00
50	8323	PPE	0				55.00000	$1.0000	Each	$55.00
51	3259	Fuel Surcharge					1.00000	$0.0000	Each	$1,421.66
52	3260	EERF					1.00000	$0.0000	Each	$400.40

Work Order No: W4205270 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002641-A**

Comments: City of Muskegon - Site: 1350 E. Keating Ave. Muskegon, MI 49442. Provide Equipment/Personnel to Line Jet Storm Drains from Emulsion Spill **Note Comments:**

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
3/31/2026	14		BR2	EM5			On Account	Net 30 Days	PTruck-633			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			BR002641-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
53	8321	Project Manager w/ Support Vehicle	0				8.00000	$150.0000	Hour	$1,200.00
54	8321	Vacuum Tanker w/ Operator	0				4.00000	$225.0000	Hour	$900.00
55	8321	1 Ton w/ Driver	0				8.00000	$165.0000	Hour	$1,320.00
56	8320	10K Water Blaster w/Operator	0				8.00000	$200.0000	Hour	$1,600.00
57	8323	PPE	0				165.00000	$1.0000	Each	$165.00
58	3259	Fuel Surcharge					1.00000	$0.0000	Each	$711.36
59	3260	EERF					1.00000	$0.0000	Each	$285.18

Invoice

Whitehall Industrial
1680 Peach Street
Whitehall, Michigan
49461
Tel: (231) 893-1173 Fax:

Invoice
LQ03371406
Invoice Date
3/31/2026

2% per month (24% per annum) late charge on balances over 30 days from date of invoice

Invoice Summary			
MI USA	$0.00	Sub-Total	$50,121.79
		Total Tax	$0.00
		Total (USD)	$50,121.79
93-1706214			

Please detach and return stub with your payment

Account Number:	L000682384	Amount Due:	$50,121.79
Invoice Number:	LQ03371406	Amount Paid:	

How to pay your bill:

Credit card, call **(231) 258-7142**

EFT Payments: Please send your remittance information to **liquidremittance@gflenv.com**

Cheque payable to **GFL Environmental / Northern A-1 Industrial Services, LLC** along with this stub

00000000 00000L000682384 0000 GFL48000LQ03371406 00005012179 9

Please Remit To:

GFL Environmental / Northern A-1
Industrial Services, LLC
PO Box 1030
Kalkaska, Michigan 49646
Tel: (231) 258-9961 Fax:

Email: liquidremittance@gflenv.com

Invoice

Whitehall Industrial
Tel: (231) 893-1173 Fax:

Invoice
LQ03429416
Invoice Date
4/30/2026

Bill To: Acct #: L000682384

City of Muskegon
Attn: Accounts Payable
1350 East KeatIng Street
Muskegon, MI
49442

Job Site: Site #: 000795543

City of Muskegon
Attn: Joe Buthker
2409 Roberts St
Muskegon, MI
49444
Tel: (231) 724-6989 Fax:
Email: joe.buthker@shorelinecity.com

Work Order No: W4222603 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002654-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Clean-out Vacuum Truck from ER Response Emulsion Spill

Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/2/2026	14		BR2	ZJ2			On Account	Net 30 Days	123011			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			BR002654-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
1	8321	Site Supervisor	0				3.50000	$135.0000	Hour	$472.50
2	8321	Vacuum Truck w/ Operator	0				3.50000	$205.0000	Hour	$717.50
3	8320	Laborer	0				3.50000	$71.5000	Hour	$250.25
4	8320	Laborer	0				3.50000	$71.5000	Hour	$250.25
5	8320	Laborer	0				3.50000	$71.5000	Hour	$250.25
6	8324	Portable Hot Water Washer	0				1.00000	$600.0000	Shift	$600.00
7	8323	PPE	0				154.00000	$1.0000	Each	$154.00
8	3259	Fuel Surcharge					1.00000	$0.0000	Each	$247.52
9	3260	EERF					1.00000	$0.0000	Each	$148.21

Work Order No: W4222676 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002659-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Clean-out Vacuum Tanker/ Add Dirt to Solidify Emulsion from ER Response Emulsion Spill

Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/3/2026	14		BR2	NA1			On Account	Net 30 Days	N/A			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			BR002659-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
10	8321	Project Manager	0				9.50000	$150.0000	Hour	$1,425.00
11	8321	Site Supervisor	0				9.50000	$135.0000	Hour	$1,282.50
12	8321	Vacuum Tanker w/ Operator	0				4.50000	$225.0000	Hour	$1,012.50

Invoice

Whitehall Industrial
Tel: (231) 893-1173 Fax:

Invoice
LQ03429416
Invoice Date
4/30/2026

Work Order No: W4222676 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002659-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Clean-out Vacuum Tanker/ Add Dirt to Solidify Emulsion from ER Response Emulsion Spill	Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/3/2026	14		BR2	NA1			On Account	Net 30 Days	N/A			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			BR002659-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
13	8320	Laborer	0				7.50000	$71.5000	Hour	$536.25
14	8320	Laborer	0				7.00000	$71.5000	Hour	$500.50
15	8320	Laborer	0				7.50000	$71.5000	Hour	$536.25
16	8320	Laborer	0				5.50000	$71.5000	Hour	$393.25
17	8320	Overtime After 8 Hours or 5PM (Monday - Friday)	0				3.00000	$33.0000	Hour	$99.00
18	8324	Skid Steer	0				1.00000	$575.0000	Day	$575.00
19	8324	Mini Vac	0				1.00000	$600.0000	Shift	$600.00
20	8322	275 Gallon Totes	0				3.00000	$330.0000	Tote	$990.00
21	3259	Fuel Surcharge					1.00000	$0.0000	Each	$773.76
22	3260	EERF					1.00000	$0.0000	Each	$437.26

Work Order No: W4222759 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002677-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Loading, Transportation & Disposal of Emulsion/Water	Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/8/2026	15		BR2	ZJ2			On Account	Net 30 Days	512014			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
	BOL #BR2677-A1, #BR2677-A2		BR002677-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
23	8321	Site Supervisor w/ Support Truck	0				6.50000	$135.0000	Hour	$877.50
24	8321	Vacuum Tanker w/ Operator	0				9.50000	$225.0000	Hour	$2,137.50
25	8320	Overtime After 8 Hours or 5PM (Monday - Friday)	0				1.50000	$33.0000	Hour	$49.50
26	8331	Disposal Fee, Emulsion/Water	0			12000	12000.0000 0	$1.1000	Gallon	$13,200.00
27	8323	PPE	0				22.00000	$1.0000	Each	$22.00
28	3259	Fuel Surcharge					1.00000	$0.0000	Each	$655.76
29	3260	EERF					1.00000	$0.0000	Each	$895.76

Invoice

Whitehall Industrial
Tel: (231) 893-1173 Fax:

Invoice
LQ03429416
Invoice Date
4/30/2026

Work Order No: W4225573 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002678-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Loading, Transportation & Disposal of Emulsion/Water	Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/9/2026	15		BR2	ZJ2			On Account	Net 30 Days	512014			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
	BOL #BR2678-A1, #BR2678-A2		BR002678-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
30	8321	Vacuum Tanker w/ Operator	0				9.00000	$225.0000	Hour	$2,025.00
31	8320	Overtime After 8 Hours or 5PM (Monday - Friday)	0				1.00000	$33.0000	Hour	$33.00
32	8331	Disposal Fee, Emulsion/Water	0			11500	11500.00000	$1.1000	Gallon	$12,650.00
33	3259	Fuel Surcharge					1.00000	$0.0000	Each	$440.44
34	3260	EERF					1.00000	$0.0000	Each	$808.94

Work Order No: W4234819 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002692-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Clean-out Emulsion from Creek	Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/13/2026	16		BR2	EM5			On Account	Net 30 Days	PTruck-633			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			BR002692-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
35	8321	Project Manager w/ Support Vehicle	0				3.00000	$150.0000	Hour	$450.00
36	8321	Site Supervisor w/ Support Truck	0				4.50000	$135.0000	Hour	$607.50
37	8320	Laborer	0				4.50000	$71.5000	Hour	$321.75
38	8320	Laborer	0				4.50000	$71.5000	Hour	$321.75
39	8320	Laborer	0				4.50000	$71.5000	Hour	$321.75
40	8323	PPE	0				55.00000	$1.0000	Each	$55.00
41	3259	Fuel Surcharge					1.00000	$0.0000	Each	$234.24
42	3260	EERF					1.00000	$0.0000	Each	$114.28

Work Order No: W4234874 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002691-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Frac Tank Cleaning	Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/13/2026	16		BR2	DR17			On Account	Net 30 Days	311001			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			BR002691-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
43	8321	Site Supervisor w/ Support Truck	0				5.50000	$135.0000	Hour	$742.50

Invoice
LQ03429416
Invoice Date
4/30/2026

Invoice

Whitehall Industrial
Tel: (231) 893-1173 Fax:

Work Order No: W4234874 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002691-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Frac Tank Cleaning	Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/13/2026	16		BR2	DR17			On Account	Net 30 Days	311001			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			BR002691-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
44	8321	Vacuum Tanker w/ Operator	0				5.50000	$225.0000	Hour	$1,237.50
45	8320	Laborer	0				5.50000	$71.5000	Hour	$393.25
46	8320	Laborer	0				5.50000	$71.5000	Hour	$393.25
47	8320	Overtime After 8 Hours or 5PM (Monday - Friday)	0				8.00000	$33.0000	Hour	$264.00
48	8324	Portable Hot Water Washer	0				1.00000	$600.0000	Shift	$600.00
49	8324	4 Gas Air Monitor	0				1.00000	$175.0000	Day	$175.00
50	8324	Confined Space Rescue Equipment	0				1.00000	$375.0000	Each	$375.00
51	8323	Targo (5 Gallon Bucket)	0				1.00000	$375.0000	Each	$375.00
52	8323	PPE	0				160.49000	$1.0000	Each	$160.49
53	3259	Fuel Surcharge					1.00000	$0.0000	Each	$438.57
54	3260	EERF					1.00000	$0.0000	Each	$259.38

Work Order No: W4237858 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002696-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Loading, Transportation & Disposal of Emulsion/Water	Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/14/2026	16		BR2	RL7			On Account	Net 30 Days	520078			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
	BOL #BR2692-A1		BR002696-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
55	8321	Vacuum Tanker w/ Operator	0				5.50000	$225.0000	Hour	$1,237.50
56	8331	Disposal Fee, Emulsion/Water	0			2513	2513.00000	$1.1000	Gallon	$2,764.30
57	3259	Fuel Surcharge					1.00000	$0.0000	Each	$274.11
58	3260	EERF					1.00000	$0.0000	Each	$220.10

Invoice

Whitehall Industrial
Tel: (231) 893-1173 Fax:

Invoice
LQ03429416
Invoice Date
4/30/2026

Work Order No: W4245319 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002701-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel to Clean-out Vacuum Tanker from ER Response Emulsion Spill	Note Comments:

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/15/2026	16		BR2	DR17			On Account	Net 30 Days	1237			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
			BR002701-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
59	8321	Site Supervisor	0				4.50000	$135.0000	Hour	$607.50
60	8321	Vacuum Tanker w/ Operator	0				4.50000	$225.0000	Hour	$1,012.50
61	8320	Laborer	0				4.50000	$71.5000	Hour	$321.75
62	8320	Laborer	0				4.50000	$71.5000	Hour	$321.75
63	8324	Portable Hot Water Washer	0				1.00000	$600.0000	Shift	$600.00
64	8324	4 Gas Air Monitor	0				1.00000	$175.0000	Day	$175.00
65	8323	PPE	0				99.00000	$1.0000	Each	$99.00
66	3259	Fuel Surcharge					1.00000	$0.0000	Each	$358.83
67	3260	EERF					1.00000	$0.0000	Each	$172.56

Work Order No: W4283735 Project: 0041367 City Of Muskegon - ER Spill Clean-Up **Ref: BR002712-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Transportation & Disposal of Hardened Emulsion from Emergency Response Emulsion Spill Clean-up. Roll off Rental. (Rental Roll-offs Needed to Be Cleaned/Washed Before Returning)	Note Comme

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/20/2026	17		BR2	AW3			On Account	Net 30 Days	512014			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
	Disposal Ticket #1321413 & #1321603	Manifest #BR002712-A1 & #BR002712-A2	BR002712-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
68	8321	Six Axle Roll-Off Truck/Trailer w/ Operator	0				16.75000	$225.0000	Hour	$3,768.75
69	8320	Overtime After 8 Hours or 5PM (Monday - Friday)	0				8.75000	$33.0000	Hour	$288.75
70	8331	Disposal Fee, Emulsion/Sludge	0			36.67	36.67000	$45.0000	Ton (US)	$1,650.15
71	8322	Roll Off Rental	0				16.00000	$45.0000	Day	$720.00
72	8322	Roll Off Rental	0				16.00000	$45.0000	Day	$720.00
73	3259	Fuel Surcharge					1.00000	$0.0000	Each	$795.21
74	3260	EERF					1.00000	$0.0000	Each	$393.12

Invoice

Whitehall Industrial
Tel: (231) 893-1173 Fax:

Invoice
LQ03429416
Invoice Date
4/30/2026

Work Order No: W4283956   Project: 0041367 City Of Muskegon - ER Spill Clean-Up — **Ref: BR002722-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Transportation & Disposal of Hardened Emulsion from Emergency Response Emulsion Spill Clean-up. Roll off Rental. (Rental Roll-offs Needed to Be Cleaned/Washed Before Returning) — **Note Comme**

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/22/2026	17		BR2	LP14			On Account	Net 30 Days	512014			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
	Disposal Ticket #1322135	Manifest #BR002722-A1	BR002722-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
75	8321	Six Axle Roll-Off Truck/Trailer w/ Operator	0				7.00000	$225.0000	Hour	$1,575.00
76	8331	Disposal Fee, Emulsion/Sludge	0			16.74	16.74000	$45.0000	Ton (US)	$753.30
77	8322	Roll Off Rental	0				18.00000	$45.0000	Day	$810.00
78	3259	Fuel Surcharge					1.00000	$0.0000	Each	$332.33
79	3260	EERF					1.00000	$0.0000	Each	$172.61

Work Order No: W4283981   Project: 0041367 City Of Muskegon - ER Spill Clean-Up — **Ref: BR002728-A**

Comments: City of Muskegon - Site: 2409 Roberts St. Muskegon, MI 49444. Provide Equipment/Personnel for Transportation & Disposal of Hardened Emulsion from Emergency Response Emulsion Spill Clean-up. Roll off Rental. — **Note Comments**

Service Date	Service Week	Purchase Order	Rep	Driver	Zone	Route No	Payment Method	Payment Terms	Truck No	Trailer No	Time In	Time Out
4/23/2026	17		BR2	AW3			On Account	Net 30 Days	512014			

Manifest Reference Numbers	Consolidated Manifest Number	Third Party Manifest Ref. No.	Work Order Reference Numbers	Load Number
	Disposal Ticket #1322346 & #1322460	Manifest #BR002728-A1 & BR002728-A2	BR002728-A	

Line No	Part No	Quoted Desc	Srv Sched	Waste Class	Supply Volume	Waste Volume Removed	Qty Billed	Price Per UOM	Billing UOM	Subtotal of Service
80	8321	Six Axle Roll-Off Truck/Trailer w/ Operator	0				6.50000	$225.0000	Hour	$1,462.50
81	8331	Disposal Fee, Emulsion/Sludge	0			32.81	32.81000	$45.0000	Ton (US)	$1,476.45
82	8322	Roll Off Rental	0				19.00000	$45.0000	Day	$855.00
83	8322	Roll Off Rental	0				19.00000	$45.0000	Day	$855.00
84	3259	Fuel Surcharge					1.00000	$0.0000	Each	$308.59
85	3260	EERF					1.00000	$0.0000	Each	$255.69

Invoice

Whitehall Industrial
Tel: (231) 893-1173 Fax:

Invoice
LQ03429416
Invoice Date
4/30/2026

2% per month (24% per annum) late charge on balances over 30 days from date of invoice

Invoice Summary			
MI USA	$0.00	Sub-Total	$79,244.71
		Total Tax	$0.00
		Total (USD)	$79,244.71
93-1706214			

Please detach and return stub with your payment

Account Number:	**L000682384**	Amount Due:	**$79,244.71**
Invoice Number:	**LQ03429416**	Amount Paid:	

00000000 00000L000682384 0000 GFL48000LQ03429416 00007924471 7

How to pay your bill:

Credit Card payments: call **(231) 258-7142**

For Direct Deposit (EFT) Payments:
Please send your remittance information to
liquidremittance@gflenv.com

Note: GFL does not accept E-Transfers as a form of payment

Cheque payable to **GFL Environmental / Northern A-1 Industrial Services, LLC** along with this stub

Please Remit To:

GFL Environmental / Northern A-1 Industrial Services, LLC
PO Box 1030
Kalkaska, Michigan 49646
Tel: (231) 258-9961 Fax:

Email: liquidremittance@gflenv.com

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** Beach St. Parking & Pedestrian Facility Improvements
Submitted by: Todd Myers, Deputy Director of Public Works	**Department:** Public Works

Brief Summary:
Staff requests authorization to enter into a contract with Dans Excavating in the amount of $949,102.40 for the Beach Street Parking and Pedestrian Facility Improvements project.

Detailed Summary & Background:
Our engineering consultant, DLZ, solicited bids for the Beach Street Parking and Pedestrian Facility Improvements Project. This project includes improvements to the angled parking between the bathroom buildings, as well as a much improved and widened concrete sidewalk/pathway over the same limits. The submitted low bid amount was from TBD Construction Services in the amount of $893,130.80. After checking references, DLZ and staff recommend awarding the project to the second low bidder, Dans Excavating, in the amount of $949,102.40. The project was budgeted at $1.2M, so the recommended bid is well within budget.

Goal/Action Item:
2027 Goal 4: Financial Infrastructure

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
$949,102.40

Budgeted Item:

Yes	X	No		N/A		

Fund(s) or Account(s):
482 (ARPA) Funds

Budget Amendment Needed:

Yes		No	X	N/A		

Recommended Motion:
Move to authorize staff to enter into a contract with Dans Excavating in the amount of $949,102.40 for the Beach Street Parking and Pedestrian Facility Improvements project.

Approvals:

Immediate Division Head	X	
Information		

Name the Policy/Ordinance Followed:
Purchasing Policy

Technology		
Other Division Heads		
Communication	X	
Legal Review		

June 1, 2026

Mr. Dan VanderHeide, P.E.
Director of Public Works
City of Muskegon
1350 E. Keating Avenue
Muskegon, MI 49442

RE: Beach Street Parking and Pedestrian Improvements
DLZ Project Number: 2247-7456-00

Dear Mr. VanderHeide,

DLZ Michigan, Inc. (DLZ) has reviewed all the bids submitted on Thursday, April 23, 2026, at 2:00 p.m. at the Muskegon City Hall Clerk's Office for the above-referenced project.

Five (5) bids were received, with five (5) being opened and read. Listed in order of low to high bidder are the following tabulated bidders:

	COMPANY	AS-READ	AS TABULATED
1	TBD Construction Services, Inc.	$ 893,147.90	$ 893,130.80
2	**Dans Excavating Service, Inc.**	$ 949,102.40	**$ 949,102.40**
3	Tridonn Construction Company	$ 1,064,310.78	$ 1,062,909.10
4	McCormick Sand, Inc.	$ 1,110,651.00	$ 1,110,651.00
5	Wadel Stabilization, Inc.	$ 1,125,575.25	$ 1,125,575.25
	Engineers Estimate		$ 1,010,910.50

DLZ has reviewed the bids submitted and identified tabulation errors in two bids; however, these errors did not affect the bid ranking. Based on reference checks, the apparent low bidder was found to have limited experience with projects of similar scope. Accordingly, DLZ recommends that the City of Muskegon award the contract to the lowest responsible bidder, **Dans Excavating Service, Inc.**, in the amount of **$949,102.40**. The Bid Tabulation sheet is attached for reference.

Please feel free to call me if you have any questions about this information.

Sincerely,

Randy Parrett Digitally signed by Randy Parrett Date: 2026.06.01 09:43:13-04'00'

Randy Parrett, P.E.
Department Manager

CC: Todd Myers, Leigh Merrill

Attachments: Bid Tabulation

DLZ Engineers Architects Surveyors Construction Services

City of Muskegon
Beach Street Parking and Pedestrian Facility Improvements

DLZ PN: 2247-7456-00

Bid Opening: 4/23/2026 2:00 PM (local time)

Bid Tabulation

Item No.	Description	Unit	Estimated Quantity	TBD Construction Services Inc. Unit Price	TBD Construction Services Inc. Amount	Dans Excavating Service Inc. Unit Price	Dans Excavating Service Inc. Amount	Tridonn Construction Company Unit Price	Tridonn Construction Company Amount	McCormick Sand Inc. Unit Price	McCormick Sand Inc. Amount	Wadel Stabilization Inc. Unit Price	Wadel Stabilization Inc. Amount	Engineer Unit Price	Engineer Amount
1	Mobilization, Max, 10%	LSUM	1.00	76,000.00	76,000.00	94,000.00	94,000.00	107,583.12	107,583.12	111,000.00	111,000.00	112,000.00	112,000.00	91,900.00	91,900.00
2	Curb and Gutter, Rem	Ft	195.00	15.00	2,925.00	5.00	975.00	21.60	4,212.00	7.00	1,365.00	17.00	3,315.00	15.00	2,925.00
3	Sidewalk, Rem	Syd	1936.00	8.00	15,488.00	8.00	15,488.00	10.80	20,908.80	10.00	19,360.00	9.50	18,392.00	15.00	29,040.00
4	Pavt, Rem, Modified	Syd	4269.00	10.00	42,690.00	8.00	34,152.00	12.96	55,326.24	10.00	42,690.00	11.00	46,959.00	12.00	51,228.00
5	Erosion Control, Silt Fence	Ft	2558.00	4.50	11,511.00	5.00	12,790.00	3.24	8,287.92	2.00	5,116.00	5.00	12,790.00	3.00	7,674.00
6	Project Cleanup	LSUM	1.00	3,000.00	3,000.00	7,500.00	7,500.00	21,600.00	21,600.00	14,900.00	14,900.00	10,000.00	10,000.00	5,000.00	5,000.00
7	Aggregate Base, 6 inch, 21AA	Syd	4226.00	13.00	54,938.00	25.00	105,650.00	34.56	146,050.56	28.00	118,328.00	35.00	147,910.00	16.00	67,616.00
8	Aggregate Base, 8 Inch, 21AA	Syd	6435.00	17.00	109,395.00	22.00	141,570.00	22.68	145,945.80	32.00	205,920.00	30.00	193,050.00	18.00	115,830.00
9	Geotextile, Separator	Syd	4385.00	4.50	19,732.50	3.00	13,155.00	3.22	14,119.70	4.00	17,540.00	6.00	26,310.00	2.00	8,770.00
10	Dr Structure Cover, Adj, Case 1	Ea	9.00	650.00	5,850.00	750.00	6,750.00	972.00	8,748.00	1,300.00	11,700.00	750.00	6,750.00	500.00	4,500.00
11	HMA, 4EML	Ton	708.00	120.00	84,960.00	106.00	75,048.00	114.70	81,207.60	107.00	75,756.00	116.00	82,128.00	140.00	99,120.00
12	HMA, 5EML	Ton	708.00	125.00	88,500.00	116.00	82,128.00	125.14	88,599.12	116.00	82,128.00	127.00	89,916.00	160.00	113,280.00
13	Conc Pavt, Misc, Nonreinf, 6 inch	Syd	198.00	65.00	12,870.00	57.00	11,286.00	60.85	12,048.30	80.00	15,840.00	55.00	10,890.00	100.00	19,800.00
14	Detectable Warning Surface	Ft	50.00	125.00	6,250.00	100.00	5,000.00	108.00	5,400.00	35.00	1,750.00	50.00	2,500.00	70.00	3,500.00
15	Sidewalk, Conc, 6 inch	Sft	4822.00	7.45	35,923.90	6.50	31,343.00	6.76	32,596.72	9.00	43,398.00	7.00	33,754.00	9.00	43,398.00
16	Sidewalk, Conc, 6 inch, Modified	Sft	6516.00	7.65	49,847.40	7.00	45,612.00	7.03	45,807.48	10.00	65,160.00	8.00	52,128.00	10.00	65,160.00
17	Non-Motorized Pathway, Conc, 6 inch	Syd	3502.00	65.00	227,630.00	62.00	217,124.00	63.28	221,606.56	62.00	217,124.00	60.00	210,120.00	70.00	245,140.00
18	Tree Fence, Protective	Ft	310.00	10.00	3,100.00	15.00	4,650.00	8.85	2,743.50	8.00	2,480.00	25.00	7,750.00	15.00	4,650.00
19	Delineator, Rem	Ea	68.00	5.00	340.00	15.00	1,020.00	16.20	1,101.60	15.00	1,020.00	15.00	1,020.00	6.00	408.00
20	Post, Rigid, Delineator	Ea	50.00	35.00	1,750.00	35.00	1,750.00	37.80	1,890.00	35.00	1,750.00	35.00	1,750.00	32.00	1,600.00
21	Post, Steel, 3 pound	Ft	154.00	3.50	539.00	10.00	1,540.00	10.80	1,663.20	10.00	1,540.00	10.00	1,540.00	8.00	1,232.00
22	Sign, Type III, Rem	Ea	12.00	5.00	60.00	35.00	420.00	37.80	453.60	35.00	420.00	35.00	420.00	25.00	300.00
23	Sign, Type IIIA	Sft	29.00	25.00	725.00	40.00	1,160.00	43.20	1,252.80	40.00	1,160.00	40.00	1,160.00	20.00	580.00
24	Pavt Mrkg, Ovly Cold Plastic, 6 inch, Crosswalk	Ft	510.00	2.50	1,275.00	7.00	3,570.00	5.40	2,754.00	5.00	2,550.00	5.00	2,550.00	5.00	2,550.00
25	Pavt Mrkg, Ovly Cold Plastic, Thru Arrow Sym	Ea	5.00	250.00	1,250.00	265.00	1,325.00	216.00	1,080.00	200.00	1,000.00	200.00	1,000.00	200.00	1,000.00
26	Pavt Mrkg, Waterborne, for Rest Areas, Parks, and Lots, 4 inch, Blue	Ft	456.00	0.35	159.60	2.25	1,026.00	2.16	984.96	2.00	912.00	2.00	912.00	2.00	912.00
27	Pavt Mrkg, Waterborne, for Rest Areas, Parks, and Lots, 4 inch, White	Ft	4138.00	0.35	1,448.30	2.10	8,689.80	1.08	4,469.04	1.00	4,138.00	1.00	4,138.00	1.00	4,138.00
28	Pavt Mrkg, Waterborne, for Rest Areas, Parks, and Lots, 4 inch, Yellow	Ft	966.00	0.35	338.10	2.10	2,028.60	2.16	2,086.56	2.00	1,932.00	2.00	1,932.00	1.00	966.00
29	Rem Spec Mrkg	Sft	974.00	10.00	9,740.00	5.00	4,870.00	2.70	2,629.80	2.50	2,435.00	2.50	2,435.00	5.00	4,870.00
30	Pavt Mrkg, Waterborne, Handicap Sym, Blue	Ea	8.00	450.00	3,600.00	95.00	760.00	54.00	432.00	50.00	400.00	50.00	400.00	250.00	2,000.00
31	Barricade, Type III, High Intensity, Double Sided, Lighted, Furn	Ea	4.00	250.00	1,000.00	95.00	380.00	102.60	410.40	95.00	380.00	95.00	380.00	150.00	600.00
32	Barricade, Type III, High Intensity, Double Sided, Lighted, Oper	Ea	4.00	10.00	40.00	1.00	4.00	1.08	4.32	1.00	4.00	1.00	4.00	1.00	4.00
33	Pedestrian Type II Barricade, Temp	Ea	3.00	250.00	750.00	95.00	285.00	102.60	307.80	95.00	285.00	95.00	285.00	150.00	450.00
34	Minor Traf Devices	LSUM	1.00	5,000.00	5,000.00	4,000.00	4,000.00	2,592.00	2,592.00	30,000.00	30,000.00	36,500.00	36,500.00	5,000.00	5,000.00
35	Pavt Mrkg, Longit, 6 inch or Less Width, Rem	Ft	366.00	10.00	3,660.00	2.50	915.00	2.16	790.56	2.00	732.00	2.00	732.00	1.00	366.00
36	Sign, Type B, Temp, Prismatic, Furn	Sft	67.25	15.00	1,008.75	7.00	470.75	7.56	508.41	7.00	470.75	8.00	538.00	5.00	336.25
37	Sign, Type B, Temp, Prismatic, Oper	Sft	67.25	5.00	336.25	1.00	67.25	1.08	72.63	1.00	67.25	1.00	67.25	1.00	67.25
38	Traf Regulator Control	LSUM	1.00	5,000.00	5,000.00	8,500.00	8,500.00	1,134.00	1,134.00	5,400.00	5,400.00	650.00	650.00	2,000.00	2,000.00
39	Audio Visual Record of Construction	LSUM	1.00	4,500.00	4,500.00	2,100.00	2,100.00	13,500.00	13,500.00	2,500.00	2,500.00	500.00	500.00	3,000.00	3,000.00

