CITY OF MUSKEGON

CITY COMMISSION MEETING

DECEMBER 12, 2017 @ 5:30 P.M.

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, MI at 5:30 p.m., Tuesday, December 12, 2017. Pastor Tim Cross, Living Word Church, opened the meeting with prayer, after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen J. Gawron, Vice Mayor Eric Hood, Commissioners Ken Johnson, Byron Turnquist, Willie German, Jr., and Dan Rinsema-Sybenga, City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Commissioner Debra Warren

HONORS AND AWARDS:

A. Recognition of Pastor Tim Cross, Living Word Church, for support of the City of Muskegon Police Department Chief Lewis presented Pastor Cross with a token of appreciation in recognition of the support he and Living Word Church have shown the City of Muskegon Police Department.

B. Recognition of Community Relations Committee Members The Mayor, on behalf of the entire City Commission, recognized and thanked those members of the City's Community Relations Committees various Boards and Committees that were in attendance at the meeting. This included special recognition and presentation of a proclamation to Addie Sanders-Randall, a 28-year member of the Citizens District Council.

2017-98 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve minutes of the November 28, 2017 Regular Meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. <u>Towing Contract Extension (Ramos Towing)</u> Public Safety

SUMMARY OF REQUEST: The Director of Public Safety requests that the City Commission review and consider approving a contract extension with our current service provider, Ramos Towing. Currently, Ramos Towing provides towing/impoundment/storage service for the City of Muskegon.

Ramos Towing has been under authorized contract services for towing for the last four years. Staff will review the current contract in 2018, and begin exploring and preparing a competitive bid process to select an acceptable tow service upon expiration of this contact.

Ramos Towing is willing to extend towing services for another one year extension or until a new contract can be approved. This is the second and final extension allowed under the current contract.

FINANCIAL IMPACT: None – current contract language in effect until 1/14/2019.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of the extended towing contract until a new contract is explored and accepted.

D. <u>1st Quarter 2017-18 Budget Reforecast</u> Finance Director

SUMMARY OF REQUEST: At this time staff is transmitting the First Quarter 2017-18 Budget Reforecast which outlines proposed changes to the budget that have come about as result of changes in revenue projections, policy priorities, labor contracts, updated economic conditions, or other factors.

FINANCIAL IMPACT: A summary of first quarter proposed adjustments to the budget are as follows:

- General Fund revenues are reforecast to be $826,849 higher than the original budget, largely due to higher State projections for State Shared Revenue and the adjustments to permit revenue based on actual receipts.
- General Fund expenditures are reforecast to be $784,000 higher than the original budget, most of the adjustments were for Safebuilt based on the higher revenues projections for permits.
- There were some refinements to the Capital Projects budget resulting in an overall net increase of $350,000. These are mostly in the Water Fund based on higher than projected project costs.

BUDGET ACTION REQUIRED: City Commission approval of this reforecast will formally amend the City's 2017-18 budget.

STAFF RECOMMENDATION: Approval.

E. Purchase of HUD Home at 1025 E Forest Avenue Community & Neighborhood Services

SUMMARY OF REQUEST: To approve the purchase of a HUD home located at 1025 E Forest Avenue in Oakview Neighborhood for the price of $27,000.

After the sale, CNS will rehabilitate the single family dwelling as part of the HOME funded Homebuyer Program.

FINANCIAL IMPACT: The funding used for the purchase and rehabilitation will come from 2017 HOME funds.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the request to purchase the property.

F. Pere Marquette Park – Recreational Improvements Department of Public Works

SUMMARY OF REQUEST: The City has been awarded a DNR Trust Fund Grant for recreational improvements at Pere Marquette Park. Westshore Consulting has submitted a quote for professional engineering and surveying services in the amount of $18,000, to complete plans and bidding documents for the improvements. Staff is requesting that the amount be approved.

FINANCIAL IMPACT: $18,000

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Westshore Consulting for a cost of $18,000.

G. Request to Deny & Accept Properties that did not Sell During the Tax Sale for 2017 Planning & Economic Development

SUMMARY OF REQUEST: The County of Muskegon held two delinquent tax auctions during 2017. There were sixty-three properties left after the last auction. According to the State's tax foreclosure laws, the City must state that they are not interested in obtaining them, otherwise the City will be automatically receive ownership of the parcels. From the list that was provided, the City Manager, Planning and Community & Neighborhood Services have gone over the parcels to determine which ones to accept.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To deny and accept certain parcels and authorize both the Mayor and the Clerk to sign said resolution.

I. Bicycle Ordinance City Manager

SUMMARY OF REQUEST: To adopt the proposed ordinance containing rules to govern a driver of a motor vehicle overtaking a bicycle proceeding in the same direction.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To adopt the ordinance as presented.