	TBD Construction Services Inc.	Dans Excavating Service Inc.	Tridonn Construction Company	McCormick Sand Inc.	Wadel Stabilization Inc.	Engineer
Tabulated Total =	$ 893,130.80	$ 949,102.40	$ 1,062,909.10	$ 1,110,651.00	$ 1,125,575.25	$ 1,010,910.50
Rank =	1	2	3	4	5	
As-Read Total =	$ 893,147.90	$ 949,102.40	$ 1,064,310.78	$ 1,110,651.00	$ 1,125,575.25	
	1	2	3	4	5	

*Tabulation Correction

1 of 1

CITY OF MUSKEGON

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** Approval of the FY 2026-27 Budget
Submitted by: Jonathan Seyferth, City Manager	**Department:** Manager's Office

Brief Summary:
Presenting the Fiscal Year 2027 budget- the total appropriation across all funds is $132.9 million, with $45.9 million appropriated from the general fund

Detailed Summary & Background:
Staff distributed the Fiscal Year 2027 budget on May 2026. We held our public hearing on May 26, 2026, and further discussion took place at our work session on Monday, June 8. The staff recommends approval of the FY 2027 budget as presented, with total appropriations of $132.9 million, including $45.9 million in the general fund. The General Fund budget is presented with a budget deficit of $705,256.

Goal/Action Item:
2027 Goal 4: Financial Infrastructure

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
$132,952,181 across all funds, $45,942,097 in the general fund

Budgeted Item:

Yes	X	No		N/A		ss

Fund(s) or Account(s):
All City Funds

Budget Amendment Needed:

Yes		No	X	N/A		

Recommended Motion:
Move to approve the attached budget resolution for Fiscal Year 2026-27, which begins on July 1, 2026

Approvals:

Immediate Division Head	x	
Information Technology		
Other Division Heads	x	
Communication	x	

Name the Policy/Ordinance Followed:

Legal Review			

CITY OF MUSKEGON
RESOLUTION OF APPROPRIATION
2026-27 BUDGET

WHEREAS, the City Manager has submitted a proposed Budget for 2026-27 in accordance with City Ordinance and Michigan Public Act 621 of 1978 known as the "Uniform Budgeting and Accounting Act"; and,

WHEREAS, the 2026-27 proposed Budget has been reviewed by the City Commission following a public hearing for which due notice was given; NOW, THEREFORE, BE IT RESOLVED that the Budget for the City of Muskegon for the fiscal year beginning July 1, 2026 is hereby determined and adopted as follows:

GENERAL FUND

FUND ACTIVITY NUMBER	FUND/ACTIVITY NAME	AMOUNT
101-101	City Commission	$158,919
101-103	City Promotions & Public Relations	$115,250
101-266	City Attorney	$436,800
101-172	City Manager	$875,320
101-252	Support to Outside Agencies	$554,232
101-215	City Clerk & Elections	$792,135
101-269	Employee Relations	$355,222
101-202	Finance Administration	$876,906
101-203	Pension Administration	$5,020,925
101-205	Income Tax Administration	$632,093
101-257	Assessing Services	$463,000
101-228	Information Systems Administration	$882,647
101-253	City Treasurer	$850,696
101-272	Insurance Premiums	$444,535
101-906	Debt Retirement	$1,055,083
101-999	Transfers to Other Funds	$835,156
101-301	Police	$13,379,813
101-336	Fire	$5,720,987
101-340	Central Fire	$122,000
101-387	Building Code Inspections and Enforcement	$2,156,756
101-265	City Hall Maintenance	$597,887
101-446	Community Event Support/Downtown BID	$113,256
101-448	Streetlighting	$360,000
101-521	Sanitation	$3,061,083
101-550	Stormwater Management	$17,000
101-567	Cemeteries Maintenance	$596,324
101-772	Parking Operations	$493,667
101-751	Recreation	$428,439
101-770	Parks Maintenance	$2,903,163

101-757	**McGraft Park Maintenance**	**$143,098**
101-771	**Forestry**	**$49,352**
101-701	**Planning, Zoning and Economic Development**	**$1,098,353**
101-901	**Major Capital Improvements**	**$352,000**
	Grand Total General Fund Appropriations	**$45,942,097**

OTHER BUDGETED FUNDS

FUND ACTIVITY NUMBER	FUND/ACTIVITY NAME	AMOUNT
202,204	**Major Streets and State Trunklines**	**$11,436,086**
203	**Local Streets**	**$2,380,370**

BE IT FURTHER RESOLVED that the revenues and other financing sources (including use of prior year balances) for Fiscal Year 2026-27 are estimated as follows:

GENERAL FUND

	FUND/ACTIVITY NAME	AMOUNT	
	Taxes	**$ 24,978,000**	
	State Revenues	**6,520,985**	
	Fees	**3,797,253**	
	All Building Permits	**1,636,000**	**Beach**
Parking	**1,300,000**		
	Public Safety Revenue	**794,000**	
	Operating Transfers In	**180,000**	
	Indirect Costs	**2,317,192**	
	Other Revenue	**3,713,411**	
	Total General Fund Revenue	**$45,236,841**	

OTHER BUDGETED FUNDS

FUND ACTIVITY NUMBER	FUND/ACTIVITY NAME	AMOUNT
202,204	Major Streets and State Trunklines	$8,556,703
203	Local Streets	$2,421,000

BE IT FURTHER RESOLVED that the operating expense projections for the following non-budget funds are hereby approved:

FUND ACTIVITY NUMBER	FUND/ACTIVITY NAME	AMOUNT
231	Lakeside Corridor Improvement Authority	25,000
232	Harbor West Brownfield	1,361
233	Scattered Housing Brownfield Fund	428,393
234	Brownfield Redevelopment Authority (Pigeon Hill)	15,292
235	Brownfield Authority (Betten)	87,326
238	Sweetwater Brownfield	65,720
241	Adelaide Pointe Brownfield	430,810
242	Highpoint Flats Brownfield	93,967
252	Farmers Market & Kitchen 242	1,156,336
254	Trinity Health Arena	2,374,046
285	Tree Replacement	7,500
394	Downtown Development Auth DS	576,409
395	TIFA Debt Service	50,000
420	Convention Center	943,500
445	Public Improvement Fund	523,000
447	Housing	10,000,000
482	State Grants Fund	3,600,000
590	Sewer	11,729,492
591	Water	23,038,362
594	Marina/Launch Ramp	1,718,659
661	Equipment	5,380,600
642	Public Service Building	2,407,885
643	Engineering Services Fund	1,131,870
677	General Insurance Fund	7,408,100

BE IT FURTHER RESOLVED, that there is hereby appropriated for said fiscal year the several amounts set forth above which, pursuant to the "Uniform Budget and Accounting Act", define the City of Muskegon's appropriation centers, and

BE IT FURTHER RESOLVED, that the City Manager is hereby empowered to transfer appropriations within appropriation centers, and

BE IT FURTHER RESOLVED, that there is hereby levied a general tax as herein fixed on each dollar of taxable valuation for the purposes herein outlined, said levy to be applied on all taxable real and personal property in the City of Muskegon as set forth in the assessment roll dated May 2026:

PURPOSE		MILLAGE (MILLS)
	General Operating	9.0985
	Sanitation Service	2.7294
	Promotion	.0505
	Total	11.8784

At a meeting of the City Commission of the City of Muskegon, on the _____ Day of June , the foregoing resolution was moved for adoption by__________________. Commissioner ___________________ supported the motion.

Resolution declared adopted.

_________________________________ Mayor

_________________________________ City Clerk

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 101 GENERAL					
5400	OTHER EXPENSES	21,324.66			
101-000-402	PROPERTY TAX	7,246,381.80	7,600,000.00	6,749,754.45	8,008,000.00
101-000-432	IN LIEU OF TAX	197,375.86	197,000.00		215,000.00
101-000-436	PROPERTY TAX SANITATION	2,160,016.30	2,250,000.00	2,012,707.03	2,370,000.00
101-000-437	IFT/CFT TAX	244,381.17	253,000.00		253,000.00
101-000-438	INCOME TAX	13,024,300.93	13,500,000.00	11,593,247.37	14,000,000.00
101-000-439	MARIJUANA TAX	700,753.80	675,000.00	540,171.00	600,000.00
101-000-451	SPECIAL ASSESSMENTS	181,582.05	188,700.00	135,118.31	
101-000-476-004202	BUSINESS LICENSES & PERMITS	39,505.39	42,000.00	69,770.00	45,000.00
101-000-476-004217	SHORT TERM RENTALS	116,830.00	105,810.00	113,460.00	120,000.00
101-000-477	CABLE TV LICENSES OR FEES	266,262.28	234,000.00	117,762.30	200,000.00
101-000-478	LIQUOR LICENSES & TAX REBATE	46,281.95	66,000.00	43,383.30	60,000.00
101-000-480-004207	CEMETERY-BURIAL PERMITS	65,115.00	65,000.00	43,810.00	55,000.00
101-000-480-004649	CEMETERY-MISC. INCOME	23,457.74	25,000.00	12,436.79	20,000.00
101-000-480-004657	COLUMBARIUM NICHE	2,310.00	2,000.00	2,696.50	2,000.00
101-000-481	BUILDING PERMITS	1,405,005.63	1,350,000.00	1,123,796.16	1,100,000.00
101-000-482	ELECTRICAL PERMITS	192,563.81	220,000.00	193,215.00	175,000.00
101-000-483	PLUMBING PERMITS	139,707.75	250,000.00	227,239.50	200,000.00
101-000-484	HEATING PERMITS	131,080.19	161,000.00	149,997.96	161,000.00
101-000-485	DEVELOPMENT PERMIT FEE	5,430.00	4,000.00	3,710.00	4,000.00
101-000-486	RENTAL PROPERTY REGISTRATION	371,730.00	410,000.00	370,855.00	410,000.00
101-000-487	TEMPORARY LIQUOR LICENSE	4,810.00	5,000.00	2,560.00	5,000.00
101-000-488	MARIHUANA FACILITIES LICENSE	155,000.00	150,000.00	100,000.00	135,000.00
101-000-495	VACANT BUILDING FEE	700.00	10,000.00	(600.00)	10,000.00
101-000-502	FEDERAL GRANTS	788,724.04	418,089.00	359,226.46	457,910.00
101-000-540	STATE GRANTS	389,649.06	600,000.00	152,838.56	158,217.00
101-000-542	STATE REPLACEMENT REV FOR PPT	885,997.08	840,000.00	364,486.60	840,000.00
101-000-549	STATE CVTRS/EVIP PAYMENTS	1,398,221.00	1,510,000.00	725,741.00	1,450,000.00
101-000-569	STATE GRANTS OTHER		24,000.00	48,022.32	292,768.00
101-000-574	STATE SALES TAX CONSTITUTIONAL	3,971,908.00	3,925,000.00	2,018,608.00	3,780,000.00
101-000-603	CITY SERVICE FOR ENTERPRISE FUND	557,046.00	575,427.00	479,522.60	594,416.00
101-000-604	TAX COLLECTION FEE	480,373.74	485,000.00	456,679.70	535,000.00
101-000-606-004604	GARBAGE COLLECTION	86,095.36	95,000.00	77,645.13	90,000.00
101-000-607-004759	STORM WATER FEES	14,000.00	19,000.00	20,000.00	16,000.00
101-000-608	COURT FEES	56,168.41	65,000.00	34,731.38	65,000.00
101-000-614-004617	REIMBURSEMENT INCOME	600.00	6,500.00	350.00	
101-000-615-004615	POLICE DEPARTMENT INCOME	103,477.68	87,500.00	55,866.84	87,500.00
101-000-615-004648	FALSE ALARM FEES/POLICE	6,495.00	6,500.00	3,900.00	6,500.00
101-000-615-004806	BIKE/PROPERTY AUCTIONS-POLICE	393.65	1,000.00	12,216.77	5,000.00
101-000-616	FIRE PROTECTION-STATE PROP	96,111.80	97,000.00	96,892.51	97,000.00
101-000-617	ZONING & ENCROACHMENT FEES	45,780.00	35,000.00	9,700.00	15,000.00
101-000-618-004622	MISC. CLERK FEES	1,790.10	3,000.00	1,244.24	2,000.00
101-000-618-004634	PASSPORTS	65,390.00	80,000.00	49,065.00	70,000.00
101-000-620-004619	MISC. SALES AND SERVICES	22,817.98	20,000.00	32,373.33	35,000.00
101-000-620-004660	MISC RECREATION INCOME	64,430.34	34,000.00	9,433.56	15,000.00
101-000-626-004631	REIMBURSEMENT SCHOOL OFFICER	69,321.79	81,000.00	73,989.28	81,000.00
101-000-626-004659	CODE ENFORCEMENT LABOR	26,509.00	45,000.00	53,084.00	45,000.00
101-000-629	REIMBURSEMENT ELECTIONS	102,514.95	5,200.00	5,118.24	180,000.00
101-000-630	INDIRECT COST ALLOCATION	2,134,808.04	2,116,735.00	1,763,945.70	2,317,192.00
101-000-631	PROCUREMENT CARD REBATE	62,718.13	70,000.00		65,000.00
101-000-633	SPECIAL EVENTS REIMBURSEMENT	55,247.60	70,000.00	66,984.96	70,000.00
101-000-633-092031	SPECIAL EVENTS REIMBURSEMENT				20,000.00
101-000-634	CEMETERY SALE OF LOTS	32,090.00	30,000.00	23,458.13	25,000.00
101-000-636	REIMBURSEMENT LOT CLEAN UP	5,850.00			
101-000-640	TAX ABATEMENT APPLICATION FEES	7,250.00	8,500.00	11,022.00	8,500.00
101-000-642-004654	FIRE RESPONSE FEE	2,530.00	2,500.00	2,085.00	2,500.00
101-000-643-004625	MISC. TREAS. FEES	58,415.64	60,000.00	18,729.69	60,000.00
101-000-643-004818	RECOVERY OF BAD DEBT	761.26		(761.26)	
101-000-645	FISHERMANS LANDING REIMBURSEMENT	26,091.38	26,000.00	33,853.75	28,000.00
101-000-647-004635	START UP CHARGE/REFUSE	6,875.00	7,000.00	5,510.00	7,000.00
101-000-647-004636	REFUSE BAG & BULK SALES	42,780.30	40,000.00	35,889.00	43,000.00
101-000-647-004638	MISC. SALES CHARGE/REFUSE	550,774.78	543,000.00	461,739.80	618,000.00
101-000-651	ADMINISTRATION FEES	325,500.00	336,241.00	280,200.80	347,337.00
101-000-652-004655	PAID PARKING - BEACH	1,075,325.08	1,300,000.00	682,120.00	1,300,000.00
101-000-656	TRAFFIC FINES & FEES	320,335.81	350,000.00	276,830.65	350,000.00
101-000-657-004202	DELINQUENT FEES	4,300.00	5,000.00	2,000.00	5,000.00
101-000-657-004702	DELINQUENT FEES	25,949.38	23,000.00	30,214.61	23,000.00
101-000-657-004704	PENALTIES/INTEREST/FINES	21,622.48	20,000.00	18,457.63	22,000.00
101-000-657-004706	LATE FEE ON INVOICES OVER 45 DAY		2,000.00		

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 101 GENERAL					
101-000-657-004708	LATE FEE ON RENTAL REGISTRATION	27,433.00	35,000.00	11,505.00	10,000.00
101-000-657-004751	CIVIL INFRACTIONS	18,785.00	20,000.00	12,495.00	18,500.00
101-000-657-004802	REIMB:DEMOS AND BOARD-UPS	23,140.20	10,000.00	3,919.00	5,000.00
101-000-657-004803	CDBG PROGRAM REIMBURSEMENTS	232,807.84	200,000.00	200,000.00	180,000.00
101-000-659-004656	SITE PLAN REVIEW	8,750.00	9,000.00	5,150.00	7,000.00
101-000-659-004658	IMPOUND FEES	26,850.00	30,000.00	20,777.45	25,000.00
101-000-659-004679	CODE ENFORCEMENT ADMIN	17,740.00	30,000.00	20,600.00	25,000.00
101-000-665-004701	INCOME TAX-PENALTY & INTEREST	294,018.62	275,000.00	233,402.87	298,000.00
101-000-665-004703	INTEREST/LATE INVOICES	6,162.67		451.79	1,000.00
101-000-665-004970	INTEREST INCOME	1,031,580.14	900,000.00	432,449.46	800,000.00
101-000-667-004669	PARK RENTALS	47,297.40	65,000.00	60,396.11	70,000.00
101-000-667-004670	PICNIC SHELTER	5,205.00	3,000.00	50.00	
101-000-667-004671	MCGRAFT PARK	109,740.00	126,000.00	126,003.63	126,000.00
101-000-667-004673	RENTAL - CENTRAL DISPATCH	340,930.72	465,100.00	388,030.90	465,636.00
101-000-667-004674	RENTAL - CITY HALL	30,647.89	59,000.00	49,725.00	60,565.00
101-000-669	GAIN ON INVESTMENT	324,689.75	200,000.00	108,317.24	200,000.00
101-000-671	LAND LEASE BILLBOARDS	12,000.00	12,000.00	4,000.00	12,000.00
101-000-674-004805	CONTRIBUTIONS	18,210.31	55,000.00	42,254.11	40,000.00
101-000-674-004821	CONTRIBUTIONS/GRANTS	136,861.15	15,800.00	17,970.27	30,000.00
101-000-674-004825	CONTRIBUTIONS - VETERAN'S PARK M	24,673.05	50,000.00	13,876.78	50,000.00
101-000-674-004828	DONATION - POLICE DEPT	15,862.62	3,500.00	1,271.79	3,500.00
101-000-675	COMMUNITY FOUNDATION GRANT - MCG	11,365.53	11,500.00	13,531.98	14,000.00
101-000-677-004808	SALE OF PROPERTY AND EQUIPMENT	76.78			
101-000-681	DOWNTOWN SOCIAL DISTRICT	2,758.87	2,800.00	1,500.00	2,800.00
101-000-683-004820	MARIHUANA CONTRIBUTIONS	1,100.00	1,000.00	100.00	
101-000-684-004800	MISC. & SUNDRY	288,658.40	200,000.00	157,115.77	220,000.00
101-000-692-004661	LEASE GREAT LAKES NAVAL MEMORIAL		10,000.00		15,000.00
101-000-699-200000	OP. TRANS FROM SPECIAL REVENUE	265,357.00	274,634.00		
101-000-699-300000	OP. TRANS FROM DEBT SERVICE	180,000.04	180,000.00	41,666.70	180,000.00
101-000-699-400000	OP. TRANS FROM CAPITAL PROJECTS	34,663.22			
101-000-699-800000	OPERATING TRANSFERS IN PERPETUAL		440,440.00		
Total Department :		**44,229,662.05**	**45,515,476.00**	**34,424,667.50**	**45,236,841.00**
CITY COMMISSION					
5100	SALARIES & BENEFITS	87,590.34	88,156.00	73,214.63	93,872.00
5300	CONTRACTUAL SERVICES	37,884.11	33,180.00	21,971.32	28,815.00
5200	SUPPLIES	14,207.47	19,190.00	21,553.19	20,552.00
5400	OTHER EXPENSES	7,512.68	8,000.00	8,212.34	11,000.00
5700	CAPITAL OUTLAYS	1,354.73	5,100.00	1,527.70	4,680.00
Total Department CITY COMMISSION:		**(148,549.33)**	**(153,626.00)**	**(126,479.18)**	**(158,919.00)**
CITY PROMOTIONS & PUBLIC RELATIONS					
5300	CONTRACTUAL SERVICES	89,491.62	85,073.00	75,312.46	87,150.00
5200	SUPPLIES	12,752.03	13,900.00	13,836.08	24,100.00
5400	OTHER EXPENSES	920.62	2,500.00	1,741.71	4,000.00
Total Department CITY PROMOTIONS & PUBLIC RELATI		**(103,164.27)**	**(101,473.00)**	**(90,890.25)**	**(115,250.00)**
MANAGERS OFFICE					
5100	SALARIES & BENEFITS	724,990.90	779,433.00	603,867.16	789,666.00
5300	CONTRACTUAL SERVICES	135,579.95	91,025.00	103,280.80	50,654.00
5200	SUPPLIES	11,592.19	11,430.00	12,081.29	7,500.00
5400	OTHER EXPENSES	16,620.08	22,190.00	15,690.84	17,100.00
5700	CAPITAL OUTLAYS	9,935.06	18,300.00	8,901.89	10,400.00
Total Department MANAGERS OFFICE:		**(898,718.18)**	**(922,378.00)**	**(743,821.98)**	**(875,320.00)**
FINANCE ADMINSTRATION					
5100	SALARIES & BENEFITS	736,372.25	810,508.00	587,695.60	754,368.00
5300	CONTRACTUAL SERVICES	94,656.44	99,400.00	84,636.92	105,000.00
5200	SUPPLIES	3,880.80	4,000.00	2,226.92	3,700.00
5400	OTHER EXPENSES	1,825.48	2,650.00	1,277.57	6,750.00
5700	CAPITAL OUTLAYS	8,052.26	22,500.00	7,218.11	7,088.00
Total Department FINANCE ADMINSTRATION:		**(844,787.23)**	**(939,058.00)**	**(683,055.12)**	**(876,906.00)**
PENSION ADMINISTRATION					
5100	SALARIES & BENEFITS	3,886,523.76	4,522,748.00	3,766,897.10	5,020,925.00
Total Department PENSION ADMINISTRATION:		**(3,886,523.76)**	**(4,522,748.00)**	**(3,766,897.10)**	**(5,020,925.00)**
INCOME TAX					
5100	SALARIES & BENEFITS	421,839.34	425,389.00	330,245.93	444,293.00
5300	CONTRACTUAL SERVICES	162,235.93	161,483.00	114,400.94	162,075.00
5200	SUPPLIES	25,825.41	19,500.00	20,342.10	20,500.00

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 101 GENERAL					
INCOME TAX					
5400	OTHER EXPENSES	56.69	2,500.00	409.95	800.00
5700	CAPITAL OUTLAYS	5,243.99	1,000.00	1,994.34	4,425.00
Total Department INCOME TAX:		**(615,201.36)**	**(609,872.00)**	**(467,393.26)**	**(632,093.00)**
CITY CLERK					
5100	SALARIES & BENEFITS	634,850.71	595,279.00	519,910.15	579,868.00
5300	CONTRACTUAL SERVICES	45,377.57	100,953.00	73,755.80	82,650.00
5200	SUPPLIES	78,154.75	88,900.00	76,324.93	94,600.00
5400	OTHER EXPENSES	4,934.50	8,900.00	7,074.43	11,600.00
5700	CAPITAL OUTLAYS	67,976.61	6,050.00	6,195.20	23,417.00
Total Department CITY CLERK:		**(831,294.14)**	**(800,082.00)**	**(683,260.51)**	**(792,135.00)**
INFORMATION SYSTEMS ADMINISTRATION					
5100	SALARIES & BENEFITS	542,010.05	610,248.00	457,254.96	534,877.00
5300	CONTRACTUAL SERVICES	231,762.11	157,270.00	151,224.39	225,270.00
5200	SUPPLIES	601.35	2,250.00	26.99	750.00
5400	OTHER EXPENSES	1,935.53	15,600.00	52.16	15,000.00
5700	CAPITAL OUTLAYS	88,438.61	141,200.00	154,461.74	106,750.00
Total Department INFORMATION SYSTEMS ADMINISTRAT		**(864,747.65)**	**(926,568.00)**	**(763,020.24)**	**(882,647.00)**
CONTINGENCY					
5400	OTHER EXPENSES	39,136.91			
Total Department CONTINGENCY:		**(39,136.91)**	**0.00**	**0.00**	**0.00**
CONTRIBUTIONS					
5300	CONTRACTUAL SERVICES	462,564.71	358,936.00	245,479.57	554,232.00
Total Department CONTRIBUTIONS:		**(462,564.71)**	**(358,936.00)**	**(245,479.57)**	**(554,232.00)**
CITY TREASURER					
5100	SALARIES & BENEFITS	499,760.21	576,859.00	395,340.62	600,146.00
5300	CONTRACTUAL SERVICES	74,794.50	84,458.00	53,101.39	89,600.00
5200	SUPPLIES	86,208.53	147,750.00	99,182.35	150,400.00
5400	OTHER EXPENSES	3,032.36	3,500.00	1,688.25	5,800.00
5700	CAPITAL OUTLAYS	3,975.79	4,900.00	2,141.81	4,750.00
Total Department CITY TREASURER:		**(667,771.39)**	**(817,467.00)**	**(551,454.42)**	**(850,696.00)**
CITY ASSESSOR					
5100	SALARIES & BENEFITS	2,655.39	3,000.00	2,913.97	3,000.00
5300	CONTRACTUAL SERVICES	456,576.05	448,000.00	336,057.94	460,000.00
5400	OTHER EXPENSES	120.00		455.37	
Total Department CITY ASSESSOR:		**(459,351.44)**	**(451,000.00)**	**(339,427.28)**	**(463,000.00)**
CITY HALL MAINTENANCE					
5100	SALARIES & BENEFITS	197,336.79	213,021.00	170,762.42	236,412.00
5300	CONTRACTUAL SERVICES	250,303.89	271,128.00	219,603.38	304,875.00
5200	SUPPLIES	30,584.92	28,600.00	13,813.08	28,600.00
5700	CAPITAL OUTLAYS	48,266.55	20,000.00	27,779.56	28,000.00
Total Department CITY HALL MAINTENANCE:		**(526,492.15)**	**(532,749.00)**	**(431,958.44)**	**(597,887.00)**
CITY ATTORNEY					
5300	CONTRACTUAL SERVICES	622,307.91	450,000.00	498,329.23	436,800.00
5200	SUPPLIES	1,391.00		1,126.00	
Total Department CITY ATTORNEY:		**(623,698.91)**	**(450,000.00)**	**(499,455.23)**	**(436,800.00)**
CIVIL SERVICE					
5100	SALARIES & BENEFITS	99,213.04	101,335.00	79,842.84	124,072.00
5300	CONTRACTUAL SERVICES	191,949.51	224,703.00	184,204.75	198,200.00
5200	SUPPLIES	1,102.58	2,750.00	1,158.74	2,550.00
5400	OTHER EXPENSES	13,790.03	51,600.00	16,457.94	30,400.00
5700	CAPITAL OUTLAYS	1,637.34			
Total Department CIVIL SERVICE:		**(307,692.50)**	**(380,388.00)**	**(281,664.27)**	**(355,222.00)**
INSURANCE SERVICES					
5300	CONTRACTUAL SERVICES	653,399.54	411,229.00	444,535.10	444,535.00
Total Department INSURANCE SERVICES:		**(653,399.54)**	**(411,229.00)**	**(444,535.10)**	**(444,535.00)**
POLICE DEPARTMENT					
5100	SALARIES & BENEFITS	10,781,980.69	12,161,900.00	8,970,756.24	11,661,327.00
5300	CONTRACTUAL SERVICES	1,363,595.51	1,400,019.00	1,341,916.26	1,409,929.00
5200	SUPPLIES	160,313.52	115,400.00	112,179.43	120,701.00
5400	OTHER EXPENSES	117,456.81	115,317.00	88,917.50	107,230.00
5700	CAPITAL OUTLAYS	82,037.77	35,730.00	43,955.23	80,626.00

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 101 GENERAL					
POLICE DEPARTMENT					
Total Department	**POLICE DEPARTMENT:**	**(12,505,384.30)**	**(13,828,366.00)**	**(10,557,724.66)**	**(13,379,813.00)**
FIRE DEPARTMENT					
5100	SALARIES & BENEFITS	3,914,983.93	4,602,127.00	3,592,305.82	4,908,194.00
5300	CONTRACTUAL SERVICES	201,034.00	241,902.00	269,798.14	256,999.00
5200	SUPPLIES	228,924.73	184,213.00	178,620.23	192,543.00
5400	OTHER EXPENSES	27,017.16	32,050.00	13,251.88	27,500.00
5900	OTHER FINANCING USES	456,799.64	461,718.00	304,471.76	241,654.00
5700	CAPITAL OUTLAYS	97,572.73	37,328.00	13,080.34	94,097.00
Total Department	**FIRE DEPARTMENT:**	**(4,926,332.19)**	**(5,559,338.00)**	**(4,371,528.17)**	**(5,720,987.00)**
NEW CENTRAL FIRE STATION					
5300	CONTRACTUAL SERVICES	121,397.18	111,842.00	120,871.59	122,000.00
Total Department	**NEW CENTRAL FIRE STATION:**	**(121,397.18)**	**(111,842.00)**	**(120,871.59)**	**(122,000.00)**
BUILDING INSPECTIONS					
5300	CONTRACTUAL SERVICES	2,226,218.02	2,028,655.00	1,926,433.89	2,156,436.00
5200	SUPPLIES	2,226.08		310.85	320.00
5700	CAPITAL OUTLAYS	912.00		700.00	
Total Department	**BUILDING INSPECTIONS:**	**(2,229,356.10)**	**(2,028,655.00)**	**(1,927,444.74)**	**(2,156,756.00)**
COMMUNITY EVENT SUPPORT/DOWNTOWN BID					
5100	SALARIES & BENEFITS	29,938.51	39,093.00	29,445.94	48,591.00
5300	CONTRACTUAL SERVICES	70,067.96	51,390.00	33,339.38	64,665.00
5200	SUPPLIES			117.87	
Total Department	**COMMUNITY EVENT SUPPORT/DOWNTOW**	**(100,006.47)**	**(90,483.00)**	**(62,903.19)**	**(113,256.00)**
STREET LIGHTING					
5300	CONTRACTUAL SERVICES	394,979.87	370,000.00	287,810.28	360,000.00
Total Department	**STREET LIGHTING:**	**(394,979.87)**	**(370,000.00)**	**(287,810.28)**	**(360,000.00)**
SANITATION					
5100	SALARIES & BENEFITS	44,938.06	35,970.00	29,600.03	42,302.00
5300	CONTRACTUAL SERVICES	2,781,560.55	2,804,531.00	2,037,053.60	3,003,781.00
5200	SUPPLIES	13,907.92	15,000.00	11,218.51	15,000.00
Total Department	**SANITATION:**	**(2,840,406.53)**	**(2,855,501.00)**	**(2,077,872.14)**	**(3,061,083.00)**
STORM WATER MANAGEMENT					
5300	CONTRACTUAL SERVICES	13,632.27	23,750.00	20,909.05	17,000.00
Total Department	**STORM WATER MANAGEMENT:**	**(13,632.27)**	**(23,750.00)**	**(20,909.05)**	**(17,000.00)**
CEMETERIES					
5100	SALARIES & BENEFITS	134,647.69	176,067.00	84,466.96	131,409.00
5300	CONTRACTUAL SERVICES	397,850.89	406,559.00	298,970.06	421,715.00
5200	SUPPLIES	19,401.02	20,967.00	18,525.65	19,650.00
5400	OTHER EXPENSES	339.50	500.00	529.88	550.00
5700	CAPITAL OUTLAYS	1.48	524.00	3,099.27	23,000.00
Total Department	**CEMETERIES:**	**(552,240.58)**	**(604,617.00)**	**(405,591.82)**	**(596,324.00)**
PLANNING					
5100	SALARIES & BENEFITS	811,204.66	829,663.00	617,914.77	826,653.00
5300	CONTRACTUAL SERVICES	308,417.32	250,826.00	213,215.93	226,300.00
5200	SUPPLIES	15,468.26	21,500.00	12,136.38	15,000.00
5400	OTHER EXPENSES	18,033.60	21,000.00	21,406.41	20,000.00
5700	CAPITAL OUTLAYS	19,090.37	14,500.00	5,669.59	10,400.00
101-701-684	MISC. & SUNDRY			(56.35)	
Total Department	**PLANNING:**	**(1,172,214.21)**	**(1,137,489.00)**	**(870,399.43)**	**(1,098,353.00)**
RECREATION					
5100	SALARIES & BENEFITS	272,530.43	260,711.00	208,431.60	304,921.00
5300	CONTRACTUAL SERVICES	79,125.01	90,836.00	66,703.71	90,608.00
5200	SUPPLIES	31,171.55	29,000.00	28,910.64	22,610.00
5400	OTHER EXPENSES	793.86	1,582.00	2,580.33	2,500.00
5700	CAPITAL OUTLAYS	5,730.00	5,600.00	6,494.99	7,800.00
Total Department	**RECREATION:**	**(389,350.85)**	**(387,729.00)**	**(313,121.27)**	**(428,439.00)**
MC GRAFT PARK					
5100	SALARIES & BENEFITS	17,027.81	40,000.00	35,492.14	27,833.00
5300	CONTRACTUAL SERVICES	83,357.73	89,515.00	73,233.71	104,765.00
5200	SUPPLIES	12,325.12	9,200.00	2,980.46	9,500.00
5700	CAPITAL OUTLAYS	8,335.00		297.50	1,000.00
Total Department	**MC GRAFT PARK:**	**(121,045.66)**	**(138,715.00)**	**(112,003.81)**	**(143,098.00)**

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 101 GENERAL					
PARKS MAINTENANCE					
5100	SALARIES & BENEFITS	1,066,261.97	1,061,340.00	824,612.85	1,077,048.00
5300	CONTRACTUAL SERVICES	1,589,443.12	1,594,476.00	1,270,023.36	1,631,336.00
5200	SUPPLIES	156,264.40	173,179.00	139,403.07	170,279.00
5400	OTHER EXPENSES	4,783.80	3,000.00	3,356.27	3,000.00
5700	CAPITAL OUTLAYS	26,352.82	21,500.00	20,343.58	21,500.00
Total Department PARKS MAINTENANCE:		**(2,843,106.11)**	**(2,853,495.00)**	**(2,257,739.13)**	**(2,903,163.00)**
FORESTRY					
5100	SALARIES & BENEFITS	1,675.36	4,957.00	8,355.31	3,827.00
5300	CONTRACTUAL SERVICES	18,463.24	42,285.00	19,717.20	37,000.00
5200	SUPPLIES	6,612.38	5,650.00	4,975.72	5,400.00
5400	OTHER EXPENSES	29.99	1,558.00	1,558.00	1,600.00
5700	CAPITAL OUTLAYS	1,524.07	1,525.00		1,525.00
Total Department FORESTRY:		**(28,305.04)**	**(55,975.00)**	**(34,606.23)**	**(49,352.00)**
PAID BEACH PARKING					
5100	SALARIES & BENEFITS	286,045.45	359,518.00	244,239.95	357,167.00
5300	CONTRACTUAL SERVICES	232,745.29	91,196.00	134,682.62	130,600.00
5200	SUPPLIES	3,470.10	13,275.00	4,701.68	5,900.00
Total Department PAID BEACH PARKING:		**(522,260.84)**	**(463,989.00)**	**(383,624.25)**	**(493,667.00)**
SOCIAL DISTRICT					
5300	CONTRACTUAL SERVICES	10,826.30	5,000.00	110.00	
5200	SUPPLIES	1,500.00			
Total Department SOCIAL DISTRICT:		**(12,326.30)**	**(5,000.00)**	**(110.00)**	**0.00**
CAPITAL PROJECTS					
5100	SALARIES & BENEFITS	8,877.64		1,602.87	
5300	CONTRACTUAL SERVICES	875,595.56	337,000.00	422,318.17	352,000.00
5200	SUPPLIES	13,171.30			
5700	CAPITAL OUTLAYS	28,457.66			
Total Department CAPITAL PROJECTS:		**(926,102.16)**	**(337,000.00)**	**(423,921.04)**	**(352,000.00)**
DEBT SERVICE					
5300	CONTRACTUAL SERVICES			825.00	
5900	OTHER FINANCING USES	1,076,947.39	1,067,123.00	1,067,670.71	1,055,083.00
Total Department DEBT SERVICE:		**(1,076,947.39)**	**(1,067,123.00)**	**(1,068,495.71)**	**(1,055,083.00)**
TRANSFERS TO OTHER FUNDS					
5900	OTHER FINANCING USES	1,362,920.04	1,007,000.00		835,156.00
Total Department TRANSFERS TO OTHER FUNDS:		**(1,362,920.04)**	**(1,007,000.00)**	**0.00**	**(835,156.00)**
Fund 101 - GENERAL:					
TOTAL ESTIMATED REVENUES		44,250,986.71	45,515,476.00	34,424,611.15	45,236,841.00
TOTAL APPROPRIATIONS		44,092,732.22	45,303,641.00	35,415,412.11	45,942,097.00
NET OF REVENUES & APPROPRIATIONS:		158,254.49	211,835.00	(990,800.96)	(705,256.00)
BEG. FUND BALANCE		7,789,218.85	7,947,473.34	7,947,473.34	7,947,473.34
END FUND BALANCE		7,947,473.34	8,159,308.34	6,956,672.38	7,242,217.34

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 151 CEMETERY TRUST FUND					
151-000-480-004649	CEMETERY-MISC. INCOME	33,235.00		22,063.12	25,000.00
151-000-665-004970	INTEREST INCOME	5,789.41		3,589.06	3,000.00
151-000-669	GAIN ON INVESTMENTS	206,030.07			200,000.00
Total Department :		**245,054.48**	**0.00**	**25,652.18**	**228,000.00**
Fund 151 - CEMETERY TRUST FUND:					
TOTAL ESTIMATED REVENUES		245,054.48	0.00	25,652.18	228,000.00
TOTAL APPROPRIATIONS		0.00	0.00	0.00	0.00
NET OF REVENUES & APPROPRIATIONS:		245,054.48	0.00	25,652.18	228,000.00
BEG. FUND BALANCE		2,503,108.91	2,748,163.39	2,748,163.39	2,748,163.39
END FUND BALANCE		2,748,163.39	2,748,163.39	2,773,815.57	2,976,163.39

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 202 MAJOR STREETS					
202-000-502	FEDERAL GRANTS	748,530.00			
202-000-540	STATE GRANTS	231,588.89			2,466,703.00
202-000-546	STATE RECEIPT MAJORS	5,119,277.72	5,177,958.00	3,346,077.20	6,000,000.00
202-000-581	LRP LOCAL ROADS PROGRAM	80,071.60	80,000.00	53,445.08	80,000.00
202-000-620-004619	MISC. SALES AND SERVICES	556.00			
202-000-665-004970	INTEREST INCOME	32,838.12	20,000.00	12,829.65	10,000.00
202-000-684-004800	MISC. & SUNDRY	530.84			
202-000-699-400000	OP. TRANS FROM CAPITAL PROJECTS	13,019.87			
Total Department :		**6,226,413.04**	**5,277,958.00**	**3,412,351.93**	**8,556,703.00**
ROUTINE MAINTENANCE					
5100	SALARIES & BENEFITS	265,715.61	318,183.00	173,970.11	438,184.00
5300	CONTRACTUAL SERVICES	368,704.53	407,205.00	282,220.66	361,579.00
5200	SUPPLIES	104,823.88	223,500.00	(12,192.45)	223,200.00
5400	OTHER EXPENSES	1,539.72	2,000.00	1,891.33	3,000.00
5700	CAPITAL OUTLAYS			99,611.53	26,083.00
Total Department ROUTINE MAINTENANCE:		**(740,783.74)**	**(950,888.00)**	**(545,501.18)**	**(1,052,046.00)**
WINTER MAINTENANCE					
5100	SALARIES & BENEFITS	118,668.29	156,196.00	172,466.70	129,951.00
5300	CONTRACTUAL SERVICES	169,134.50	225,500.00	262,925.03	225,000.00
5200	SUPPLIES	131,317.17	301,000.00	305,012.38	250,000.00
Total Department WINTER MAINTENANCE:		**(419,119.96)**	**(682,696.00)**	**(740,404.11)**	**(604,951.00)**
TRAFFIC SIGNALS					
5200	SUPPLIES	51.71			
Total Department TRAFFIC SIGNALS:		**(51.71)**	**0.00**	**0.00**	**0.00**
TRAFFIC SERVICES					
5100	SALARIES & BENEFITS	69,763.39	67,257.00	71,014.77	89,963.00
5300	CONTRACTUAL SERVICES	85,616.84	94,000.00	95,173.36	120,000.00
5200	SUPPLIES	52,067.79	52,500.00	28,415.36	56,000.00
5400	OTHER EXPENSES	219.87		939.88	1,000.00
Total Department TRAFFIC SERVICES:		**(207,667.89)**	**(213,757.00)**	**(195,543.37)**	**(266,963.00)**
DRAINAGE MAINTENANCE					
5100	SALARIES & BENEFITS	6,170.54	16,507.00	21,389.39	12,665.00
5300	CONTRACTUAL SERVICES	6,476.46	20,500.00	19,047.99	25,500.00
5200	SUPPLIES	14,120.28	23,000.00	17,391.03	28,000.00
Total Department DRAINAGE MAINTENANCE:		**(26,767.28)**	**(60,007.00)**	**(57,828.41)**	**(66,165.00)**
MISCELLANEOUS EXPENSES					
5400	OTHER EXPENSES	3,420.23			
Total Department MISCELLANEOUS EXPENSES:		**(3,420.23)**	**0.00**	**0.00**	**0.00**
ADMINISTRATION & RECORDKEEPING					
5300	CONTRACTUAL SERVICES	582,771.96	711,642.00	593,035.00	625,376.00
Total Department ADMINISTRATION & RECORDKEEPING:		**(582,771.96)**	**(711,642.00)**	**(593,035.00)**	**(625,376.00)**
LEAVES & BENEFITS					
5100	SALARIES & BENEFITS	345,652.20	339,985.00	309,763.87	342,790.00
5300	CONTRACTUAL SERVICES	2,832.45	3,000.00	2,684.08	3,500.00
Total Department LEAVES & BENEFITS:		**(348,484.65)**	**(342,985.00)**	**(312,447.95)**	**(346,290.00)**
CAPITAL PROJECTS					
5100	SALARIES & BENEFITS	76.33			
5300	CONTRACTUAL SERVICES	2,424,521.40	5,069,976.00	3,033,232.17	7,849,295.00
Total Department CAPITAL PROJECTS:		**(2,424,597.73)**	**(5,069,976.00)**	**(3,033,232.17)**	**(7,849,295.00)**
TRANSFERS TO OTHER FUNDS					
5900	OTHER FINANCING USES	2,200,000.00	490,000.00		625,000.00
Total Department TRANSFERS TO OTHER FUNDS:		**(2,200,000.00)**	**(490,000.00)**	**0.00**	**(625,000.00)**
Fund 202 - MAJOR STREETS:					
TOTAL ESTIMATED REVENUES		6,226,413.04	5,277,958.00	3,412,351.93	8,556,703.00
TOTAL APPROPRIATIONS		6,953,665.15	8,521,951.00	5,477,992.19	11,436,086.00
NET OF REVENUES & APPROPRIATIONS:		(727,252.11)	(3,243,993.00)	(2,065,640.26)	(2,879,383.00)
BEG. FUND BALANCE		5,693,398.88	4,966,146.77	4,966,146.77	4,966,146.77
END FUND BALANCE		4,966,146.77	1,722,153.77	2,900,506.51	2,086,763.77

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 203 LOCAL STREETS					
203-000-492	TELECOM FRANCHISE FEES	212,099.13	175,000.00		175,000.00
203-000-553	STATE RECEIPT LOCAL	1,384,866.94	1,424,255.00	895,454.50	1,600,000.00
203-000-581	LRP LOCAL ROADS PROGRAM	22,024.44	20,000.00	14,684.58	20,000.00
203-000-657-004802	REIMB:SERVICES RENDERED	1,382.75		7,453.50	
203-000-657-004803	CDBG PROGRAM REIMBURSEMENTS	10,000.00			
203-000-665-004970	INTEREST INCOME	229.93		1,668.86	1,000.00
203-000-684-004800	MISC. & SUNDRY	111.97		3,104.00	
203-000-699-100000	OP. TRANS FROM GENERAL FUND	92,000.00			
203-000-699-200000	OP. TRANS FROM SPECIAL REVENUE	2,200,000.00	490,000.00		625,000.00
Total Department :		**3,922,715.16**	**2,109,255.00**	**922,365.44**	**2,421,000.00**
ROUTINE MAINTENANCE					
5100	SALARIES & BENEFITS	338,036.64	407,259.00	273,696.94	660,538.00
5300	CONTRACTUAL SERVICES	332,916.46	307,984.00	314,936.53	357,071.00
5200	SUPPLIES	150,898.42	117,100.00	64,596.09	117,500.00
5400	OTHER EXPENSES	570.93	1,000.00	359.00	1,000.00
5700	CAPITAL OUTLAYS		75,000.00	74,098.90	2,392.00
Total Department ROUTINE MAINTENANCE:		**(822,422.45)**	**(908,343.00)**	**(727,687.46)**	**(1,138,501.00)**
WINTER MAINTENANCE					
5100	SALARIES & BENEFITS	100,694.93	117,167.00	172,737.78	190,803.00
5300	CONTRACTUAL SERVICES	152,317.13	260,000.00	278,236.79	260,000.00
5200	SUPPLIES	34,071.80	40,000.00	58,342.00	45,000.00
Total Department WINTER MAINTENANCE:		**(287,083.86)**	**(417,167.00)**	**(509,316.57)**	**(495,803.00)**
PAVEMENT SPALL & POT HOLE REPAIR					
5300	CONTRACTUAL SERVICES	374.08			
Total Department PAVEMENT SPALL & POT HOLE REPAI		**(374.08)**	**0.00**	**0.00**	**0.00**
TRAFFIC SERVICES					
5100	SALARIES & BENEFITS	4,006.75	4,941.00	574.05	
5300	CONTRACTUAL SERVICES	1,358.89	1,500.00	1,466.00	2,000.00
5200	SUPPLIES	502.31	2,000.00	241.67	2,000.00
Total Department TRAFFIC SERVICES:		**(5,867.95)**	**(8,441.00)**	**(2,281.72)**	**(4,000.00)**
DRAINAGE MAINTENANCE					
5100	SALARIES & BENEFITS	46,318.52	54,766.00	56,680.88	68,313.00
5300	CONTRACTUAL SERVICES	48,149.66	63,000.00	65,027.26	83,000.00
5200	SUPPLIES	17,312.24	20,500.00	18,809.62	25,500.00
Total Department DRAINAGE MAINTENANCE:		**(111,780.42)**	**(138,266.00)**	**(140,517.76)**	**(176,813.00)**
ADMINISTRATION & RECORDKEEPING					
5300	CONTRACTUAL SERVICES	386,789.04	419,449.00	349,540.80	450,102.00
Total Department ADMINISTRATION & RECORDKEEPING:		**(386,789.04)**	**(419,449.00)**	**(349,540.80)**	**(450,102.00)**
LEAVES & BENEFITS					
5100	SALARIES & BENEFITS	304,607.06	318,426.00	315,780.50	62,151.00
5300	CONTRACTUAL SERVICES	1,539.02	2,500.00	2,391.37	3,000.00
Total Department LEAVES & BENEFITS:		**(306,146.08)**	**(320,926.00)**	**(318,171.87)**	**(65,151.00)**
CAPITAL PROJECTS					
5300	CONTRACTUAL SERVICES	1,514,992.50	50,000.00	7,041.66	50,000.00
Total Department CAPITAL PROJECTS:		**(1,514,992.50)**	**(50,000.00)**	**(7,041.66)**	**(50,000.00)**
Fund 203 - LOCAL STREETS:					
TOTAL ESTIMATED REVENUES		3,922,715.16	2,109,255.00	922,365.44	2,421,000.00
TOTAL APPROPRIATIONS		3,435,456.38	2,262,592.00	2,054,557.84	2,380,370.00
NET OF REVENUES & APPROPRIATIONS:		487,258.78	(153,337.00)	(1,132,192.40)	40,630.00
BEG. FUND BALANCE		499,040.96	986,299.74	986,299.74	986,299.74
END FUND BALANCE		986,299.74	832,962.74	(145,892.66)	1,026,929.74

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 231 LAKESIDE CORRIDOR IMPROVEMENT AUTHORITY					
231-000-402	PROPERTY TAX	36,584.00	42,148.00	46,570.00	51,227.00
231-000-665-004970	INCOME TAX-PENALTY & INTEREST	160.28	75.00	192.26	
Total Department :		**36,744.28**	**42,223.00**	**46,762.26**	**51,227.00**
BROWNFIELD					
5300	CONTRACTUAL SERVICES		42,223.00	6,525.00	25,000.00
5900	OTHER FINANCING USES	6,374.17		11,500.00	
Total Department BROWNFIELD:		**(6,374.17)**	**(42,223.00)**	**(18,025.00)**	**(25,000.00)**
Fund 231 - LAKESIDE CORRIDOR IMPROVEMENT AUTHORITY:					
TOTAL ESTIMATED REVENUES		36,744.28	42,223.00	46,762.26	51,227.00
TOTAL APPROPRIATIONS		6,374.17	42,223.00	18,025.00	25,000.00
NET OF REVENUES & APPROPRIATIONS:		30,370.11	0.00	28,737.26	26,227.00
BEG. FUND BALANCE		29,750.24	60,120.35	60,120.35	60,120.35
END FUND BALANCE		60,120.35	60,120.35	88,857.61	86,347.35

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 232 HARBOR WEST BROWNFIELD					
232-000-402	PROPERTY TAX	14,561.00		4,946.00	14,394.00
Total Department :		**14,561.00**	**0.00**	**4,946.00**	**14,394.00**
DEVELOPMENT ACTIVITY					
5300	CONTRACTUAL SERVICES	1,147.50		1,307.50	1,361.00
Total Department DEVELOPMENT ACTIVITY:		**(1,147.50)**	**0.00**	**(1,307.50)**	**(1,361.00)**
Fund 232 - HARBOR WEST BROWNFIELD:					
TOTAL ESTIMATED REVENUES		14,561.00	0.00	4,946.00	14,394.00
TOTAL APPROPRIATIONS		1,147.50	0.00	1,307.50	1,361.00
NET OF REVENUES & APPROPRIATIONS:		13,413.50	0.00	3,638.50	13,033.00
BEG. FUND BALANCE		(576,865.00)	(563,451.50)	(563,451.50)	(563,451.50)
END FUND BALANCE		(563,451.50)	(563,451.50)	(559,813.00)	(550,418.50)

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 233 SCATTERED HOUSING BROWNFIELD FUN					
233-000-402	SCATTERED HOUSING BROWNFIELD FUN	206,904.00	213,319.00	301,666.00	428,393.00
233-000-665-004970	INTEREST INCOME	438.27	100.00	933.60	
Total Department :		**207,342.27**	**213,419.00**	**302,599.60**	**428,393.00**
CAPITAL PROJECTS					
5300	CONTRACTUAL SERVICES	12,600.00	12,600.00		428,393.00
Total Department CAPITAL PROJECTS:		**(12,600.00)**	**(12,600.00)**	**0.00**	**(428,393.00)**
Fund 233 - SCATTERED HOUSING BROWNFIELD FUN:					
TOTAL ESTIMATED REVENUES		207,342.27	213,419.00	302,599.60	428,393.00
TOTAL APPROPRIATIONS		12,600.00	12,600.00	0.00	428,393.00
NET OF REVENUES & APPROPRIATIONS:		194,742.27	200,819.00	302,599.60	0.00
BEG. FUND BALANCE		37,072.38	231,814.65	231,814.65	231,814.65
END FUND BALANCE		231,814.65	432,633.65	534,414.25	231,814.65

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 234 BROWNFIELD AUTHORITY (PIGEON HILL)					
234-000-402	PROPERTY TAX	17,508.00	18,167.00	902.00	15,292.00
234-000-665-004970	INTEREST INCOME	7.57		4.52	
Total Department :		**17,515.57**	**18,167.00**	**906.52**	**15,292.00**
BROWNFIELD					
5300	CONTRACTUAL SERVICES	17,455.50	18,167.00	1,788.00	15,292.00
Total Department BROWNFIELD:		**(17,455.50)**	**(18,167.00)**	**(1,788.00)**	**(15,292.00)**
Fund 234 - BROWNFIELD AUTHORITY (PIGEON HILL):					
TOTAL ESTIMATED REVENUES		17,515.57	18,167.00	906.52	15,292.00
TOTAL APPROPRIATIONS		17,455.50	18,167.00	1,788.00	15,292.00
NET OF REVENUES & APPROPRIATIONS:		60.07	0.00	(881.48)	0.00
BEG. FUND BALANCE		1,788.03	1,848.10	1,848.10	1,848.10
END FUND BALANCE		1,848.10	1,848.10	966.62	1,848.10

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 235 BROWNFIELD AUTHORITY (BETTEN)					
235-000-402	PROPERTY TAX	90,679.00	94,608.00	84,492.00	87,326.00
235-000-428	REIMBURSEMENT STATE	10,674.23		12,338.81	
Total Department :		**101,353.23**	**94,608.00**	**96,830.81**	**87,326.00**
DEBT SERVICE					
5900	OTHER FINANCING USES	3,759.47			87,326.00
Total Department DEBT SERVICE:		**(3,759.47)**	**0.00**	**0.00**	**(87,326.00)**
Fund 235 - BROWNFIELD AUTHORITY (BETTEN):					
TOTAL ESTIMATED REVENUES		101,353.23	94,608.00	96,830.81	87,326.00
TOTAL APPROPRIATIONS		3,759.47	0.00	0.00	87,326.00
NET OF REVENUES & APPROPRIATIONS:		97,593.76	94,608.00	96,830.81	0.00
BEG. FUND BALANCE		(159,864.35)	(62,270.59)	(62,270.59)	(62,270.59)
END FUND BALANCE		(62,270.59)	32,337.41	34,560.22	(62,270.59)

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 236 BROWNFIELD AUTHORITY (FORMER MALL SITE)					
236-000-402	PROPERTY TAX	265,357.00	274,634.00	207,633.00	284,303.00
236-000-428	REIMBURSEMENT STATE	15,283.74	15,818.00	15,226.37	
236-000-665-004970	INTEREST INCOME	520.84	500.00	524.42	
Total Department :		**281,161.58**	**290,952.00**	**223,383.79**	**284,303.00**
TRANSFERS TO OTHER FUNDS					
5900	OTHER FINANCING USES	265,357.00	274,634.00		
Total Department TRANSFERS TO OTHER FUNDS:		**(265,357.00)**	**(274,634.00)**	**0.00**	**0.00**
Fund 236 - BROWNFIELD AUTHORITY (FORMER MALL SITE):					
TOTAL ESTIMATED REVENUES		281,161.58	290,952.00	223,383.79	284,303.00
TOTAL APPROPRIATIONS		265,357.00	274,634.00	0.00	0.00
NET OF REVENUES & APPROPRIATIONS:		15,804.58	16,318.00	223,383.79	284,303.00
BEG. FUND BALANCE		102,990.67	118,795.25	118,795.25	118,795.25
END FUND BALANCE		118,795.25	135,113.25	342,179.04	403,098.25

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 237 BROWNFIELD AUTHORITY TERRACE POINT					
237-000-402	PROPERTY TAX	346,459.00	356,084.00		
237-000-665-004970	INTEREST INCOME	107.00		25.74	
Total Department :		**346,566.00**	**356,084.00**	**25.74**	**0.00**
TERRACE POINT LANDING					
5300	CONTRACTUAL SERVICES	372,734.50	356,084.00	4,628.00	
Total Department TERRACE POINT LANDING:		**(372,734.50)**	**(356,084.00)**	**(4,628.00)**	**0.00**
Fund 237 - BROWNFIELD AUTHORITY TERRACE POINT:					
TOTAL ESTIMATED REVENUES		346,566.00	356,084.00	25.74	0.00
TOTAL APPROPRIATIONS		372,734.50	356,084.00	4,628.00	0.00
NET OF REVENUES & APPROPRIATIONS:		(26,168.50)	0.00	(4,602.26)	0.00
BEG. FUND BALANCE		34,817.09	8,648.59	8,648.59	8,648.59
END FUND BALANCE		8,648.59	8,648.59	4,046.33	8,648.59

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 238 SWEETWATER BROWNFIELD					
238-000-402	PROPERTY TAX	72,045.00	74,275.00	15,217.00	65,720.00
238-000-665-004970	INCOME TAX-PENALTY & INTEREST	17.40		13.24	
Total Department :		**72,062.40**	**74,275.00**	**15,230.24**	**65,720.00**
BROWNFIELD					
5300	CONTRACTUAL SERVICES	71,842.00	74,275.00	4,209.50	65,720.00
Total Department BROWNFIELD:		**(71,842.00)**	**(74,275.00)**	**(4,209.50)**	**(65,720.00)**
Fund 238 - SWEETWATER BROWNFIELD:					
TOTAL ESTIMATED REVENUES		72,062.40	74,275.00	15,230.24	65,720.00
TOTAL APPROPRIATIONS		71,842.00	74,275.00	4,209.50	65,720.00
NET OF REVENUES & APPROPRIATIONS:		220.40	0.00	11,020.74	0.00
BEG. FUND BALANCE		4,092.10	4,312.50	4,312.50	4,312.50
END FUND BALANCE		4,312.50	4,312.50	15,333.24	4,312.50

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 241 ADELAIDE POINTE BROWNFIELD					
241-000-402	PROPERTY TAX	142,143.00	147,993.00	422,167.00	430,810.00
241-000-665-004970	INTEREST INCOME	210.00		610.58	
Total Department :		**142,353.00**	**147,993.00**	**422,777.58**	**430,810.00**
BROWNFIELD					
5300	CONTRACTUAL SERVICES	136,581.00	147,993.00	8,294.00	430,810.00
Total Department BROWNFIELD:		**(136,581.00)**	**(147,993.00)**	**(8,294.00)**	**(430,810.00)**
Fund 241 - ADELAIDE POINTE BROWNFIELD:					
TOTAL ESTIMATED REVENUES		142,353.00	147,993.00	422,777.58	430,810.00
TOTAL APPROPRIATIONS		136,581.00	147,993.00	8,294.00	430,810.00
NET OF REVENUES & APPROPRIATIONS:		5,772.00	0.00	414,483.58	0.00
BEG. FUND BALANCE		2,735.99	8,507.99	8,507.99	8,507.99
END FUND BALANCE		8,507.99	8,507.99	422,991.57	8,507.99

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 242 HIGHPOINT FLATS BROWNFIELD					
242-000-402	PROPERTY TAX	90,032.00	92,970.00	87,267.00	93,967.00
242-000-665-004970	INTEREST INCOME	112.62		18.63	
Total Department :		**90,144.62**	**92,970.00**	**87,285.63**	**93,967.00**
BROWNFIELD					
5300	CONTRACTUAL SERVICES	90,032.00	92,970.00		93,967.00
Total Department BROWNFIELD:		**(90,032.00)**	**(92,970.00)**	**0.00**	**(93,967.00)**
Fund 242 - HIGHPOINT FLATS BROWNFIELD:					
TOTAL ESTIMATED REVENUES		90,144.62	92,970.00	87,285.63	93,967.00
TOTAL APPROPRIATIONS		90,032.00	92,970.00	0.00	93,967.00
NET OF REVENUES & APPROPRIATIONS:		112.62	0.00	87,285.63	0.00
BEG. FUND BALANCE		0.00	112.62	112.62	112.62
END FUND BALANCE		112.62	112.62	87,398.25	112.62

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 243 BROWNFIELD REVOLVING FUND					
243-000-402	PROPERTY TAX			231,012.00	316,699.00
243-000-665-004970	INCOME TAX-PENALTY & INTEREST			48.13	
Total Department :		**0.00**	**0.00**	**231,060.13**	**316,699.00**
Fund 243 - BROWNFIELD REVOLVING FUND:					
TOTAL ESTIMATED REVENUES		0.00	0.00	231,060.13	316,699.00
TOTAL APPROPRIATIONS		0.00	0.00	0.00	0.00
NET OF REVENUES & APPROPRIATIONS:		0.00	0.00	231,060.13	316,699.00
BEG. FUND BALANCE		0.00	0.00	0.00	0.00
END FUND BALANCE		0.00	0.00	231,060.13	316,699.00

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 252 FARMERS MARKET & KITCHEN 242					
252-000-540	STATE GRANTS				481,267.00
252-000-613-004664	FARMERS MARKET INCOME	171,743.73	160,000.00	106,413.50	175,000.00
252-000-613-004690	KITCHEN 242 RENTAL	36,566.50	36,000.00	23,694.88	35,000.00
252-000-613-004693	FARMERS MARKET EVENT RENTAL	7,205.00	5,000.00	3,492.00	5,000.00
252-000-613-004694	FARMERS MARKET EBT FEES	13,901.60	18,000.00	13,441.85	18,000.00
252-000-613-004699	EBT PROGRAM	132,364.75	275,000.00	277,317.07	275,000.00
252-000-614-004663	FLEA MARKET AT FARMERS MARKET	21,495.00	21,000.00	19,310.00	23,000.00
252-000-614-004697	ALCOHOLIC BEVERAGE	4,117.00	3,000.00	1,770.00	1,000.00
252-000-665-004970	INTEREST INCOME	1,720.65	1,500.00	682.54	1,500.00
252-000-667-004677	RENT	30,334.40	40,000.00	30,686.98	38,000.00
252-000-674-004805	CONTRIBUTIONS	2,851.56	1,500.00	5,682.42	2,000.00
252-000-679-004840	FRIENDS OF THE MARKET	361.85			
252-000-679-004845	FUNDRAISING REVENUE	59,022.50	50,000.00	36,113.00	58,000.00
252-000-684-004800	MISC. & SUNDRY	194.09		925.00	
252-000-684-004814	PROMOTIONAL PRODUCTS		500.00		2,000.00
252-000-699-100000	OP. TRANS FROM GENERAL FUND	7,000.00	7,000.00		9,000.00
252-000-699-400000	OP. TRANS FROM CAPITAL PROJECTS	90,000.00			
Total Department :		**578,878.63**	**618,500.00**	**519,529.24**	**1,123,767.00**
WESTERN AVENUE CHALETS					
5100	SALARIES & BENEFITS	360.50		7,799.12	
5300	CONTRACTUAL SERVICES	25,141.37	31,500.00	27,766.63	34,100.00
5200	SUPPLIES	58.98		1,528.86	
Total Department WESTERN AVENUE CHALETS:		**(25,560.85)**	**(31,500.00)**	**(37,094.61)**	**(34,100.00)**
FARMERS & FLEA MARKET					
5100	SALARIES & BENEFITS	124,748.43	142,631.00	101,201.17	141,024.00
5300	CONTRACTUAL SERVICES	429,150.10	399,100.00	402,615.00	419,920.00
5200	SUPPLIES	55,028.91	56,400.00	44,638.38	65,600.00
5400	OTHER EXPENSES	1,467.06	2,000.00	1,188.76	2,000.00
5700	CAPITAL OUTLAYS	15,367.47	14,800.00	6,851.30	493,692.00
Total Department FARMERS & FLEA MARKET:		**(625,761.97)**	**(614,931.00)**	**(556,494.61)**	**(1,122,236.00)**
Fund 252 - FARMERS MARKET & KITCHEN 242:					
TOTAL ESTIMATED REVENUES		578,878.63	618,500.00	519,529.24	1,123,767.00
TOTAL APPROPRIATIONS		651,322.82	646,431.00	593,589.22	1,156,336.00
NET OF REVENUES & APPROPRIATIONS:		(72,444.19)	(27,931.00)	(74,059.98)	(32,569.00)
BEG. FUND BALANCE		156,985.98	84,541.79	84,541.79	84,541.79
END FUND BALANCE		84,541.79	56,610.79	10,481.81	51,972.79

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 254 MERCY HEALTH ARENA					
254-000-613-004691	EVENT REVENUE	572,120.35	450,000.00	570,696.44	500,000.00
254-000-613-004696	CONCESSION NON ALCHOLIC	104,682.57	87,500.00	99,417.54	87,500.00
254-000-613-004699	FOOD HUB	65,133.13	52,500.00	70,716.55	59,000.00
254-000-614-004630	CARLISLES	95,427.41	100,000.00	75,508.49	100,000.00
254-000-614-004639	RAD DADS	216,128.00	200,000.00	165,086.66	200,000.00
254-000-614-004640	TICKET SURCHARGE	56,304.80	45,000.00	50,447.93	48,000.00
254-000-614-004646	CONCESSIONS FOOD	146,361.97	120,000.00	133,130.36	120,000.00
254-000-614-004697	ALCOHOLIC BEVERAGE	162,806.01	150,000.00	163,834.95	150,000.00
254-000-614-004698	FLOOR RENTAL	300,606.00	275,000.00	230,126.65	325,000.00
254-000-620-004619	MISC. SALES AND SERVICES	56,581.85	20,000.00	41,489.50	30,000.00
254-000-626-004666	PARKING LOT RENTAL - WESTERN AVE	42,682.33	35,000.00	40,268.76	35,000.00
254-000-632	ANNEX REVENUE	63,390.00	63,390.00	58,852.50	63,390.00
254-000-657-004802	REIMB:SERVICES RENDERED	11,005.61	10,000.00	256.55	
254-000-665-004970	INTEREST INCOME	14,528.67	10,000.00	10,717.30	14,500.00
254-000-667-004667	PARKING LOT RENTAL - SHORELINE	16,678.01	12,000.00	12,619.74	12,000.00
254-000-667-004677	RENT	104,156.88	70,000.00	27,500.00	50,000.00
254-000-671	ADVERTISING REVENUE	141,515.00	120,000.00	116,667.00	132,500.00
254-000-684-004800	MISC. & SUNDRY	2,261.72	5,000.00	85.23	2,000.00
254-000-699-100000	OP. TRANS FROM GENERAL FUND	760,000.00	450,000.00		445,156.00
Total Department :		**2,932,370.31**	**2,275,390.00**	**1,867,422.15**	**2,374,046.00**
MERCY HEALTH ARENA					
5100	SALARIES & BENEFITS	376,052.31	379,074.00	294,970.45	396,614.00
5300	CONTRACTUAL SERVICES	1,755,608.56	1,375,745.00	1,512,210.23	1,465,432.00
5200	SUPPLIES	354,666.98	320,500.00	333,406.62	347,000.00
5400	OTHER EXPENSES	66,627.22	66,500.00	62,263.00	61,500.00
5700	CAPITAL OUTLAYS	71,320.48	55,750.00	53,260.86	38,500.00
Total Department MERCY HEALTH ARENA:		**(2,624,275.55)**	**(2,197,569.00)**	**(2,256,111.16)**	**(2,309,046.00)**
CARLISLE					
5200	SUPPLIES	66,771.18	60,000.00	56,475.40	65,000.00
Total Department CARLISLE:		**(66,771.18)**	**(60,000.00)**	**(56,475.40)**	**(65,000.00)**
CAPITAL PROJECTS					
5300	CONTRACTUAL SERVICES	244,251.41	5,000.00		
Total Department CAPITAL PROJECTS:		**(244,251.41)**	**(5,000.00)**	**0.00**	**0.00**
Fund 254 - MERCY HEALTH ARENA:					
TOTAL ESTIMATED REVENUES		2,932,370.31	2,275,390.00	1,867,422.15	2,374,046.00
TOTAL APPROPRIATIONS		2,935,298.14	2,262,569.00	2,312,586.56	2,374,046.00
NET OF REVENUES & APPROPRIATIONS:		(2,927.83)	12,821.00	(445,164.41)	0.00
BEG. FUND BALANCE		81,153.10	78,225.27	78,225.27	78,225.27
END FUND BALANCE		78,225.27	91,046.27	(366,939.14)	78,225.27

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 285 TREE REPLACEMENT					
285-000-665-004970	INTEREST INCOME	71.14		17.72	
285-000-674-004805	CONTRIBUTIONS	9,000.00	184,000.00	7,000.00	3,000.00
285-000-674-092522	CONTRIBUTIONS			74,485.00	
285-000-684-004800	MISC. & SUNDRY	3,000.00	22,500.00	18,657.79	
Total Department :		**12,071.14**	**206,500.00**	**100,160.51**	**3,000.00**
FORESTRY					
5300	CONTRACTUAL SERVICES	1,007.00	1,500.00		
5200	SUPPLIES	15,543.50	19,500.00	19,866.53	7,500.00
Total Department FORESTRY:		**(16,550.50)**	**(21,000.00)**	**(19,866.53)**	**(7,500.00)**
CAPITAL PROJECTS					
5300	CONTRACTUAL SERVICES		175,000.00	137,725.00	
Total Department CAPITAL PROJECTS:		**0.00**	**(175,000.00)**	**(137,725.00)**	**0.00**
Fund 285 - TREE REPLACEMENT:					
TOTAL ESTIMATED REVENUES		12,071.14	206,500.00	100,160.51	3,000.00
TOTAL APPROPRIATIONS		16,550.50	196,000.00	157,591.53	7,500.00
NET OF REVENUES & APPROPRIATIONS:		(4,479.36)	10,500.00	(57,431.02)	(4,500.00)
BEG. FUND BALANCE		12,446.01	7,966.65	7,966.65	7,966.65
END FUND BALANCE		7,966.65	18,466.65	(49,464.37)	3,466.65

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 394 DOWNTOWN DEVELOPMENT AUTH DS					
394-000-402	PROPERTY TAX	516,659.00	537,000.00	513,921.00	524,621.00
394-000-428	REIMBURSEMENT STATE			39,469.06	
394-000-540	STATE GRANTS	12,000.00			
394-000-569	STATE GRANTS OTHER			4,015.84	
394-000-613	EVENT REVENUE	98,381.95	100,000.00	65,575.97	100,000.00
394-000-665-004970	INTEREST INCOME	2,071.18	1,300.00	1,243.15	1,600.00
394-000-679-004847	SPONSORSHIP REVENUE - MUSK ART F	24,000.00	12,000.00	34,500.00	33,500.00
394-000-699-200000	OP. TRANS FROM SPECIAL REVENUE	600.00			
Total Department :		**653,712.13**	**650,300.00**	**658,725.02**	**659,721.00**
DOWNTOWN MUSKEGON BID					
5100	SALARIES & BENEFITS	123,387.83	138,284.00	99,862.60	140,209.00
5300	CONTRACTUAL SERVICES	38,843.34	100,000.00	37,547.01	48,000.00
5200	SUPPLIES	4,460.00		3,129.40	4,000.00
5400	OTHER EXPENSES			450.00	
Total Department DOWNTOWN MUSKEGON BID:		**(166,691.17)**	**(238,284.00)**	**(140,989.01)**	**(192,209.00)**
LAKESHORE ART FESTIVAL					
5300	CONTRACTUAL SERVICES	82,757.32	27,700.00	20,331.31	21,200.00
5200	SUPPLIES	16,597.60	2,000.00	10,228.66	17,000.00
Total Department LAKESHORE ART FESTIVAL:		**(99,354.92)**	**(29,700.00)**	**(30,559.97)**	**(38,200.00)**
TASTE OF MUSKEGON					
5300	CONTRACTUAL SERVICES	25,115.20			
5200	SUPPLIES	15.99			
Total Department TASTE OF MUSKEGON:		**(25,131.19)**	**0.00**	**0.00**	**0.00**
FARMERS & FLEA MARKET					
5300	CONTRACTUAL SERVICES	1,277.90			
Total Department FARMERS & FLEA MARKET:		**(1,277.90)**	**0.00**	**0.00**	**0.00**
EVENTS					
5200	SUPPLIES	2,393.58		2,455.94	
Total Department EVENTS:		**(2,393.58)**	**0.00**	**(2,455.94)**	**0.00**
DEBT SERVICE					
5300	CONTRACTUAL SERVICES	204,884.93	145,000.00	193,078.25	216,000.00
5900	OTHER FINANCING USES	130,000.00	130,000.00		130,000.00
Total Department DEBT SERVICE:		**(334,884.93)**	**(275,000.00)**	**(193,078.25)**	**(346,000.00)**
TRANSFERS TO OTHER FUNDS					
5900	OTHER FINANCING USES	30,000.00			
Total Department TRANSFERS TO OTHER FUNDS:		**(30,000.00)**	**0.00**	**0.00**	**0.00**
Fund 394 - DOWNTOWN DEVELOPMENT AUTH DS:					
TOTAL ESTIMATED REVENUES		653,712.13	650,300.00	658,725.02	659,721.00
TOTAL APPROPRIATIONS		659,733.69	542,984.00	367,083.17	576,409.00
NET OF REVENUES & APPROPRIATIONS:		(6,021.56)	107,316.00	291,641.85	83,312.00
BEG. FUND BALANCE		460,986.12	454,964.56	454,964.56	454,964.56
END FUND BALANCE		454,964.56	562,280.56	746,606.41	538,276.56

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 395 TIFA DEBT SERVICE					
395-000-402	PROPERTY TAX	48,776.00	50,000.00	51,407.00	53,463.00
395-000-428	REIMBURSEMENT STATE	9,497.18		9,361.78	
395-000-665-004970	INTEREST INCOME	135.19		108.01	
Total Department :		**58,408.37**	**50,000.00**	**60,876.79**	**53,463.00**
DEBT SERVICE					
5900	OTHER FINANCING USES	50,000.04	50,000.00	41,666.70	50,000.00
Total Department DEBT SERVICE:		**(50,000.04)**	**(50,000.00)**	**(41,666.70)**	**(50,000.00)**
Fund 395 - TIFA DEBT SERVICE:					
TOTAL ESTIMATED REVENUES		58,408.37	50,000.00	60,876.79	53,463.00
TOTAL APPROPRIATIONS		50,000.04	50,000.00	41,666.70	50,000.00
NET OF REVENUES & APPROPRIATIONS:		8,408.33	0.00	19,210.09	3,463.00
BEG. FUND BALANCE		30,513.47	38,921.80	38,921.80	38,921.80
END FUND BALANCE		38,921.80	38,921.80	58,131.89	42,384.80

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 420 CONVENTION CENTER CONSTRUCTION					
420-000-665-004970	INTEREST INCOME	428.28	400.00	332.96	400.00
420-000-676	COUNTY REIM PA 59 FUNDS COLLECTE	916,644.70	925,000.00	929,875.00	943,000.00
Total Department :		**917,072.98**	**925,400.00**	**930,207.96**	**943,400.00**
CAPITAL PROJECTS					
5300	CONTRACTUAL SERVICES	500.00	500.00	500.00	500.00
Total Department CAPITAL PROJECTS:		**(500.00)**	**(500.00)**	**(500.00)**	**(500.00)**
DEBT SERVICE					
5900	OTHER FINANCING USES	916,645.00	930,000.00	929,875.00	943,000.00
Total Department DEBT SERVICE:		**(916,645.00)**	**(930,000.00)**	**(929,875.00)**	**(943,000.00)**
Fund 420 - CONVENTION CENTER CONSTRUCTION:					
TOTAL ESTIMATED REVENUES		917,072.98	925,400.00	930,207.96	943,400.00
TOTAL APPROPRIATIONS		917,145.00	930,500.00	930,375.00	943,500.00
NET OF REVENUES & APPROPRIATIONS:		(72.02)	(5,100.00)	(167.04)	(100.00)
BEG. FUND BALANCE		114,407.78	114,335.76	114,335.76	114,335.76
END FUND BALANCE		114,335.76	109,235.76	114,168.72	114,235.76

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 445 PUBLIC IMPROVEMENT					
445-000-502	FEDERAL GRANTS	65,012.50		102,488.00	
445-000-540	STATE GRANTS	300,000.00			
445-000-626-004651	REIMBURSEMENT	285,067.00	300,000.00		275,000.00
445-000-665-004970	INTEREST INCOME	7,104.49	6,000.00	2,660.82	2,500.00
445-000-667-004677	RENT	10,049.41	10,000.00		
445-000-669	GAIN ON INVESTMENT	3,749.45			
445-000-671	LEASE BILLBOARDS	6,612.50	7,000.00	9,321.75	5,000.00
445-000-674-004805	CONTRIBUTIONS	13,293.00			
445-000-677-004808	SALE OF LAND	2,589,065.38	100,000.00	179,993.55	
445-000-679-004847	SPONSORSHIP REVENUE - PARKS	150,000.00	150,000.00	112,500.00	150,000.00
445-000-684-004800	MISC. & SUNDRY	146,496.30	500.00	29,585.00	
Total Department :		**3,576,450.03**	**573,500.00**	**436,549.12**	**432,500.00**
ECONOMIC DEVELOPMENT					
5700	CAPITAL OUTLAYS	25,219.97			
Total Department ECONOMIC DEVELOPMENT:		**(25,219.97)**	**0.00**	**0.00**	**0.00**
WESTERN AVENUE CHALETS					
5300	CONTRACTUAL SERVICES	15,000.00			
Total Department WESTERN AVENUE CHALETS:		**(15,000.00)**	**0.00**	**0.00**	**0.00**
CAPITAL PROJECTS					
5100	SALARIES & BENEFITS	334.11			
5300	CONTRACTUAL SERVICES	2,089,014.80	530,000.00	475,287.55	523,000.00
5200	SUPPLIES	157,956.62		149,281.31	
5700	CAPITAL OUTLAYS	502,213.11		8,233.59	
Total Department CAPITAL PROJECTS:		**(2,749,518.64)**	**(530,000.00)**	**(632,802.45)**	**(523,000.00)**
Fund 445 - PUBLIC IMPROVEMENT:					
TOTAL ESTIMATED REVENUES		3,576,450.03	573,500.00	436,549.12	432,500.00
TOTAL APPROPRIATIONS		2,789,738.61	530,000.00	632,802.45	523,000.00
NET OF REVENUES & APPROPRIATIONS:		786,711.42	43,500.00	(196,253.33)	(90,500.00)
BEG. FUND BALANCE		286,653.74	1,073,365.16	1,073,365.16	1,073,365.16
END FUND BALANCE		1,073,365.16	1,116,865.16	877,111.83	982,865.16

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 447 HOUSING					
447-000-402	PROPERTY TAX				730,736.00
447-000-696	BOND PROCEEDS				10,000,000.00
Total Department :		**0.00**	**0.00**	**0.00**	**10,730,736.00**
ECONOMIC DEVELOPMENT					
5700	CAPITAL OUTLAYS				10,000,000.00
Total Department ECONOMIC DEVELOPMENT:		**0.00**	**0.00**	**0.00**	**(10,000,000.00)**
Fund 447 - HOUSING:					
TOTAL ESTIMATED REVENUES		0.00	0.00	0.00	10,730,736.00
TOTAL APPROPRIATIONS		0.00	0.00	0.00	10,000,000.00
NET OF REVENUES & APPROPRIATIONS:		0.00	0.00	0.00	730,736.00
BEG. FUND BALANCE		0.00	0.00	0.00	0.00
END FUND BALANCE		0.00	0.00	0.00	730,736.00

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 482 STATE GRANTS					
482-000-502-092334	FEDERAL GRANTS	988,081.34	162,500.00	64,000.00	
482-000-502-092339	FEDERAL GRANTS	398,819.06	1,500,000.00	569,676.15	3,600,000.00
482-000-540	STATE GRANTS	381,722.29		82,775.21	
482-000-540-092415	STATE GRANTS	2,500,000.00			
482-000-540-092419	STATE GRANTS	653,919.22		17,946.85	
482-000-540-092501	STATE GRANTS	1,000,000.00			
482-000-540-092520	STATE GRANTS	5,582.50		196,126.76	
482-000-665-004970	INTEREST INCOME			148,062.57	
Total Department :		**5,928,124.41**	**1,662,500.00**	**1,078,587.54**	**3,600,000.00**
CAPITAL PROJECTS					
5300	CONTRACTUAL SERVICES	5,517,139.95	1,500,000.00	385,704.47	3,600,000.00
5200	SUPPLIES	240,404.79		114,055.55	
5900	OTHER FINANCING USES	47,683.09			
5700	CAPITAL OUTLAYS	397,500.00	162,500.00	64,000.00	
482-901-540-092206	STATE GRANTS	223,446.25			
482-901-540-092345	STATE GRANTS	51,157.17			
Total Department CAPITAL PROJECTS:		**(5,928,124.41)**	**(1,662,500.00)**	**(563,760.02)**	**(3,600,000.00)**
Fund 482 - STATE GRANTS:					
TOTAL ESTIMATED REVENUES		6,202,727.83	1,662,500.00	1,078,587.54	3,600,000.00
TOTAL APPROPRIATIONS		6,202,727.83	1,662,500.00	563,760.02	3,600,000.00
NET OF REVENUES & APPROPRIATIONS:		0.00	0.00	514,827.52	0.00
BEG. FUND BALANCE		1,547.09	1,547.09	1,547.09	1,547.09
END FUND BALANCE		1,547.09	1,547.09	516,374.61	1,547.09

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 590 SEWAGE DISPOSAL SYSTEM					
590-000-620-004619	MISC. SALES AND SERVICES	155,700.00	125,000.00	60,900.00	75,000.00
590-000-628-004605	METERED SALES	9,615,879.88	9,600,000.00	7,909,088.25	9,500,000.00
590-000-638-004606	DEBT SERVICE FEE	380,945.34	425,188.00	329,449.08	652,912.00
590-000-657-004704	PENALTIES/INTEREST/FINES	189,176.00	200,000.00	157,943.96	200,000.00
590-000-657-004802	REIMB:SERVICES RENDERED	206,738.00	5,000.00	(130,828.21)	5,000.00
590-000-665-004970	INTEREST INCOME	29,562.20	20,000.00	22,405.16	20,000.00
590-000-696-004961	BOND PROCEEDS				262,500.00
Total Department :		**10,578,001.42**	**10,375,188.00**	**8,348,958.24**	**10,715,412.00**
PENSION ADMINISTRATION					
5100	SALARIES & BENEFITS	127,963.44	148,850.00	123,997.60	165,247.00
Total Department PENSION ADMINISTRATION:		**(127,963.44)**	**(148,850.00)**	**(123,997.60)**	**(165,247.00)**
MUSKEGON CO. WASTEWATER TREATMENT					
5300	CONTRACTUAL SERVICES	5,104,696.37	5,150,000.00	3,181,917.91	4,641,000.00
Total Department MUSKEGON CO. WASTEWATER TREATME		**(5,104,696.37)**	**(5,150,000.00)**	**(3,181,917.91)**	**(4,641,000.00)**
WATER & SEWER MAINTENANCE					
[None]	Unclassified	(27,357.00)			
5100	SALARIES & BENEFITS	1,111,248.47	1,121,100.00	945,912.19	1,226,938.00
5300	CONTRACTUAL SERVICES	1,394,553.75	891,297.00	736,973.99	968,713.00
5200	SUPPLIES	119,916.29	144,500.00	119,154.24	148,700.00
5400	OTHER EXPENSES	422,348.61	403,000.00	571,159.00	53,000.00
5700	CAPITAL OUTLAYS	7,313.16	51,500.00	65,535.47	90,975.00
Total Department WATER & SEWER MAINTENANCE:		**(3,028,023.28)**	**(2,611,397.00)**	**(2,438,734.89)**	**(2,488,326.00)**
CAPITAL PROJECTS					
5100	SALARIES & BENEFITS	5,421.13			
5300	CONTRACTUAL SERVICES	1,460,970.62	2,729,197.00	834,989.06	3,286,287.00
5700	CAPITAL OUTLAYS	(1,460,970.62)			
Total Department CAPITAL PROJECTS:		**(5,421.13)**	**(2,729,197.00)**	**(834,989.06)**	**(3,286,287.00)**
DEBT SERVICE					
5300	CONTRACTUAL SERVICES	730,324.82	678,085.00	582,023.91	709,121.00
5900	OTHER FINANCING USES	1,032,832.17	664,894.00	1,619,535.70	439,511.00
Total Department DEBT SERVICE:		**(1,763,156.99)**	**(1,342,979.00)**	**(2,201,559.61)**	**(1,148,632.00)**
Fund 590 - SEWAGE DISPOSAL SYSTEM:					
TOTAL ESTIMATED REVENUES		10,578,001.42	10,375,188.00	8,348,958.24	10,715,412.00
TOTAL APPROPRIATIONS		10,029,261.21	11,982,423.00	8,781,199.07	11,729,492.00
NET OF REVENUES & APPROPRIATIONS:		548,740.21	(1,607,235.00)	(432,240.83)	(1,014,080.00)
BEG. FUND BALANCE		28,891,312.53	29,452,777.57	29,452,777.57	29,452,777.57
FUND BALANCE ADJUSTMENTS		12,724.83		0.00	
END FUND BALANCE		29,452,777.57	27,845,542.57	29,020,536.74	28,438,697.57

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 591 WATER SUPPLY SYSTEM					
591-000-502	FEDERAL GRANTS	1,959,270.39		460,065.44	
591-000-540	STATE GRANTS	166,278.68	5,381,438.00	43,276.10	
591-000-540-092414	STATE GRANTS	990,681.00	50,000.00		
591-000-620-004619	MISC. SALES AND SERVICES	225,621.29	150,000.00	56,085.68	75,000.00
591-000-628-004605	METERED SALES	3,775,214.89	4,200,000.00	3,622,048.18	4,408,000.00
591-000-637	WHOLESALE WATER	5,113,992.88	5,500,000.00	4,590,227.72	5,500,000.00
591-000-638-004606	DEBT SERVICE FEE	1,105,704.14	1,192,364.00	929,441.85	1,224,416.00
591-000-642-004652	TOWNSHIP MAINTENANCE CONTRACT	144,242.43	125,000.00	100,186.67	125,000.00
591-000-644-004618	LEAD REPLACEMENT FEE	762,804.40	760,000.00	638,973.55	750,000.00
591-000-657-004704	PENALTIES/INTEREST/FINES	127,106.25	130,000.00	124,256.14	150,000.00
591-000-657-004802	REIMB:SERVICES RENDERED	54,535.60	70,000.00	88,665.54	50,000.00
591-000-665-004970	INTEREST INCOME	91,438.56	15,000.00	3,507.16	10,000.00
591-000-673	GAIN (LOSS) ON SALE OF ASSETS			405,446.81	
591-000-684-004800	MISC. & SUNDRY	25,460.62	450,000.00	534,722.04	10,000.00
591-000-692-004661	LEASE/RENTAL	207,539.32	275,000.00	186,808.99	210,000.00
591-000-696-004961	BOND PROCEEDS	(60,593.23)	4,144,313.00	2,668,201.92	11,232,750.00
Total Department :		**14,689,297.22**	**22,443,115.00**	**14,451,913.79**	**23,745,166.00**
PENSION ADMINISTRATION					
5100	SALARIES & BENEFITS	253,442.28	294,811.00	245,587.60	327,285.00
Total Department PENSION ADMINISTRATION:		**(253,442.28)**	**(294,811.00)**	**(245,587.60)**	**(327,285.00)**
LEAD SERVICE LINE					
5100	SALARIES & BENEFITS	349,764.00	429,963.00	205,874.46	312,120.00
5300	CONTRACTUAL SERVICES	255,018.35	310,000.00	299,055.07	265,000.00
5200	SUPPLIES	160,561.41	116,000.00	76,490.03	100,000.00
Total Department LEAD SERVICE LINE:		**(765,343.76)**	**(855,963.00)**	**(581,419.56)**	**(677,120.00)**
WATER SUPPLY & FILTRATION					
[None]	Unclassified	(45,597.00)			
5100	SALARIES & BENEFITS	1,286,933.84	1,490,324.00	1,111,422.20	1,529,204.00
5300	CONTRACTUAL SERVICES	937,843.59	1,108,944.00	874,578.43	1,255,950.00
5200	SUPPLIES	487,087.48	552,640.00	368,050.89	563,800.00
5400	OTHER EXPENSES	1,365.00	7,000.00	4,561.70	7,000.00
5700	CAPITAL OUTLAYS	94,620.84	166,850.00	71,157.69	202,950.00
Total Department WATER SUPPLY & FILTRATION:		**(2,762,253.75)**	**(3,325,758.00)**	**(2,429,770.91)**	**(3,558,904.00)**
WATER & SEWER MAINTENANCE					
[None]	Unclassified	(45,597.00)			
5100	SALARIES & BENEFITS	1,592,244.49	1,548,518.00	1,346,814.93	1,731,345.00
5300	CONTRACTUAL SERVICES	1,214,283.96	1,086,862.00	828,853.06	1,032,173.00
5200	SUPPLIES	322,197.70	318,000.00	276,806.89	341,900.00
5400	OTHER EXPENSES	214,745.66	220,000.00	68,556.89	65,000.00
5700	CAPITAL OUTLAYS	28,644.81	28,000.00	26,981.61	34,975.00
Total Department WATER & SEWER MAINTENANCE:		**(3,326,519.62)**	**(3,201,380.00)**	**(2,548,013.38)**	**(3,205,393.00)**
WATER & SEWER MAINTENANCE-TWP					
5100	SALARIES & BENEFITS	42,403.37	41,099.00	38,468.20	24,122.00
5300	CONTRACTUAL SERVICES	25,247.79	47,000.00	39,598.85	53,000.00
5200	SUPPLIES	3,868.25	2,750.00	522.94	2,750.00
Total Department WATER & SEWER MAINTENANCE-TWP:		**(71,519.41)**	**(90,849.00)**	**(78,589.99)**	**(79,872.00)**
CAPITAL PROJECTS					
5100	SALARIES & BENEFITS	1,156.00			
5300	CONTRACTUAL SERVICES	5,157,566.18	11,106,349.00	4,742,381.51	13,045,592.00
5700	CAPITAL OUTLAYS	(5,157,565.91)			
Total Department CAPITAL PROJECTS:		**(1,156.27)**	**(11,106,349.00)**	**(4,742,381.51)**	**(13,045,592.00)**
DEBT SERVICE					
5300	CONTRACTUAL SERVICES	1,581,289.47	1,518,573.00	1,305,396.50	1,587,156.00
5400	OTHER EXPENSES	561.01			
5900	OTHER FINANCING USES	2,376,916.11	1,415,245.00	3,515,881.10	557,040.00
Total Department DEBT SERVICE:		**(3,958,766.59)**	**(2,933,818.00)**	**(4,821,277.60)**	**(2,144,196.00)**
Fund 591 - WATER SUPPLY SYSTEM:					
TOTAL ESTIMATED REVENUES		14,689,297.22	22,443,115.00	14,451,913.79	23,745,166.00
TOTAL APPROPRIATIONS		11,139,001.68	21,808,928.00	15,447,040.55	23,038,362.00
NET OF REVENUES & APPROPRIATIONS:		3,550,295.54	634,187.00	(995,126.76)	706,804.00
BEG. FUND BALANCE		37,324,673.75	40,808,882.50	40,808,882.50	40,808,882.50
FUND BALANCE ADJUSTMENTS		(66,086.79)		0.00	

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 591 WATER SUPPLY SYSTEM					
END FUND BALANCE		40,808,882.50	41,443,069.50	39,813,755.74	41,515,686.50

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 594 MARINA AND LAUNCH RAMP					
594-000-540	STATE GRANTS				350,000.00
594-000-631	ICE SALES	300.00	300.00		
594-000-644-004626	LARGE BASIN FEES	202,377.62	184,000.00	171,973.00	184,000.00
594-000-644-004627	SMALL BASIN FEES		900.00	900.00	
594-000-644-004628	MOORING FEES	10,155.40	12,000.00	15,865.55	15,000.00
594-000-644-004629	TRANSIENT FEES	1,508.00	8,000.00	6,448.00	6,500.00
594-000-653	LAUNCH RAMP	113,181.00	100,000.00	94,720.50	120,000.00
594-000-656	TRAFFIC FINES & FEES	140.00		35.00	
594-000-665-004970	INTEREST INCOME	1,602.74	1,600.00	1,775.61	1,600.00
594-000-684-004800	MISC. & SUNDRY	2,142.03	1,000.00	859.00	49,000.00
594-000-699-100000	OP. TRANS FROM GENERAL FUND	300,000.00			
Total Department :		**631,406.79**	**307,800.00**	**292,576.66**	**726,100.00**
MUNICIPAL MARINA					
5100	SALARIES & BENEFITS	123,390.88	146,481.00	81,229.36	137,545.00
5300	CONTRACTUAL SERVICES	215,936.52	222,867.00	216,247.52	173,194.00
5200	SUPPLIES	15,768.84	31,100.00	19,168.08	25,400.00
5400	OTHER EXPENSES	517.16	1,000.00	325.55	1,000.00
5900	OTHER FINANCING USES	100,794.12	100,000.00	92,730.18	100,000.00
5700	CAPITAL OUTLAYS	51,333.89	57,200.00	23,383.27	3,200.00
Total Department MUNICIPAL MARINA:		**(507,741.41)**	**(558,648.00)**	**(433,083.96)**	**(440,339.00)**
LAUNCH RAMPS					
5100	SALARIES & BENEFITS	2,061.14	5,739.00	1,919.04	10,000.00
5300	CONTRACTUAL SERVICES	19,686.30	18,500.00	9,780.29	135,820.00
5200	SUPPLIES	1,929.49	21,500.00	1,250.05	2,500.00
Total Department LAUNCH RAMPS:		**(23,676.93)**	**(45,739.00)**	**(12,949.38)**	**(148,320.00)**
CAPITAL PROJECTS					
5300	CONTRACTUAL SERVICES		350,000.00		1,130,000.00
5700	CAPITAL OUTLAYS				
Total Department CAPITAL PROJECTS:		**0.00**	**(350,000.00)**	**0.00**	**(1,130,000.00)**
Fund 594 - MARINA AND LAUNCH RAMP:					
TOTAL ESTIMATED REVENUES		631,406.79	307,800.00	292,576.66	726,100.00
TOTAL APPROPRIATIONS		531,418.34	954,387.00	446,033.34	1,718,659.00
NET OF REVENUES & APPROPRIATIONS:		99,988.45	(646,587.00)	(153,456.68)	(992,559.00)
BEG. FUND BALANCE		1,347,928.34	1,449,485.52	1,449,485.52	1,449,485.52
FUND BALANCE ADJUSTMENTS		1,568.73		0.00	
END FUND BALANCE		1,449,485.52	802,898.52	1,296,028.84	456,926.52

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 642 PUBLIC SERVICE BUILDING					
642-000-665-004970	INTEREST INCOME	5,399.11	5,000.00	4,163.75	5,000.00
642-000-667-004677	RENT	2,302,002.00	2,732,000.00	2,276,675.90	2,700,000.00
Total Department :		**2,307,401.11**	**2,737,000.00**	**2,280,839.65**	**2,705,000.00**
PENSION ADMINISTRATION					
5100	SALARIES & BENEFITS	542,705.88	631,291.00	525,886.50	329,850.00
Total Department PENSION ADMINISTRATION:		**(542,705.88)**	**(631,291.00)**	**(525,886.50)**	**(329,850.00)**
PUBLIC SERVICE BUILDING					
[None]	Unclassified	(45,596.00)			
5100	SALARIES & BENEFITS	1,135,728.29	1,331,860.00	967,413.52	1,274,359.00
5300	CONTRACTUAL SERVICES	544,075.10	569,106.00	470,348.88	613,076.00
5200	SUPPLIES	28,580.32	47,750.00	32,935.98	53,500.00
5400	OTHER EXPENSES	15,421.06	11,000.00	6,088.06	11,000.00
5900	OTHER FINANCING USES	22,366.02	25,000.00	13,870.40	25,000.00
5700	CAPITAL OUTLAYS	117,800.13	124,700.00	95,922.05	101,100.00
Total Department PUBLIC SERVICE BUILDING:		**(1,818,374.92)**	**(2,109,416.00)**	**(1,586,578.89)**	**(2,078,035.00)**
INVENTORY					
5400	OTHER EXPENSES	755.47		7,370.01	
Total Department INVENTORY:		**(755.47)**	**0.00**	**(7,370.01)**	**0.00**
CAPITAL PROJECTS					
5300	CONTRACTUAL SERVICES	787.67			
5700	CAPITAL OUTLAYS		150,000.00	990.00	
Total Department CAPITAL PROJECTS:		**(787.67)**	**(150,000.00)**	**(990.00)**	**0.00**
Fund 642 - PUBLIC SERVICE BUILDING:					
TOTAL ESTIMATED REVENUES		2,307,401.11	2,737,000.00	2,280,839.65	2,705,000.00
TOTAL APPROPRIATIONS		2,362,623.94	2,890,707.00	2,120,825.40	2,407,885.00
NET OF REVENUES & APPROPRIATIONS:		(55,222.83)	(153,707.00)	160,014.25	297,115.00
BEG. FUND BALANCE		273,843.75	306,621.21	306,621.21	306,621.21
FUND BALANCE ADJUSTMENTS		88,000.29		0.00	
END FUND BALANCE		306,621.21	152,914.21	466,635.46	603,736.21

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 643 ENGINEERING SERVICES					
643-000-498	LICENSE AND PERMIT MISC.	5,822.40	6,000.00	2,350.00	4,000.00
643-000-665-004970	INTEREST INCOME	696.67		646.40	600.00
643-000-682	ENGINEERING FEES	41,858.65	50,000.00	18,586.90	20,000.00
643-000-684-004680	INTERDEPT.ENGINEERING FEES	959,618.56	660,000.00	697,307.36	700,000.00
643-000-699-100000	OPERATING TRANSFER FROM GENERAL		350,000.00		390,000.00
Total Department :		**1,007,996.28**	**1,066,000.00**	**718,890.66**	**1,114,600.00**
PENSION ADMINISTRATION					
5100	SALARIES & BENEFITS	74,507.52	86,669.00	72,198.40	130,575.00
Total Department PENSION ADMINISTRATION:		**(74,507.52)**	**(86,669.00)**	**(72,198.40)**	**(130,575.00)**
ENGINEERING					
5100	SALARIES & BENEFITS	576,267.65	604,064.00	479,126.64	616,372.00
5300	CONTRACTUAL SERVICES	296,443.68	334,386.00	279,697.00	343,123.00
5200	SUPPLIES	12,306.65	13,700.00	13,562.58	13,300.00
5400	OTHER EXPENSES	2,639.68	2,500.00	4,135.65	2,500.00
5900	OTHER FINANCING USES	2,499.12		2,290.86	
5700	CAPITAL OUTLAYS	32,495.77	25,000.00	14,232.19	26,000.00
Total Department ENGINEERING:		**(922,652.55)**	**(979,650.00)**	**(793,044.92)**	**(1,001,295.00)**
Fund 643 - ENGINEERING SERVICES:					
TOTAL ESTIMATED REVENUES		1,007,996.28	1,066,000.00	718,890.66	1,114,600.00
TOTAL APPROPRIATIONS		997,160.07	1,066,319.00	865,243.32	1,131,870.00
NET OF REVENUES & APPROPRIATIONS:		10,836.21	(319.00)	(146,352.66)	(17,270.00)
BEG. FUND BALANCE		104,103.96	171,334.48	171,334.48	171,334.48
FUND BALANCE ADJUSTMENTS		56,394.31		0.00	
END FUND BALANCE		171,334.48	171,015.48	24,981.82	154,064.48

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 661 EQUIPMENT					
661-000-614	REIMBURSEMENT INCOME	997,840.43	2,000,000.00	2,295,226.65	2,661,120.00
661-000-614-004662	EQUIPMENT RENTAL BY DEPTS.	2,950,969.08	1,963,652.00	1,085,725.81	1,291,851.00
661-000-642-004654	METERED SALES-FUEL	22,978.46	20,000.00	18,495.93	20,000.00
661-000-657-004802	REIMB:SERVICES RENDERED	20,144.48	55,000.00	49,353.66	15,000.00
661-000-665-004970	INTEREST INCOME	11,985.11	10,000.00	9,094.09	10,000.00
661-000-684-004800	MISC. & SUNDRY	26,984.01	50,000.00	49,081.48	30,000.00
661-000-693	SALE OF FIXED ASSETS	16,775.00	30,000.00	29,831.00	40,000.00
Total Department :		**4,047,676.57**	**4,128,652.00**	**3,536,808.62**	**4,067,971.00**
PENSION ADMINISTRATION					
5100	SALARIES & BENEFITS	90,621.12	105,413.00	87,812.80	144,480.00
Total Department PENSION ADMINISTRATION:		**(90,621.12)**	**(105,413.00)**	**(87,812.80)**	**(144,480.00)**
EQUIPMENT SERVICES					
[None]	Unclassified	(27,357.00)			
5100	SALARIES & BENEFITS	694,786.84	825,256.00	569,411.17	658,102.00
5300	CONTRACTUAL SERVICES	849,798.34	975,206.00	806,957.83	1,006,916.00
5200	SUPPLIES	847,474.31	884,515.00	686,211.12	922,000.00
5400	OTHER EXPENSES	175.00	7,700.00	2,078.00	8,000.00
5900	OTHER FINANCING USES	641,952.01		638,208.22	
5700	CAPITAL OUTLAYS	847,526.57	1,559,000.00	1,383,678.53	2,641,102.00
661-563-673	GAIN ON SALE OF FIXED ASSETS	(3,517.50)			
Total Department EQUIPMENT SERVICES:		**(3,857,873.57)**	**(4,251,677.00)**	**(4,086,544.87)**	**(5,236,120.00)**
CAPITAL PROJECTS					
5700	CAPITAL OUTLAYS	(730,415.85)		(925,439.00)	
Total Department CAPITAL PROJECTS:		**730,415.85**	**0.00**	**925,439.00**	**0.00**
Fund 661 - EQUIPMENT:					
TOTAL ESTIMATED REVENUES		4,044,159.07	4,128,652.00	3,536,808.62	4,067,971.00
TOTAL APPROPRIATIONS		3,214,561.34	4,357,090.00	3,248,918.67	5,380,600.00
NET OF REVENUES & APPROPRIATIONS:		829,597.73	(228,438.00)	287,889.95	(1,312,629.00)
BEG. FUND BALANCE		4,164,453.90	5,086,925.36	5,086,925.36	5,086,925.36
FUND BALANCE ADJUSTMENTS		92,873.73		0.00	
END FUND BALANCE		5,086,925.36	4,858,487.36	5,374,815.31	3,774,296.36

GL Number	Description	24-25 Activity	25-26 Amended Budget	25-26 Activity	26-27 Recommended
Fund: 677 GENERAL INSURANCE					
677-000-642-004652	REIMBURSEMENT RETIREE HEALTHCARE	2,514,803.58	1,750,000.00	1,039,793.95	2,000,000.00
677-000-665-004970	INTEREST INCOME	5,017.97	8,000.00	2,215.49	2,800.00
677-000-674	CONTRIBUTIONS	349,309.62	390,264.00	314,524.71	450,552.00
677-000-677-004807	COBRA RECEIPTS		5,000.00		
677-000-684-004800	MISC. & SUNDRY		3,000.00	2,935.39	
677-000-692	INTERDEPT.CHARGES	4,081,264.97	4,531,402.00	3,605,522.87	5,039,332.00
Total Department :		**6,950,396.14**	**6,687,666.00**	**4,964,992.41**	**7,492,684.00**
INSURANCE SERVICES					
5100	SALARIES & BENEFITS	78,285.83	67,125.00	63,551.33	61,397.00
5300	CONTRACTUAL SERVICES	7,100,332.69	6,642,336.00	5,338,187.71	7,290,678.00
5200	SUPPLIES	1,377.08	1,575.00	1,147.99	1,025.00
5400	OTHER EXPENSES	26,687.59	57,850.00	40,124.56	55,000.00
5700	CAPITAL OUTLAYS	3,773.80		689.00	
Total Department INSURANCE SERVICES:		**(7,210,456.99)**	**(6,768,886.00)**	**(5,443,700.59)**	**(7,408,100.00)**
Fund 677 - GENERAL INSURANCE:					
TOTAL ESTIMATED REVENUES		6,950,396.14	6,687,666.00	4,964,992.41	7,492,684.00
TOTAL APPROPRIATIONS		7,210,456.99	6,768,886.00	5,443,700.59	7,408,100.00
NET OF REVENUES & APPROPRIATIONS:		(260,060.85)	(81,220.00)	(478,708.18)	84,584.00
BEG. FUND BALANCE		1,659,764.68	1,407,423.75	1,407,423.75	1,407,423.75
FUND BALANCE ADJUSTMENTS		7,719.92		0.00	
END FUND BALANCE		1,407,423.75	1,326,203.75	928,715.57	1,492,007.75
Report Totals:					
TOTAL ESTIMATED REVENUES - ALL FUNDS		111,095,322.79	108,940,891.00	80,463,827.36	128,718,241.00
TOTAL APPROPRIATIONS - ALL FUNDS		105,166,737.09	113,756,854.00	84,938,629.73	132,952,181.00
NET OF REVENUES & APPROPRIATIONS:		5,928,585.70	(4,815,963.00)	(4,474,802.37)	(4,233,940.00)
BEG. FUND BALANCE - ALL FUNDS		90,872,058.95	96,993,839.67	96,993,839.67	96,993,839.67
FUND BALANCE ADJUSTMENTS - ALL FUNDS		193,195.02		0.00	
END FUND BALANCE - ALL FUNDS		96,993,839.67	92,177,876.67	92,519,037.30	92,759,899.67

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** Contract for Legal Services
Submitted by: Jonathan Seyferth, City Manager	**Department:** Manager's Office

Brief Summary:
Attached is an agreement between the City of Muskegon and Parmenter O'Tool PC for legal services through June 30, 2031.

Detailed Summary & Background:
The contract outlines the basics of the relationship between the City of Muskegon and Parementer Law, including the schedule of fees for legal services, which would be as follows:

a. $195 per hour from July 1, 2026, through June 30, 2027
b. $195 per hour from July 1, 2027, through June 30, 2028
c. $200 per hour from July 1, 2028, through June 30, 2029
d. $205 per hour from July 1, 2029, through June 30, 2030
e. $210 per hour from July 1, 2030, through June 30, 2031

We will pay a $35,000-per-month retainer to Parementer for their services. This is reviewed quarterly to determine if additional payments are needed for legal services provided based on the hourly rates agreed to.

Either party may terminate the agreement upon 30 days' notice. In the case of City termination, there is also a 30-day cure period. To start the 30-day cure period, the City shall provide written notice of its dissatisfaction with our legal representation, giving Parementer a month to remedy the situation. If it is not remedied then the City would give formal notice of termination. The agreement also notes that the City Charter shall prevail regarding the appointment of the attorney, which is covered in Chapter 3, Section 2 (appointment) of the City Charter and Chapter 5, Section 10 (duties).

It should be noted that several of our appointed administrative offices have contracts in addition to the attorney, including the City Manager, Auditors, and Assessor. These contracts do not remove the Commission's appointment authority, which occurs every two years during the Commission's organizational meeting.

Goal/Action Item:
Administrative Action

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: Various	**Budgeted Item:** Yes: X / No: / N/A:
Fund(s) or Account(s): Various	**Budget Amendment Needed:** Yes: / No: X / N/A:

Recommended Motion:
To approve the contract with Parmenter O'Toole PC for legal services through June 30, 2031.

Approvals:

Immediate Division Head	X	
Information Technology		
Other Division Heads		
Communication		
Legal Review	X	

Name the Policy/Ordinance Followed:

AGREEMENT FOR LEGAL SERVICES

THIS AGREEMENT FOR LEGAL SERVIES (the "Agreement") is made between the CITY OF MUSKEGON, a Michigan municipal corporation, of 933 Terrace St, Muskegon, MI 49440 (the "City") and PARMENTER O'TOOLE, P.C., a Michigan professional company, of 601 Terrace Street, Muskegon, MI 49440 (the "Law Firm") (individually a "Party" or together the "Parties").

RECITALS:

A. The City of Muskegon is a home rule city, organized by charter, which provides for the office of City Attorney.

B. The City makes this Agreement for the purpose of naming the City Attorney and the Assistant City Attorney, and further to provide for legal services to the City by the said Law Firm.

C. The City Attorney and the Assistant City Attorney are expected to be shareholders of, or employed by the Law Firm, and the City believes it necessary and advisable to contract with the Law Firm as well as the City Attorney and Assistant City Attorney because of the extent and scope of legal services necessary to be performed.

THE PARTIES THEREFORE AGREE:

1.0 **APPOINTMENT OF CITY ATTORNEY, ASSISTANT CITY ATTORNEY AND RETENTION OF LAW FIRM.**

1.1 The City appoints Brennen J. Gorman, City Attorney, pursuant to its Charter, and John C. Schrier as Assistant City Attorney (together the "Attorneys"). The Attorneys accept the appointments, committing to perform their legal duties to the best of their ability and in accordance with the highest standards of the legal profession, both as to standards of law practice and its ethics and rules of professional conduct.

1.2 The Attorneys shall exercise their appointments in connection with their practice as members of the Law Firm, and the City therefore retains the Law Firm for the performance of the legal services described herein. Attorneys who are shareholders of, or employed by, the Law Firm are authorized to appear as Special Assistant City Attorneys.

2.0 **COMPENSATION FOR SERVICES.**

2.1 As consideration for the services to be provided under this Agreement, the City shall pay the Law Firm for services actually performed at the rates set forth below, subject to a monthly retainer in the amount of $35,000.00 (the "Retainer"). The Retainer shall be applied against fees earned each month. Fees incurred in excess of the Retainer during any given month shall accrue and be reconciled on a quarterly basis. Within thirty (30) days following the end of each calendar quarter, the Law Firm shall submit an invoice for the total amount by which fees earned during the quarter exceed the total Retainers paid for that same quarter, and the City shall remit payment for such excess in accordance with the terms of this Agreement.

No additional compensation shall be due to the City Attorney, Assistant City Attorney, or any other member of the Law Firm by virtue of their appointments made pursuant to this Agreement, except as expressly provided herein.

2.2 The schedule of fees for services shall be:

a) $195 per hour from July 1, 2026 through June 30, 2027
b) $195 per hour from July 1, 2027 through June 30, 2028
c) $200 per hour from July 1, 2028 through June 30, 2029
d) $205 per hour from July 1, 2029 through June 30, 2030
e) $210 per hour from July 1, 2030 through June 30, 2031

3.0 **TERM AND TERMINATION.**

3.1 The term of this Agreement is five (5) years, beginning July 1, 2026 (the "Term"). Renewals may occur only on mutually agreeable terms.

3.2 Either party reserves the right to terminate this agreement on 30 days notice or in the event of a material breach of the terms and conditions hereof by the other. If City becomes dissatisfied with the level of services provided by the Law Firm, City shall provide written notice of such dissatisfaction and the reason for such dissatisfaction. The Law Firm shall have 30 days to rectify the situation. If the Law Firm fails or refuses to rectify the situation, City may terminate the contract.

3.3 Notwithstanding the above provisions, the City Charter concerning the appointment of the City Attorney shall prevail, and nothing herein is intended to abrogate those provisions.

4.0 **DESCRIPTION OF SERVICES.** The Services to be provided by the Law Firm are attached as **Exhibit A** and the Law Firm's Quote for Legal Services is attached as **Exhibit B**.

5.0 **GENERAL CONDITIONS.**

5.1 **COORDINATION.** The City Attorney shall coordinate the services of the Assistant City Attorney and members of the Law Firm on City matters.

5.2 **EXPENSES.** Expenses shall be separately charged and billed monthly.

5.3 **BILLINGS AND COMPENSATION.** Payment of compensation shall generally be made on a monthly basis as provided above. Billings for expenses shall also be rendered monthly. The Law Firm shall maintain records of time and services, which shall be available for inspection by the City Manager at reasonable times.

5.4 **INDEPENDENT CONTRACTORS.** The City Attorney, the Assistant City Attorney, and the Law Firm are not employees of the City. They are determined to be independent legal counsel and independent contractors.

5.5 **MALPRACTICE INSURANCE.** The Law Firm maintain legal malpractice insurance coverage throughout the Term.

5.6 **SUPPLIES.** Generally, the Law Firm shall have its own supplies and office equipment. On occasion supplies will be required for City services and, with the approval of the City Manager and by their authority, the City will furnish same at its expense. By way of example, if City desires that a letter be sent on City stationery, the stationary will be supplied by the City.

5.7 **CONFLICTS OF INTEREST.** The Law Firm agree to exercise their best efforts to avoid representation of any person, party or entity in any cause contrary to the interest of the City. The Parties understand that the Law Firm currently represents a large number of local clients, including businesses, private parties and municipalities. Where a potential conflict of interest because of such representation may occur, the parties shall proceed as follows:

5.7.1 In the event of a potential conflict of interest, the City Attorney shall identify the conflict and inform both parties in writing identifying the potential cause of conflict.

5.7.2 The City shall determine whether the conflict is material, and if it determines that it is not, instruct the City Attorney to continue representation of the City; provided, however, the City Attorney and the Law Firm may determine that the conflict cannot be overcome and advise the City accordingly, taking steps to assist in obtaining alternative representation of the City and of the other party.

5.7.3 In the event the City determines that the conflict is material, the City shall so inform the City Attorney and the City Attorney shall assist the City and the other party in obtaining alternative representation for that matter.

5.7.4 The Law Firm commits not to represent any party against the City in any matter of litigation.

5.7.5 Notwithstanding the above, the Law Firm shall act in accordance with the letter and spirit of the Michigan Rules of Professional Conduct ("MRPC") as adopted by the Michigan Supreme Court as they apply to any matter involving a conflict of interest or potential conflict of interest. In case the MRPC conflict with this agreement, the MRPC shall prevail.

6.0 **COUNTERPARTS.** This Agreement may be executed in multiple counterparts. Any copy of this agreement may be relied upon as the original. Amendments to this Agreement must be in writing on documents of equal dignity with this agreement.

7.0 **CONTINUITY/BENEFIT.** In the event the Law Firm experiences the addition of personnel or there are changes in membership of the Law Firm, this Agreement shall continue in effect unless such change adversely affects the representation of the City.

IN WITNESS WHEREOF, the parties execute this agreement this ____ day of February, 2026.

CITY OF MUSKEGON

By____
Kenneth Johnson, Mayor

By____
Ann Marie Meisch, Clerk

PARMENTER O'TOOLE

By ____
Brennen J. Gorman
City Attorney

By ____
John C. Schrier
Assistant City Attorney

EXHIBIT A

SERVICES

The Law Firm will provide the full scope of legal services required or requested by the City including, but not limited to:

1. Provide legal advice, counsel, services, training, consultation, and opinions to the City Manager, City Commission, Boards and Commissions, administrative staff, and all levels of City government, on a wide variety of civil assignments, including but not limited to drafting and revising ordinances, election law, Freedom of Information Act, general counsel, historic district law, statutory interpretation, intergovernmental agreements, matters before the Michigan Tax Tribunal, land use planning and zoning issues, employment law, real estate and development matters, purchase and sale of real and personal property, Open Meetings Act, parliamentary procedure, municipal prosecution, and labor relations.

2. Attend bi-monthly City Commission meetings and other meetings when requested by the City.

3. Provide regular on-site legal services, with an attorney present at City Hall every Tuesday to be available for consultation, meetings, and other City legal matters.

4. Appear before courts and administrative agencies, including the Michigan Tax Tribunal, on behalf of the City.

5. Prepare and review ordinances, resolutions, contracts, and other documents on behalf of the City.

6. Prepare legal opinions at the request of the City Manager or Commission.

7. Provide legal counsel on labor and employment matters, including discipline and discharge, workplace investigations, employee performance management, conflicts of interest, ADA and FMLA compliance, wage and hour issues, and other applicable federal and state labor laws.

8. Perform other legal services and tasks as assigned by the City Manager or City Commission.

EXHIBIT B

QUOTE FOR LEGAL SERVICES

PARMENTER LAW
Visit 601 Terrace Street, Muskegon, MI 49440
Mail PO Box 786, Muskegon, MI 49443-0786
Web www.parmenterlaw.com

February 6, 2026

Mr. Jonathan Seyferth
City Manager
City of Muskegon
933 Terrace St.
Muskegon, MI 49440

Re: Quote for Legal Services

Dear Mr. Seyferth:

It is our understanding that the City Commission intends to discuss whether to seek a Request for Proposal for Legal Services ("RFP") at is Worksession on Monday February 9th. This Quote for Legal Services is provided for the Commission's consideration in light of the City's longstanding relationship with Parmenter Law.

Firm History

For nearly 80 years, Parmenter Law has had the pleasure of serving as the City of Muskegon's legal counsel and serving the City's residents and businesses. We value our long history of operating in the City and our standing as one of its oldest businesses. Our decades-long service provides the City with deep institutional knowledge of its ordinances, personnel practices, litigation history, and development goals.

At Parmenter Law, we take a personal, professional and practical approach that defines our client and community relationships as true partnerships. We proudly invest our time, talent, and resources in supporting our community. In 2025, our attorneys served on the board of directors for 16 local non-profit organizations and on various committees or volunteer roles throughout the community.

Over the past five years, Parmenter Law has donated over $200,000 to local community organizations and causes, including organizations like the Muskegon Rescue Mission, No More Sidelines, Muskegon Young Black Professionals, and the Mission for Area People. When the City has requested sponsorship for various programs or improvements, Parmenter Law has been pleased to support those efforts. These contributions are in addition to any private donations by our attorneys or staff.

Our investment in Muskegon reflects an alignment with the City's priorities and residents, reinforcing our commitment to the long-term health and success of the community we serve.

PARMENTER LAW
Visit 601 Terrace Street, Muskegon, MI 49440
Mail PO Box 786, Muskegon, MI 49443-0786
Web www.parmenterlaw.com

Firm Experience

Our firm has performed general legal services for municipal entities dating back to the 1950's including real estate, contracts, employment law, public finance issues, litigation, open meetings act, freedom of information act, and construction matters. Our municipal clients include the Cities of Montague, Muskegon, North Muskegon, Roosevelt Park and Whitehall; Townships of Newfield and Otto; and Villages of Hesperia, Rothbury, and Shelby. We also handle matters on a periodic basis for smaller, rural townships. We provide advice to municipal authorities, most notably Muskegon Central Dispatch.

We know that some of the brightest and most experienced attorneys in Michigan practice law with us. Our broad range of practice areas and our industry expertise set us apart from other firms.

Our current shareholders consists of eight individuals (Anna Duggins, Brennen Gorman, Chris Kelly, William Meier, Matt Mills, Josh Reece, Ben Reider, and John Schrier) and seven attorneys who are employees (Josh Berndt, Jeanie Collela, George Johnson, Jake Lovett, Kayla Kolbe, Nicole Osborn, and Kennedy Potts).

In 2025, 12 different attorneys worked on City-related projects or topics. Although Mr. Gorman and Mr. Schrier are the external faces of Parmenter's municipal team, the City benefits from Parmenter's team-based approach when working on the City's behalf. This ensures that the best-suited individuals handle the variety of needs, opportunities, and challenges facing the City.

While all support staff (twenty-two full-time and four part-time) are available to assist City staff, City staff most often interact with Taylor Anderson, Kina Billips, and Lisa Spyke.

Parmenter is well prepared to continue to provide the City of Muskegon General Legal Services and Prosecution Services. We believe history has demonstrated that a single firm providing both services is an efficient approach for the City. With the exception of a few years, we have continued to prosecute all local ordinance violations for the City of Muskegon since the 1950's.

Our attorneys privately bill at hourly rates between $300 and $450. However, for City matters, the City is charged a single municipal hourly rate regardless of whether the work is performed by a shareholder or an associate attorney.

The rates quoted below reflect an additional rate freeze for the 2027-2028 fiscal year, taking into account the City's anticipated budget constraints. Our rates have not risen since July 1, 2024, and we have not sought any additional increase in recent years to offset higher-than-expected costs, which we absorbed internally. We are confident that our rates are at or below market rate for such services and lower than those paid by comparable Michigan communities.

Year	Attorneys	Paralegals
2026-2027	$195	$95
2027-2028	$195	$95
2028-2029	$200	$100
2029-2030	$205	$100
2030-2031	$210	$105

An annual increase of $5 represents an approximate 2.6% annual increase, below the estimated annual rate of inflation.

As a comparison of our rates to other communities:

- For the 2025-2026 fiscal year, the City of Norton Shores will pay its legal counsel $200 per hour and $225 per hour for the 2026-2027 fiscal year.

- In 2025, the City of Howell agreed to an hourly fee rate of $230 for attorney services.

- In 2025, Muskegon County agreed to an hourly fee rate of $270 for attorney services with annual increases of up to 5%.

- In 2024, the City of Manistee agreed to an hourly fee rate of $230 for shareholder attorneys, $205 for associate attorneys, and $100 for paralegal services.

- In 2023, the City of Big Rapids agreed to an hourly fee rate of $250 for attorney services, $170-$210 for associate attorneys, and $160 for paralegal services.

We would further note the results of the 2023 Michigan Bar Association Annual Attorney Fee Survey, the most recent survey prepared by the Bar Association, indicated the average hourly rate for municipal law was $217 per hour.

We believe that continuing the City's relationship with Parmenter Law represents the most efficient, cost-effective, and reliable path forward for the City.

If you would like to discuss this proposal or desire any further information, please do not hesitate to reach out.

Thank you for your consideration.

Brennen J. Gorman
Shareholder

Direct P: (231) 722-5427
Direct F: (231) 722-5527
Email: brennen@parmenterlaw.com

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: June 9, 2026	**Title:** Rad Dads Agreement
Submitted by: Jonathan Seyferth, City Manager	**Department:** Manager's Office

Brief Summary:
For some time, the City and Rad Dads have been working towards an updated Participating Agreement for their space in Trinity Health Arena. Attached is the updated agreement.

Detailed Summary & Background:
This updated Participation agreement brings Rad Dads' agreement into closer alignment with other restaurants in the arena. The agreement also gives Rad Dad's the option to, at its own expense, expand its outdoor eating area to include an upper deck (paragraph 27). Any expansion needs to meet all zoning and building code approvals and application processes, and the cost would be borne by Rad Dads.

The agreement, consistent with other agreements in the building, offers multiple renewal options — in this case, 6 through 2056. With each renewal term, the monthly base rent payment will increase. If Rad Dads chooses not to renew its agreement, it must provide the city with 6 months' notice. The monthly base rent is listed on page 2, this does not include Common Area Maintenance (CAM) fees.

Paragraphs 20 & 21 outline the City's options if Rad Dads defaults on its agreement. The City must give Rad Dads notice and a cure period if it defaults. If not cured, the city may terminate the agreement. The specific steps are outlined in Paragraph 21.a.i.

The updated agreement includes arena participation payments to the teams in the arena (paragraph 3c)

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:

Budgeted Item:

Yes		No		N/A	X	

Fund(s) or Account(s):

Budget Amendment Needed:

Yes		No		N/A	X	

Recommended Motion:
none - for discussion only

Approvals:	**Name the Policy/Ordinance Followed:**

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review	X	

AGREEMENT FOR MANAGEMENT OF A PORTION OF A LICENSED PREMISES PURSUANT TO PARTICIPATION AGREEMENT

This Agreement for Management of a Portion of a Licensed Premises Pursuant to Participation Agreement ("Agreement") is made May 12, 2026 ("Effective Date"), by and between the **City of Muskegon**, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, Michigan 49440 (the "City"), and **Rad Dads', L.L.C.**, a Michigan limited liability company, of 470 W. Western Avenue, Muskegon, Michigan 49456 ("Rad Dads") (the City and Rad Dads collectively referred to herein as the "Parties").

Background

A. The City owns the Trinity Health Arena located at 470 W. Western Avenue, Muskegon, Michigan 49456 (the "Arena"). The City is responsible for the operation, maintenance, and improvements of the Arena and has the authority to authorize the use of portions of the Arena on an exclusive and non-exclusive basis.

B. Rad Dads commenced operations in the Arena in 2018.

C. The City is owner of a Class C liquor license issued by the Michigan Liquor Control Commission ("MLCC") (the "License"). The Parties previously entered into that certain Participation Agreement dated March 3, 2022, pursuant to MLCC Rule 436.1041 to permit Rad Dads the limited use of the License for its bar/restaurant business ("Restaurant") located within the Arena (the "Participation Agreement".) A copy of the application to the MLCC for the Participation Agreement is attached hereto on **Schedule 1**.

D. The Parties now wish to mutually terminate the Participation Agreement and enter into this Agreement, subject to MLCC approval pursuant to MLCC Rule 436.1041, to restate and clarify the terms and conditions within the Participation Agreement and continue to permit Rad Dads limited use of the License.

NOW THEREFORE, intending to be legally bound, the City and Rad Dads hereby agree as follows:

1. **Premises and Term.** The City agrees to allow Rad Dads the exclusive right to use and manage the Premises, as depicted on the attached **Exhibit A** (the "Premises"), for the Term of this Agreement. The Initial Term of this Agreement shall commence upon the full execution of this Agreement by all Parties (the "Commencement Date") and shall expire on March 22, 2031 (the "Expiration Date"). Provided that Rad Dads is not in Default of this Agreement, as defined in Section 24 below, Rad Dads shall have six (6) additional five (5) year options to renew this Agreement (individually a "Renewal Term" and collectively the "Renewal Terms"). Unless Rad Dads gives the City six (6) months written Notice of its intent to not renew this Agreement for the next Renewal Term prior to the Expiration Date, the next Renewal Term shall automatically renew. Provided that Rad Dads does not give notice to not renew this Agreement, then upon each Renewal Term references in this Agreement to the "Term" shall thereafter include the Initial Term and any Renewal Term exercised. References to the Expiration Date shall thereafter be deemed to be the

last day of the Term or Renewal Term, unless terminated prior thereto pursuant to the terms of this Agreement.

2. **MLCC Participation Permit**. Upon execution of this Agreement, the Parties agree to act in good faith and to utilize their best efforts to make application to the MLCC to approve this Agreement and either (i) confirm that the Parties current Participation Agreement will continue in good standing or (ii) approve a new participation agreement pursuant to MLCC Rule 436.1041. The Parties acknowledge that despite the MLCC's approval of the current Participation Agreement that this Agreement remains contingent upon and shall only become effective upon the MLCC's approval of this Agreement.

3. **Rent**. "Rent" shall consist of Base Rent, additional charges for Common Area Maintenance ("CAM"), and the Arena Participation Payments, if any, as hereinafter set forth.

a. **Base Rent Payment**. During the Initial Term and during each subsequent Renewal Term properly and timely exercised, Rad Dads shall pay to the City the Monthly Base Rent in the amount as set forth below, to be paid in advance on the first business day of each calendar month during the Term, without demand:

Term	**Monthly Base Rent Payment**
Initial Term 5/12/2026-3/22/31	$3,155.05
Renewal Term 2 3/23/27-3/22/36	$3,407.45
Renewal Term 3 3/23/36-3/22/41	$3,680.04
Renewal Term 4 3/23/41-3/22/46	$3,974.44
Renewal Term 5 3/23/46 - 3/22/51	$4,292.40
Renewal Term 6 3/23/51-3/22/56	$4,635.79

b. **CAM Payment**. In addition to the Base Rent Payment, Rad Dads shall pay to the City a monthly additional payment of $1,750.00 during the Initial Term for CAM expenses, to be paid in advance on the first business day of each calendar month during the Term, without demand ("CAM Payment"). Should Rad Dads elect to extend the term of this Agreement as specified in Section 1, Rad Dad's CAM payment shall increase on the anniversary of each calendar year in the same amount of any increase in the Consumer Price Index ("CPI") from the previous calendar year or by five percent (5%), whichever is lower. In no event shall the CAM payment be decreased due to changes in the CPI. All CAM payments must be paid in advance on the first business day of each calendar month, without demand.

c. **Arena Participation Payment.** Rad Dads will either (1) work with the Arena's Hockey League team, Soccer League team, and Indoor Football League team (collectively, the "Teams"), to reach an agreement for compensation for each game played in the Arena, or (2) pay to the City a sum equal to the total of the following: (i) $500 for each United States Hockey League game, (ii) $400 for each Major Arena Soccer League game or comparable arena soccer league, and (iii) $400 for each Professional Indoor Football League game or comparable indoor football league (individually a "Game" or collectively the "Games"), that take place at the Arena each month (the "Arena Participation Payment"). Rad Dad's obligation to make the Arena Participation Payment only arises when the arena has sold at a minimum Twelve Hundred (1,200) tickets to any such game. Upon written verification from the City of the paid attendance to any such game, Rad Dad's will pay the Arena Participation Payment on the first day of the calendar month following a month in which a Game occurred. By way of example, if there are two (2) Hockey League games, one (1) Soccer League game, and one (1) Indoor Football League game that take place in the month of January, then in addition to the Base Use Payment and Additional Use Payment due to the City on February 1st, Rad Dads would owe the City an Arena Participation Payment in the amount of $1,800.00. Following collection of the Arena Participation Payment, the City will forward to each Team its portion of the Arena Participation Payment. As of the Effective Date, the "Hockey League" team means the Muskegon Lumberjacks, "Soccer League" team means the Muskegon Risers, and "Indoor Football" team means the Muskegon Ironmen. Notwithstanding the foregoing, Hockey League, Soccer League, and Indoor Football refers to any Hockey, Soccer, and Indoor Football team that is similar in level and character to the Muskegon Lumberjacks, Risers, and Ironmen. It is the intent of the parties that if any additional teams similar in level and character host a game that this Arena Participation Payment would apply to Rad Dads.

d. **Payment; Late Charge**. The Base Rent Payment, CAM Payment, and Arena Participation Payment are collectively referred to herein as "Rent". The City shall have all the same rights and remedies for non-payment of Rent or the Debt Payment. The Rent and Debt Payment shall be paid to the City via ACH. The City shall provide Rad Dads with proper and correct account information and instructions for Rad Dads to pay Rent and Debt Payments via ACH. Any Rent or Debt Payment that is not received in full within five (5) business days after such Rent or Debt Payment is due will be subject to a late charge equal to Five Hundred Dollars ($500.00) per late payment of Rent or Debt Payment.

4. **Rad Dad**s **Compensation.**

a. **Base Compensation.** Rad Dads shall retain one hundred percent (100%) of the net profits generated from the operation of the Restaurant, including the sale of alcoholic beverages under the License, non-alcoholic beverages, food, merchandise, and cover charges and other goods and services which would not constitute a violation of MLCC rules. The term "net profits" as used in this Agreement shall mean all revenue derived from the operation of the Restaurant less all expenses related to the operation of the Restaurant. During the term of this Agreement, at the request of the City, Rad Dads shall deliver to the City an income statement certified by an officer or manager of Rad Dads' setting forth its profits. In the event the City, in its reasonable and necessary discretion as the Licensee needs additional information, Rad Dads' will grant to the City the right to have access to inspect all books, accounts, records and reports, that may be kept by Rad Dads' showing all financial information related to the operation of the Restaurant. If a review discloses any discrepancy in required record keeping, the parties shall mutually agree on a Certified Public Accountant to review the financial statements and records of Rad Dads' and determine compliance. Such determination shall be binding on the parties. The City shall handle all information derived from Rad Dads books, accounts, and records in compliance with the City's policies on confidentiality and non-disclosure.

b. **Closure Credit.** The City may host events that require the temporary closure of Rad Dads. The City shall not owe Rad Dads any compensation or consideration for the first twenty (20) hours (per each calendar year) that the Arena causes the temporary closure of Rad Dads. For each hour that exceeds twenty (20) hours, the City shall credit Rad Dads a Rent credit of Two Hundred Fifty Dollars ($250.00) per hour. In addition to any Rent credit, if the temporary closure of Rad Dads is for an event at which tickets are sold, the City will reimburse Rad Dads One Dollar ($1.00) per each ticket sold. The City shall account to Rad Dads regarding the number of tickets sold at any such event within ten (10) business days following the event. No closure credits will be granted to Rad Dads if a closure is made at Rad Dads discretion or is due to Rad Dads failure to pay city income taxes, business license fees, or its failure to comply with any local ordinances, fire codes, or other governmental or administrative rules and regulations.

c. **Notice Regarding Closure.** The City shall give Rad Dads at least ten (10) business days written Notice of the request for temporary closure. In the event that such Notice is not timely, the City shall credit Rad Dads a One Thousand Dollars ($1,000.00) Rent credit in addition to any Rent Credit Rad Dads receives pursuant to Section 4.b above.

5. **Inventory Purchase**. To the extent required by MLCC rules, Rad Dads shall order and purchase all alcohol used by Rad Dads in the operation of its Restaurant. Rad Dads must reimburse the City for all alcohol purchases within thirty (30) days of invoice from the City. Nonpayment within thirty (30) days of the City's invoice shall be deemed an immediate Default under this Agreement.

6. **Taxes**. Rad Dads agrees that it will pay all expenses in connection with the use and management of the Restaurant, the Premises, and all fixtures therein, including, but not limited to, all taxes, permits, fees, license fees (except for the License) and assessments lawfully levied or assessed upon the Restaurant, Rad Dads personal property, or upon its use of the Premises.

7. **Utilities and Other Service Charges**. The City will pay for all water, sewer, gas, electricity, heat, sewage, and trash pickup costs for the Arena, inclusive of the Premises, as well as for internet, cable, and DirectTV for Rad Dad's use. Notwithstanding the foregoing, the City may change cable and television subscriptions at City's reasonable discretion. The City however

shall provide a sports streaming channel at the City's expense. Rad Dads is responsible for all telephone costs it chooses to incur. Rad Dad's has the right to obtain additional streaming services, at Rad Dad's expense.

8. **Interruption of Services**. The City does not warrant that any of the services or utilities referred to in this Agreement will be free from interruption, curtailment, or suspension, and Rad Dads acknowledges that any one or more of such services may be suspended by reason of accident or repairs, Alterations (defined in Section 17 below), or improvements, or by reason of causes beyond the control of the City. Except as may otherwise be provided herein, no interruption, curtailment, or suspension of service shall be deemed an eviction or disturbance of Rad Dads use of the Premises or any part thereof, or render the City liable to Rad Dads for damages, or relieve Rad Dads from the full and complete performance of all Rad Dads obligations under this Agreement, nor shall there be any abatement of any Rent Payment or Debt Payment. Rad Dads shall not be permitted to install new or additional utility facilities anywhere throughout the Premises without the prior consent of the City. Notwithstanding the foregoing, any interruption of utilities directly and solely caused by the intentional misconduct or gross negligence of the City, resulting in Rad Dads inability to conduct its business at the Arena in whole or in part for a period of ten (10) consecutive days that Rad Dads would otherwise be open, will entitle Rad Dads to a pro rata abatement of the monthly Rent Payment payable for each day that such services are interrupted and Rad Dads is required to close.

9. **Improvements; Maintenance and Repair**.

a. **Rad Dads Obligations**. During the Term, subject to the City's obligations hereunder, Rad Dads, at its sole cost and expense, shall keep and maintain the Premises, including any improvements or permitted Alterations thereon, in good order and condition, and perform any maintenance and make necessary repairs and replacements necessary to keep the Premises, improvements, and any Alterations in good order and condition, ordinary wear and tear excepted. All maintenance, repairs, replacements, and renewals made to the Premises by or on behalf of Rad Dads shall be made and performed (i) at Rad Dads sole cost and expense, (ii) by fully licensed, insured, and bonded contractors and mechanics, (iii) in a good and workmanlike manner, (iv) with materials at least equal in quality, value, and utility to those used in the original work or installation, (v) in accordance with such reasonable requirements as the City may impose with respect to insurance to be obtained by Rad Dads or Rad Dads contractors with respect to such work, (vi) in full compliance with all applicable laws, codes, ordinances, and regulations of governmental authorities having jurisdiction over the Premises, and (vii) free and clear of any mortgage, pledge, lien, encumbrance or security interest of any kind, including any mechanic's liens.

b. **The City Obligations**. During the Term, the City shall be responsible for Material Repairs to any Structural Components or Building Systems (as each of those terms are defined below). Notwithstanding anything to the contrary herein, (i) any maintenance, repairs, or replacements of any kind that are necessitated due to the acts, omissions, negligence or intentional misconduct of Rad Dads or Rad Dads shareholders, directors, owners, managers, agents, servants, employees, contractors, invitees, or licensees ("Rad Dads' Agents"), or as a result of Rad Dads failure to perform its obligations under this

Agreement, shall be Rad Dads responsibility to perform at its sole cost, and (ii) the determination as to whether a repair or a replacement is needed shall be made by the City in its sole discretion. For purposes of this Agreement, "Structural Component" shall mean the following Structural Components of the improvements located at the Premises: roof, footings, exterior and supporting walls, slab, structure, foundations, and structural steel columns and girders. Also, for purposes of this Agreement, "Building Systems" shall mean HVAC system, plumbing, internal wiring and electrical.

c. **Common Area Maintenance**. During the Term, the City shall be responsible for furnishing "janitorial services" for the exterior of the building and in lobby areas and restrooms used by the public, exclusive of those areas used and managed by Rad Dads, the cost of which is included in the CAM Payment. The City shall allow Rad Dads the use of the City's dumpsters, the cost of such service is included in the CAM Payment. The City shall maintain in good working order, all public ways, seats and eating areas and structures of the Arena, including plate glass, roof, and outer walls and heating, electrical and plumbing supply sites, air conditioning and hot water supply units. As used in this Agreement, the phrase "common area maintenance" or "CAM" means the maintenance required to be performed by City for the common or joint use and benefit of Rad Dads, licensees and invitees of the Arena and all items of expense relating to operating, managing, supervising, equipping, policing and protecting, lighting, repairing, replacing, and maintaining the appearance, safety and utility of the common areas in the Arena. The City shall also be responsible to manage, operate, and maintain all common areas within the Arena and environs owned by the City in good order and condition, and perform any maintenance and make necessary repairs and replacements necessary to keep the Arena and environs, its improvements, and any Alterations in good order and condition including all parking areas, but not limited to, plowing of snow, paving, and repair of potholes. The City shall also maintain the common areas in an attractive condition. The City's obligation for CAM shall apply to all common areas defined as all other areas of the Arena that are not within Rad Dads control and not part of the Premises, but including any area that has not been established by the City for exclusive use.

d. **Notice**. If any maintenance, repairs and/or replacements are required to be made to the Premises by the City under this Agreement, Rad Dads shall promptly notify the City and the Arena Manager in writing. Except as otherwise set forth herein, the City shall not be liable to Rad Dads for any damage or inconvenience, and Rad Dads shall not be entitled to any abatement or reduction of any Use Payment, by reason of any maintenance, repairs, replacements Alterations, or additions made or required to be made by the City under this Agreement.

e. **Failure to Maintain and Repair and Failure to Perform Common Area Maintenance**. If Rad Dads fails to commence making any repair, replacement, renewal, or maintenance under this Agreement, after ten (10) days prior written Notice from the City of the need for any such repair, replacement, renewal, or maintenance, or if the City fails to commence making any repair, replacement, renewal, or maintenance, including CAM under this Agreement, after ten (10) days prior written Notice from Rad Dads of the need for any such repair, replacement, renewal, or maintenance except in the case of an emergency (in which case only Notice of the need for such repair, replacement, renewal, or maintenance under this Agreement shall be required) and same has not been completed within ten (10) days of such Notice, or, in the case of an emergency, is not promptly completed, the other Party (the "Repairing Party") may make such repairs or replacements, or perform such maintenance or cause such repairs or replacements to be made or maintenance to be performed. On the Repairing Party's written Notice of the performance and cost of any maintenance, repairs, renewals, or replacements made pursuant to this section, the other Party must promptly reimburse the Repairing Party for the reasonable costs of such maintenance, repair, or replacements incurred by the Repairing Party pursuant to this section, together with interest on any such sum at the rate of eight percent (8%) per annum from the date that is fifteen (15) days following the date of the Notice until the date paid. Prior to making any emergency repairs, the Repairing Party shall use reasonable efforts under the circumstances to contact the other Party to give that Party an opportunity to perform its obligations hereunder. This section is not the exclusive remedy, and each Party preserves all other claims allowed at law.

10. **Use**. The Premises may only be used by Rad Dads for the operation of its Restaurant business open to the general public and such use includes any and all special events conducted on the Premises that are reasonably related to Rad Dads Restaurant business and for no other reason (the "Permitted Use"). Rad Dads will use the Premises in a careful, safe, and proper manner and will not commit waste, overload the floor or structure of the Premises, or subject the Premises to use that would damage the Premises or that would otherwise make insurance difficult or impossible to obtain. Rad Dads shall not permit any objectionable or unpleasant odors, smoke, dust, gas, noise, or vibrations to emanate from the Premises other than those that are typical from the business operated for the Permitted Use. Rad Dads shall at all times comply with all MLCC rules and regulations.

11. **Quiet Enjoyment**. The City covenants to Rad Dads that the City will not obstruct, interfere with, or take away from Rad Dads beneficial use of the Premises and will not act or fail to act so as to impair the character and value of the Premises and will not allow the site lines and view from Rad Dads into the Arena, or from the Arena into Rad Dads to be totally obstructed, except as otherwise may be permitted in this Agreement. The City retains the right to construct a physical barrier, in addition to the existing physical barrier, between Rad Dads and the Arena concourse that does not significantly impair visibility from Rad Dads space into the Arena. The barrier may be transparent or see-through in nature in order to keep Rad Dads patrons from entering the Arena by means other than the Gate (as defined below).

12. **Arena Entrance from Rad Dads**. The Premises includes a gate that allows access from the Premises to the Arena concourse area (the "Gate"). The Gate is as marked on **Exhibit A**. Rad Dads may have the Gate open to allow patrons access between the Arena and the Premises during events held at the Arena when the Arena is open to the general public, including but not limited to during all Games. When the Arena is open to the general public, the Gate does not need to be monitored by a security attendant. Rad Dads may also have the gate open to allow patrons access between the Arena and the Premises during Games and other ticketed events as permitted by the City; however, a security attendant must be present at the Gate. The security attendant will be from the same company servicing security to the rest of the Arena during the Games or ticket

event. The security attendant shall be responsible for scanning tickets and preventing unauthorized access into the Arena. If Rad Dads desires to have the Gate open during Games, the cost of the security attendant will be borne by Rad Dads. The City will bill Rad Dads its share of the costs monthly and payment shall be made within five (5) business days. When the Gate is opened, food and alcoholic beverages may flow between the Premises and the Arena concourse. Notwithstanding the foregoing, alcoholic beverages must stop entering the Arena concourse from the Premises when last call for alcoholic beverages sold within the Arena is announced. Last call is typically announced in the Arena at 9:00 pm; however, the time for last call may vary between Games and other ticketed events and the City will directly communicate such time to Rad Dads. Notwithstanding anything herein to the contrary, the Gate shall not be opened during any (i) MHSAA games or practices, (ii) graduations, or (iii) other events as determined by the City in its sole but reasonable discretion upon ten (10) business days written Notice to Rad Dads.

13. **Liens**. Rad Dads has no express or implied authority to create or place, or permit to be placed, any mechanic's lien, construction lien, charge, or any other lien or encumbrance of any kind whatsoever ("Liens") upon the Premises or any improvements thereon, including to those who may furnish materials or perform labor for any construction or repairs, and will not subject the Premises or any part thereof or the City's interest in the Premises to any Lien of any kind. Rad Dads shall at all times keep the Premises free from any and all Liens arising out of any work performed, materials furnished, or obligations incurred by or for Rad Dads or any of Rad Dads' Agents. If any Liens is filed as a result of the act or omission of, or work performed by or at the direction of, Rad Dads or any of Rad Dads' Agents, Rad Dads will cause such Liens to be immediately discharged, but in no event later than ten (10) days after Notice from the City thereof. If Rad Dads fails to cause the Liens to be fully discharged within the ten (10) day period, then, in addition to any other right or remedy, the City will be entitled, but not obligated to, discharge the same by paying the amount claimed to be due or by deposit or bonding proceedings. Rad Dads will indemnify and save the City and the City's Agents harmless from all Losses (defined below) to the extent arising from any Liens filed as a result of the act or omission of, or work performed by or at the direction of Rad Dads or any of Rad Dads' Agents or arising from Rad Dads failure to timely discharge same. Rad Dads shall reimburse the City for any and all reasonable costs and expenses which may be incurred by the City by reason of the filing of any such Liens and/or the removal of same, such reimbursement to be made within five (5) days after Rad Dads receipt of Notice from the City. The failure of Rad Dads to pay any such amount to the City within said five (5) day period shall carry the same consequences as failure to pay any installment of Use Payment or Debt Payment.

14. **Compliance with Law**. The City agrees that during the Term, it will, at its own cost and expense, promptly company with all applicable federal, state, county, city and municipal or other governmental or quasi-governmental statutes, charters, laws, rules, orders, codes, decrees, regulations and ordinances affecting the portions of the Arena that are common to all Rad Dads of the Arena (i.e. all positions of the Arena that are not leased to other parties) (the "Common Areas"), or the occupancy, use, or repair thereof, including, without limitation, the Americans With Disabilities Act and the Americans with Disabilities Act Amendments Act (together, "ADA"), all rules, orders, and regulations of all public officers including the police, health and fire departments and with the National Board of Fire Underwriters or other similar organizations for the prevention of fire or the corrections of hazardous conditions, and all other orders, ordinances, judgments, regulations, codes, directives, permits, licenses, covenants and restrictions of record now or

hereafter applicable to the Common Areas or the occupancy, use, or repair thereof (collectively, "Legal Requirements"). Rad Dads agrees that during the Term, it will, at its own cost and expense, promptly comply with: (a) all present and future federal, state, county, city and municipal or other governmental or quasi-governmental statutes, charters, laws, rules, orders, codes, decrees, regulations and ordinances affecting the Premises or the occupancy, use, or repair thereof, including, without limitation, the Legal Requirements, including making such Alterations and modifications to, at, or about the Premises that are required by Legal Requirements whether as the result of Rad Dads use or operation of the Premises or otherwise; and (b) the requirements of all insurance companies having policies of general liability, fire, or other insurance at any time in force and effect with respect to the Premises and its permanent improvements. Following the execution of this Agreement Rad Dads shall be responsible for all ADA Title III compliance in, on, and throughout the Premises, including any improvements or other work to be performed in the Premises under or in connection with this Agreement. Rad Dads will also be responsible for the cost of ADA "path of travel" requirements arising from or required by Alterations in or the use of the Premises.

15. **Sublease or Assignment**. Rad Dads shall not assign this Agreement without the prior written approval of the City. Any transfer or change in the ownership of Rad Dads will be deemed an assignment of this Agreement requiring approval by the City. Any attempted transfer or change in ownership without the City's consent will be deemed void and constitute a non-curable Rad Dads Default under this Agreement. Rad Dads request for consent will include the details of the proposed assignment, transfer, or change in ownership including the name, business and financial condition of the prospective transferee, financial details of the proposed transaction, criminal history, and any other information the City reasonably deems relevant in its sole discretion. No assignment of this Agreement by Rad Dads, whether in whole or in part, nor the granting of any consent by the City with respect thereto, shall relet or relieve Rad Dads from liability for the Use Payment, Debt Payment, or performance of any other obligations of Rad Dads under this Agreement, unless otherwise agreed by the City and Rad Dads in writing.

16. **Risk of Loss**. The risk of loss, damage, or destruction with respect to the Premises and all of Rad Dads personal property, improvements, or permitted Alterations will be borne by Rad Dads at all times. If by reason of any cause the Rad Dads space is damaged to such an extent that the Rad Dads space is unusable in whole or in substantial part, then:

a. If the repairs and rebuilding necessary to restore the Rad Dads space to its condition prior to the occurrence or the damage can be in the reasonable judgment of Rad Dads be completed within ninety (90) days from the date on which the damage occurred, Rad Dads shall so notify the City in writing and shall proceed promptly with such repairs and rebuilding, and in such event the use of the Premises shall be abated for the period from the date of the occurrence of such damage to the date upon which such repairs and rebuilding are completed; and

b. If such repairs and rebuilding cannot, in the reasonable judgment of Rad Dads, be completed within ninety (90) days, the City and Rad Dads can mutually agree either to:

i. Have Rad Dads proceed promptly with said repairs and rebuilding, in which event the said use shall be abated; or

ii. To terminate this Agreement.

17. **Insurance**.

a. **The City Obligations**. During the Term, the City will maintain all risk ("All Risk") property insurance, insuring the Arena, but excluding Rad Dads personal property and any improvements or permitted Alterations made by Rad Dads, in an amount as reasonably determined by the City. The City may also carry, at the City's option, commercial general public liability insurance and such other insurance and additional coverages as it may deem necessary, in its reasonable discretion, including, but not limited to, flood insurance and rent loss insurance (which insurance shall be in addition to, and not in lieu of, any insurance required to be maintained by Rad Dads). The City shall not be obligated to insure any of Rad Dads personal property, any other furniture, equipment, trade fixtures, machinery, goods, personal property or supplies which Rad Dads may keep or maintain in the Premises or any improvements or permitted Alterations made by Rad Dads upon the Premises. Rad Dads shall not be named as an additional insured on any policy of liability insurance maintained by the City. Rad Dads shall not have any interest in or benefit under other insurance that the City may, in its reasonable discretion, decide to obtain and maintain under this Agreement. As the owner of the License, the City shall also maintain liquor liability insurance issued by a carrier accepted by MLCC and either complete form LC-95 or file a similar Proof of Liquor Liability Insurance form which has been approved by MLCC. Rad Dads shall be named as an additional insured on the liquor liability policy and a copy shall be provided to Rad Dads.

b. **Rad Dads Obligations**. At all times during the Term, Rad Dads, at its expense, shall maintain in effect the following insurance, with insurers authorized to do business in the State of Michigan:

i. Insurance coverage on all of Rad Dads personal property and other contents at the Premises, as well business interruption insurance coverage with commercially reasonable limits.

ii. Commercial general liability insurance, which shall include premises liability, contractual liability, personal and advertising injury, and products/completed operations coverage. Such policy shall insure against claims for bodily injury, death, or property damage occurring on, in, or about the Premises, with limits of not less than One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) in aggregate, as well as coverage for damage to Premises with not less than a Five Hundred Thousand Dollar ($500,000.00) limit, and an umbrella policy with at least a One Hundred Thousand Dollar ($1,000,000.00) limit. All such policies shall include the City as an additional insured on a primary basis with a waiver of subrogation in accordance with this Section 12.

iii. Special Form All Risk property insurance, insuring all of Rad Dads personal property and any Fixtures, permitted Alterations made by Rad Dads, or improvements that are the responsibility of Rad Dads located on the Premises, equal to the full Replacement Cost of such property.

iv. Workers' compensation insurance or self-insurance, and other similar insurance covering all persons employed in connection with Rad Dads business as required by applicable laws of the State of Michigan.

c. **Insurance Standards**. All insurance required by Section shall be carried with companies licensed to do business in Michigan having an A.M. Best's rating of at least A-/VII and shall be written as primary policy coverage and not contributing with, or in excess of, any coverage carried by the City. All policies must name Rad Dads as the named insured Party and, except for worker's compensation (if applicable) and other employer-related policies, and insurance on Rad Dads personal property, all policies shall name as additional insureds or loss payees, as applicable, the City (on a primary basis) and its successors or assigns as their interests may appear and shall endeavor to provide at least thirty (30) days written Notice to any additional insureds before cancellation or material modification. Furthermore, all insurance policies that Rad Dads is required to maintain will provide coverage to the City whether or not the event giving rise to the claim is alleged to have been caused in whole or in part by the acts, omissions, or negligence of the City; all policies must be primary, with any policies of the City being excess, secondary, and noncontributing. Upon commencement of this Agreement and as requested by the City from time to time, Rad Dads shall furnish the City with certificates issued by its insurance agent evidencing the coverage required by Section 12(b) above or replacements and renewals thereof. For purposes of this Agreement, "Replacement Cost" shall mean the actual Replacement Cost of the property requiring replacement from time to time, less exclusions provided in the standard form of fire insurance policy.

d. **Subrogation**. The City and Rad Dads, on behalf of themselves and their insurers, each hereby waives any and all rights of recovery against the other, the agents, advisors, employees, members, officers, directors, partners, trustees, beneficiaries and shareholders of the other and the agents, advisors, employees, members, officers, directors, partners, trustees, beneficiaries and shareholders of each of the foregoing (collectively, "Representatives"), for loss of or damage to its property or the property of others under its control, to the extent that such loss or damage incurred by the waiving Party is actually covered by any insurance policy in force (whether or not described in this Agreement) at the time of such loss or damage, or required to be carried under this Section, less any deductibles. All property insurance carried by either Party will contain a waiver of subrogation against the other Party to the extent such right was waived by the insured Party prior to the occurrence of loss or injury. If Rad Dads fails to insure Rad Dads personal property within the Premises, Rad Dads shall conclusively be deemed to have waived any claim against or recovery from the City to the extent that any such claim or recovery would have been covered by an All Risk casualty insurance policy for such personal property and contents and therefore would have been within the scope of a waiver of subrogation contained in such policy of insurance.

18. **Alterations and Additions**.

a. **Approval**. Except for mere decorations and Permitted Work Items (defined below) that are necessary for Rad Dads operations, Rad Dads shall not make any structural or non-structural changes, alterations, additions, modifications, or improvements to the Premises or the improvements thereon, or install any Fixtures in or to the Premises (any of the foregoing, "Alterations") without the prior written consent of the City, which may be withheld in the City's sole discretion. All permitted Alterations, whether structural or nonstructural, shall be performed in a good and workmanlike manner and shall be done at Rad Dads sole cost and expense and in compliance with all Legal Requirements. Upon the City's request, Rad Dads will deliver copies of all governmental permits, authorizations, approvals, and certificates related to such Alterations.

b. **Permitted Work Items**. "Permitted Work Items" are considered Alterations that (i) do not cost more than $10,000.00, (ii) does not modify or affect the roof, plumbing, HVAC, or electrical systems, foundation, slab, structural steel columns and girders, or any other Structural Components of the Premises or otherwise affect the structural integrity of the Premises, and (iii) does not create, cause, or result in any repair or replacement obligations of the City. Notwithstanding the foregoing, the City shall have no maintenance, repair, or replacement obligations with respect to any Alterations, all of which shall be the responsibility of Rad Dads; and in no event shall Rad Dads be permitted to develop, improve, or otherwise build or place any structures or improvements on any of the vacant portions of the Premises without the prior consent of the City which is subject to the City Commission approval and all applications and procedures required to request approval.

19. **Indemnification**. Rad Dads covenants and agrees to indemnify, defend and save the City and the City's Agents harmless from and against any and all claims, demands, expenses (including reasonable costs and reasonable attorney fees), Losses, suits, causes of action, penalties, taxes, fines, liabilities, and damages ("Losses"), whether brought by any third Party or directly by the City or any of the City's Agents, to the extent arising from or caused by (i) any occurrence in or about any part of the Premises during the Term, including, without limitation, injury to persons or damage to property, (ii) the use of the Premises or any part thereof by Rad Dads, any of Rad Dads' Agents, or any person in or about the Premises with the express or implied consent of Rad Dads, and (iii) any Rad Dads Default or any failure to perform or comply with or breach by Rad Dads of any Legal Requirement or any covenant, agreement, representation, or warranty made by Rad Dads pursuant to this Agreement; except, in any case, to the extent any such damage, loss, death or injury is caused by the gross negligence or willful misconduct of the City or the City's Agents or the breach of this Agreement by the City. Rad Dads further agrees to pay the City and to indemnify the City and the City's Agents for all reasonable attorney fees and expenses incurred in enforcing the terms of this Agreement or any other rights or remedies of the City assuming only if the City is the prevailing Party. Rad Dads obligations hereunder shall not be negated nor reduced by virtue of an insurance carrier's denial of coverage for the occurrence or event which is the subject matter of the claim or refusal to defend.

20. **Default by Rad Dads**. The occurrence of any one of the following shall constitute an event of default by Rad Dads ("Rad Dads Default"):

a. Failure by Rad Dads to pay any installment of the Use Payment, Debt Payment, or other sum required to be paid by Rad Dads pursuant to this Agreement in full when due.

b. Any violation of the rules and regulations of the MLCC or any violation of any law, rule, ordinance, or regulation by Rad Dads.

c. Rad Dads abandons or vacates the Premises before the Expiration Date.

d. Filing of a petition against Rad Dads for adjudication of it as a bankrupt or insolvent, or for its reorganization or the appointment of a receiver or trustee for the benefit of its creditors, if such petition is not dismissed within sixty (60) days of filing; or the filing of such a petition by Rad Dads; or an assignment by Rad Dads for the benefit of creditors.

e. Rad Dads shall attempt or there shall occur any assignment, subleasing, or other transfer of Rad Dads interest in or with respect to this Agreement or the Premises except as otherwise expressly permitted in this Agreement.

f. Rad Dads fails to continuously maintain any insurance required to be maintained by Rad Dads pursuant to this Agreement.

g. Rad Dads breaches or otherwise fails to perform or comply with any other covenant or condition of this Agreement or to abide by any term of this Agreement.

h. Rad Dads dissolves or otherwise fails to maintain legal existence.

21. **The City's Remedies**.

a. If any default by Rad Dads under this Agreement shall have occurred then Rad Dads shall have ten (10) days to cure such default following written notice from the City. The City agrees to extend such ten (10) cure period if the City finds in its sole discretion that Rad Dads is taking all reasonable steps to cure such default and the default cannot be cured within ten (10) days due to factors outside of Rad Dads control. Notwithstanding the foregoing, if Rad Dads has received written Notice twice from the City of any default during the Term, then Rad Dads shall not receive any further cure period or Notice of defaults but shall instead be deemed to be in immediate default under this Agreement and, in addition to pursuing any and all remedies available to the City at law or equity, the City at its option may pursue any one or more of the following remedy options:

i. Terminate this Agreement by giving Rad Dads written Notice of such termination, in which event, the Term and all right, title, and interest of Rad Dads hereunder shall end on the date specified in such notice.

ii. With or without terminating this Agreement, reenter the Premises, or any part thereof, and relet, or attempt to relet, any or all parts of the Premises by giving Rad Dads written Notice of such.

iii. Enforce the provisions of this Agreement and enforce and protect the rights of the City hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, and for the enforcement of any other appropriate legal or equitable remedy, including without limitation, injunctive relief, recovery of all moneys due or to become due from Rad Dads under any provision of this Agreement, and any other damages incurred by the City by reason of Rad Dads Default under this Agreement.

iv. For any violation of the License, the City may impose any costs, fines, or fees it incurs due to such violation on Rad Dads and Rad Dads shall immediately reimburse the City for such costs, fines, or fees.

b. If the City exercises any of the remedies provided above, then Rad Dads shall surrender its use of and vacate the Premises immediately.

c. In the event of termination of this Agreement or reentry of the Premises or any part thereof, with or without terminating this Agreement, such termination or repossession shall not release Rad Dads, in whole or in part, from Rad Dads obligation to pay the Use Payment, Debt Payment, and all other sums required to be paid by Rad Dads for the full Term, and the aggregate amount of the Use Payment, Debt Payment, and all other sums required to be paid by Rad Dads during the Term shall, at the option of the City, be immediately due and payable by Rad Dads to the City, and the City shall have the right to immediate recovery of all such amounts.

d. In any such case, the City may (but shall be under no obligation to except as may be required by law) relet or grant the use and occupancy of the Premises or any part thereof, for such fees, time (which may be for a term extending beyond the Term of this Agreement), and terms as the City, in the City's sole discretion, shall determine. The City shall not be required to accept any Rad Dads offered by Rad Dads or to observe any instructions given by Rad Dads relative to such reletting or grant of use and occupancy.

e. All rights and remedies of the City under this Section shall be cumulative, and none shall exclude any other right or remedy provided by law or by any other provision of this Agreement. All such rights and remedies may be exercised and enforced concurrently and whenever, and as often, as occasion for their exercise arises. The rights and remedies of the City, and the obligations and liabilities of Rad Dads, under this Section and elsewhere in this Agreement shall survive the termination of this Agreement and/or Rad Dads usage right.

22. **Default by the City**. Nothing contained in this Agreement shall be construed as limiting or precluding the recovery by Rad Dads of any sums or damages or equitable relief to which, Rad Dads may lawfully be entitled by reason of any default hereunder on the part of the

City. A default by the City hereunder means its failure to abide by any term of this Agreement. If any default by the City under this Agreement shall have occurred and Rad Dads has provided the City with written Notice of such default, the City shall have thirty (30) days to cure such default following written notice from Rad Dads.

23. **Inspection**. The City shall have the right, at reasonable times during business hours to inspect all parts of the Premises. The City shall not materially interfere with or disrupt the operation of Rad Dads business in the exercise by the City of its rights under this Section and shall, at all times, observe Rad Dads reasonable security requirements.

24. **Surrender**. On the Expiration Date or earlier termination of the Term, Rad Dads shall surrender and deliver possession of the Premises in good order with all maintenance, repairs or replacements which are the obligation of Rad Dads completed, ordinary wear and tear excepted. Rad Dads shall remove from the Premises, at Rad Dads sole cost and expense, all of Rad Dads personal property. Any of Rad Dads personal property, trade fixtures, Alterations, or other contents not removed by Rad Dads upon the Expiration Date, or within ten (10) days after the earlier termination of this Agreement, shall be considered abandoned and the City may dispose of the same as it deems expedient, and Rad Dads waives all claims against the City for any damages resulting from the City's retention and disposition of such property. The City will not store any of Rad Dads personal property or any other contents. Rad Dads agrees that all structures and improvements on the Premises and all fixtures are the property of the City, shall remain on the Premise, and shall be in good usable order and condition, with allowance for reasonable wear and tear and damage by the elements, and also excepting damage arising from acts, events and conditions beyond the control of Rad Dads. The City shall have the right upon such Expiration Date or termination to enter upon and take possession of such property.

25. **Reservation of Rights.**

a. The City reserves the right to further develop or improve the Arena as it sees fits, regardless of the desires or view of Rad Dads, so long as the improvements do not encroach into the existing footprint or operations of Rad Dads.

b. The City reserves the right to adopt, from time to time, reasonable rules and regulations for the operation of the Arena which are not inconsistent with the provisions of this Agreement. Rad Dads Agents, employees, invitees, and licenses shall comply with all those rules and regulations.

26. **Signs**. Subject to any existing City obligations or additional approvals that the City is required to obtain as it relates to signage, Rad Dads shall have the right to place signs within the Premises identifying and promoting Rad Dads, provided such signs comply with the local ordinances and regulations. Rad Dads may provide to the City a digital sign to be displayed on the digital marquee located outside the Arena that faces Shoreline Drive at a frequency and at similar times provided to other Rad Dads of the Arena, but in no event shall any display of Rad Dads sign be at a lesser frequency and at times afforded any other Restaurant located in the Arena. Upon the expiration of the Term, Rad Dads shall remove all signage and shall restore and repair any damage caused by the installation or removal of such signs.

27. **Buildout and Western Avenue Digital Marquee**. Rad Dads may expand the outdoor eating venue to include an upper deck adjacent to the east side of the Arena, in close proximity to the Premises, and in a form substantially similar to that as set forth on the renderings attached as **Exhibit B**. Rad Dads shall submit construction plans to the City for approval, which the City shall review in its ordinary course of business. If approved, the cost of the buildout, including, but not limited to all design, construction, approvals, permits, and licenses, shall be borne one hundred percent (100%) by Rad Dads. Rad Dads shall obtain all necessary governmental approvals and comply with all applicable laws, ordinances, and regulations related to the construction and use of the venue. In consideration that Rad Dads will bear the cost of the buildout, Rad Dads shall not be charged any additional Rent for the outdoor space and the outdoor space will not be factored into any future rent increases.

Rad Dads may install a digital marquee thereon in the area of the northwest intersection of Western Avenue and Fourth Street, subject to Rad Dads' receipt of all necessary governmental approvals. Rad Dads shall comply with all applicable laws, ordinances, regulations, and existing City obligations related to the construction and installation of a digital marquee. A rendering of the digital marquee is included in the drawings attached as Exhibit B.

28. **Notices**. All Notices, requests, demands, waivers, consents, and other communications required or permitted by this Agreement ("Notice") shall be in writing and shall be deemed given (a) when personally delivered to the Party to be given the Notice, (b) when sent by electronic mail ("e-mail") to the Party to be given the Notice, (c) on the third (3rd) business day following the day such Notice is deposited in a United States mailbox with postage prepaid if sent via certified mail, return receipt requested, or (d) on the day following the day such Notice is deposited in the custody of an overnight courier service. Notice to each Party shall be deemed properly addressed if sent to the following applicable address for each Party (which address for either Party may be changed by Notice given by such Party to the other Party):

As to the City: City Mayor City Manager 933 Terrace Street Muskegon, MI 49440	As to Rad Dads: Rad Dads' L.L.C. Attn: Matthew Gongalski 470 W. Western Avenue Muskegon, MI 49440 mailto:
With Copy to: Parmenter Law Attn: Brennen Gorman 601 Terrace Street, Suite 200 Muskegon, MI 49440 Brennen@parmenterlaw.com	With Copy to: Smith Haughey Rice & Roegge Attn: Kevin Even 900 Third Street, Suite 204 Muskegon, MI 49440 keven@shrr.com

Each Party is solely responsible to ensure that the other's e-mail address is "whitelisted" to ensure that messages will not be caught by a spam filter or similar electronic filtering. E-mails are deemed received if they have been sent to the e-mail address provided above, even if not actually received by the other Party because of a spam filter or a technological problem beyond the sender's control. A response by one Party to any e-mail sent to the e-mail address of the other Party is conclusive proof of the functionality of the e-mail address as required under this Agreement. Each Party is solely responsible for maintaining a viable e-mail address, for regularly checking its e-mail account(s), and for managing all spam filters applied to the account(s).

29. **Waiver**. Any particular waiver by the City or Rad Dads of any covenant or condition of this Agreement shall extend to that particular case only in the manner specified and shall not be construed as applying to or in any manner waiving any further or other rights hereunder. The receipt of Use Payment by the City, with knowledge of any breach of this Agreement by Rad Dads or of any default on the part of Rad Dads in any of the conditions or covenants of this Agreement, shall not be deemed to be a waiver of any provision of this Agreement.

30. **Holding Over**. Any hold over by Rad Dads beyond the expiration of the Term shall give rise to a tenancy from month-to-month, cancellable on thirty (30) days written Notice by either Party, notwithstanding the provisions of any law or rule to the contrary. In no event shall the City be deemed to have consented to any such holdover, and the City may withhold its consent to holdover in its sole discretion; provided, however, during any such hold-over period, Rad Dads shall pay the City (i) 150% of the cumulative Use Payment last prevailing hereunder (prorated for each day Rad Dads holds over) and (ii) any other charges or costs incurred during the hold-over period for which Rad Dads is responsible under this Agreement (prorated for each day Rad Dads holds over) and (iii) any other damages incurred by the City directly resulting from the holdover, including, without limitation, attorney fees.

31. **Governing Law**. The City and Rad Dads hereby agree that this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Michigan without giving reference to principles of conflict of laws. The state courts of the State of Michigan shall have jurisdiction to hear and determine any dispute among the Parties pertaining directly or indirectly to this Agreement or any matter arising therefrom, and Rad Dads expressly consents and submits in advance to such jurisdiction in any action or proceeding commenced in such courts by either Party hereto. The Parties agree that for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and venue.

32. **Miscellaneous**.

a. The headings preceding each section of this Agreement are for convenience of reference only and shall not affect the construction or meaning of the provisions hereof.

b. If any part of this Agreement is found to be invalid or unenforceable, it shall not affect any remaining portion of this Agreement, which shall continue to be in full force and effect and be severable from any invalid provision.

c. This Agreement, including any exhibits hereto, constitutes the entire agreement between the Parties and shall supersede any other agreements, written or oral, dated prior to the execution of this Agreement. No provision of this Agreement may be waived, changed, cancelled, modified or discharged orally, but only by an agreement in writing and signed by the Party against whom enforcement of any waiver, change, cancellation, modification or discharge is sought. This Agreement represents the entire agreement between the Parties, and fully and completely sets forth all terms and conditions of the transactions embodied in this Agreement.

d. Except as otherwise provided above, neither Party shall be liable to the other Party for any loss, injury, delay, damage, or other casualties suffered or incurred by a Party due to any force majeure event beyond the reasonable control of that Party except for Losses, damages, and costs arising from a Party's failure to satisfy its monetary obligations under this Agreement. Notwithstanding the foregoing, nothing in this Section and no force majeure event shall be deemed to delay or excuse or otherwise relieve Rad Dads from any liability for the timely payment of any Rent or other sum owed by Rad Dads under the terms of this Agreement unless Rad Dads s unable to perform its obligations due to a pandemic such as the COVID 19 pandemic (or similar pandemic) which led to government shutdown of public establishments.

e. This Agreement may be executed in counterparts, each of which is an original and all of which together constitute one and the same instrument.

f. This Agreement shall be binding upon, and inure to the benefit of and be enforceable by, the Parties and their respective legal Representatives, permitted successors and assigns.

g. Rad Dads hereby represents and warrants that neither Rad Dads, nor any persons or entities holding any legal or beneficial interest whatsoever in Rad Dads, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (ii) designated by the President of OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named in the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time during the Term, a default will be deemed to have occurred, without the necessity of Notice to Rad Dads.

h. This Agreement shall be governed by the internal laws of the State of Michigan, without regard to principles of conflicts of law.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first above written.

[SIGNATURE PAGE ON FOLLOWING PAGE]

[SIGNATURE PAGE]

The City – City of Muskegon

By: ____________________________
Name: Ann Meisch
Title: Clerk

By: ____________________________
Name: Ken Johnson
Title: Mayor

Rad Dads – Rad Dads' L.L.C.

DocuSigned by:
By: 29FEB9C8D48F430...
Name: Matthew Gongalski
Title: Authorized Member

Exhibit A

Rad Dads' Space

1. BLACK ANODIZED ALUMINUM AND GLASS ENTRY DOOR MEDIUM STILES, 3'-0"W X 7'-4"H
2. DARK GREY COMPOSITE DECKING (TREX) ON NON-COMB FRAMING. 10" HIGH ABOVE CONCOURSE WITH BLACKENED STEEL EDGE PLATE AND DECORATIVE LED LIGHTING BELOW.
3. BLACKENED STEEL EXPANDED MESH IN STEEL FRAME. FROM DECK TO UNDERSIDE OF ROOF - 10'-0"H X 12'-6" LONG. GLASS VESTIBULE BEHIND AT ENTRY.
4. TASTING ROOM-LIGHT GRIND EXISTING FLOOR, EXPOSED CONC. CEILING, CORRUGATED METAL WALL PANEL SOUTH WALL
5. CUSTOM STEEL AND GLASS DOORS IN 9'-4"H X 16'-0" L OPENING.
6. OPTION A-FOLDING "HANGAR" STYLE DOOR WITH GLASS OPTION B-GLASS AND ALUMINUM OH SECTIONAL DOOR. 9'-4"H X 16'-0" L
7. EXISTING BRICK VENEER WALL. CLEAN AND POINT AS NECESSARY
8. BLACKENED STEEL EXPANDED MESH IN STEEL FRAME MOUNTED ON DECK 48" HIGH 90' LONG
9. BLACKENED STEEL HANDRAIL. 2"X 2" SQUARE TUBING ON POSTS 6'-0" O.C. MOUNTED TO DECK
10. TACO ASSEMBLY HALL- CLEAN AND POLISH EXISTING TERRAZZO FLOOR, CORRUGATED METAL WALL PANEL SOUTH AND EAST WALL, "POLAROID" LED CHANDELIER
11. FRONT BAR- BLACK STAINED CONCRETE TOP, CEMENT BD FRONT WITH STEEL FOOT REST/BASE AND LED ACCENT LIGHTING
12. FRONT BAR- BLACK STAINED CONCRETE TOP, CEMENT BD FRONT WITH STEEL FOOT REST/BASE AND LED ACCENT LIGHTING AND 18" HIGH GLASS SNEEZE GUARD
13. SS FOOD PREP COUNTER, 3'X10' PASS THRU OPENING IN BACK WALL
14. SS BACK COUNTER, EXPANDED METAL MESH LIQOUR DISPLAY SHELVING WITH ACCENT LIGHTS
15. EXHAUST HOOD AND FAN COORDINATE WITH FOOD SERVICE EQUIPMENT
16. OFFICE - PAINTED GYP WALLS EXISTING CEILNG, GLASS DOOR AND SIDE LIGHT
17. WALK-IN COOLER/FREEZER
18. TOILET ROOMS - EXISTING CONC FLOOR LIGHT POLISH, PORCELAIN TILE AT WET WALLS, PROVIDE EXAUST
19. STEEL AND EXPANDED METAL GATE
20. "LIVE WALL" CILANTRO GARDEN ON EXISTING WALL
21. TAPE WALL MOSAIC - ART INSTALLATION FO MULTICOLORED CASSETTE TAPES

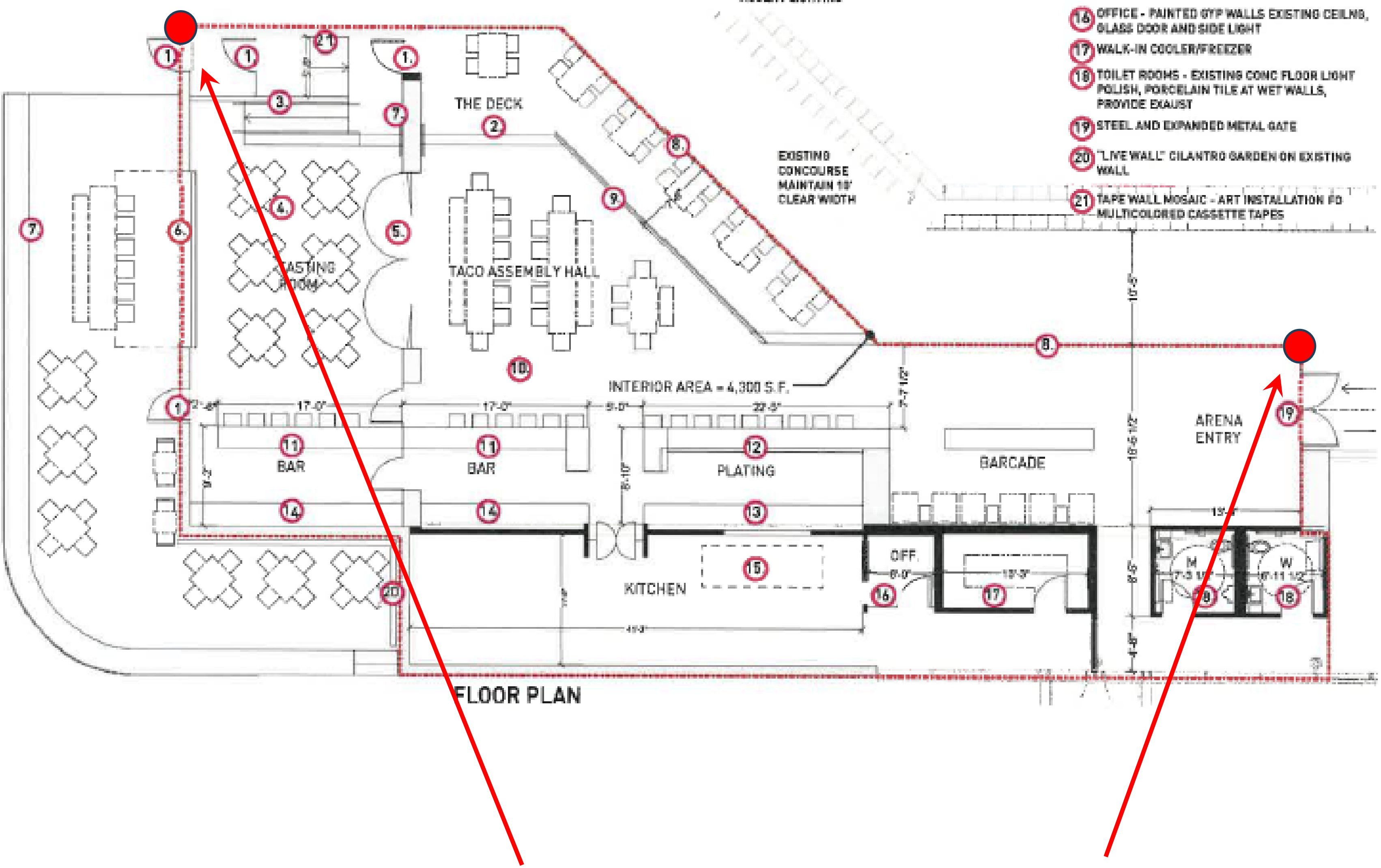


Exhibit B

SHRR\8090337.v1

Trinity Health ARENA
RAD DADS' TACOS & TEQUILA BAR
VanDyk Mortgage
CONVENTION CENTER
JACKS GAME
FRI. 7:10 PM

Trinity Health ARENA
RAD DADS' TACOS & TEQUILA BAR
VanDyk Mortgage
Convention Center
JACKS GAME
FRI. 7:10 PM
RAD DADS'

Docusign Envelope ID: 817F1728-9B05-8920-8335-50CA17324B5E