J. Control System Upgrades – Water Filtration Plant – Administration Building
Department of Public Works

SUMMARY OF REQUEST: Authorize staff to enter into a professional services agreement for control system upgrades at Water Filtration Plan with Tetratech per their proposal for $192,000.

FINANCIAL IMPACT: $192,000

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Tetratech for a cost of $192,000.

L. Community Relations Index: Policy Relative to Attendance City Clerk

SUMMARY OF REQUEST: To change attendance reporting policy from quarterly to annual.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of reporting attendance annually.

COMMITTEE RECOMMENDATION: Community Relations Committee unanimously voted to approve the reporting of the attendance to annually.

Motion by Commissioner Johnson, second by Commissioner German, to approve the consent agenda as presented, except Items C, H, and K.

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

Nays: None

MOTION PASSES

2017-99 ITEMS REMOVED FROM THE CONSENT AGENDA:

C. 2018 User Fee Update Finance Director

SUMMARY OF REQUEST: City departments have reviewed and updated their user fees and these have been incorporated into the Master Fee Resolution for your consideration.

The new fees and fee changes that are being proposed are highlighted on the attached spreadsheet and significant changes include the following:

- Daily launch ramp and seasonal launch ramp fees have been updated;
- Small and large boat basin fees have been adjusted;
- Farmers Market annual stall fees have been adjusted;
- Kitchen 242 is adding fees for occasional or one-time users;
- Cemetery fees have been adjusted;
- Rental registration and re-inspection fees have been adjusted

FINANCIAL IMPACT: Revenue generated for fee supported activities

BUDGET ACTION REQUIRED: None at this time. Adoption of the Master Fee Resolution will help the City attain its budget revenue estimates.

STAFF RECOMMENDATION: Approval of the 2018 Master Fee Resolution.

Motion by Commissioner German, second by Commissioner Johnson, to approve the 2018 Master Fee Resolution.

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

Nays: None

MOTION PASSES

H. <u>Non-Represented Wages and Benefits</u> City Manager

SUMMARY OF REQUEST: Staff is recommending the following wage and benefit changes effective January 1, 2018:

1. 1% cost of living adjustment
2. 1% increase in residency incentive
3. Amendment to the vacation time conversion policy and sick time cash-out policy to allow for unlimited vacation time conversion to sick time (currently limited to 120 hours annually), as well as unlimited sick time cash out annually (currently limited to 160 hours annually).
4. Increase in annual tuition reimbursement from $1,000 to $2,000
5. Expansion of tuition reimbursement program to all city employees – regardless of bargaining affiliation or representation.

Staff is further recommending expansion of the residency incentive to DEIU (1%), POLC (2%), and COAM (2%) bargaining units effective July 1, 2018.

FINANCIAL IMPACT: Items 1-5: $30,224 annually. Residency incentive expansion: $18,485 annually.

BUDGET ACTION REQUIRED: The proposed changes are currently funded in the FY 2017-18 Budget.

STAFF RECOMMENDATION: To approve the non-represented wage and benefit structure, as presented.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to approve the non-represented wage and benefit structure, as presented.

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

Nays: None

MOTION PASSES

K. <u>Western Market</u> City Clerk

SUMMARY OF REQUEST: The chalets at Western Market remain very popular. We would like to add five more chalets to the site in 2018. We have found a company to build the base of four of the chalets with our builder putting the final touches on it. The fifth chalet will be built by our builder onsite. We will be collecting applications for use of the chalets and a committee composed of the Chamber, DMN, and City staff will make the final determination of selected applicants.

FINANCIAL IMPACT: $30,000

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize the $30,000 in expenditures for the addition of five chalets.

Motion by Commissioner Turnquist, second by Commissioner Rinsema-Sybenga, to authorize the $30,000 in expenditures for the addition of five chalets.

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

Nays: None

MOTION PASSES

2017-100 NEW BUSINESS:

A. <u>Transmittal of 6/30/17 Comprehensive Annual Financial Report</u>
Finance Director

SUMMARY OF REQUEST: The City's June 30, 2017 Comprehensive Annual Financial Report (CAFR) will be distributed to the City Commissioners via email and hard copy. The CAFR will also be available on the City's website. The CAFR includes the annual independent auditor's report as required by state law. At this time the CAFR is being formally transmitted to the City Commission. The CAFR has been prepared in accordance with all Governmental Accounting

Standards Board (GASB) pronouncements and also includes the single audit of federal grants received by the City.

FINANCIAL IMPACT: The CAFR report summarizes the City's financial activities for the year and includes the independent auditor's unmodified opinion on the City's financial statement.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Acceptance of the June 30, 2017 CAFR and authorization for staff to transmit the CAFR to appropriate federal, state and private agencies. http://www.muskegon-mi.gov/cresources/2016-17CAFR.pdf

Motion by Commissioner Johnson, second by Commissioner German, to accept the June 30, 2017 CAFR and authorize staff to transmit the CAFR to appropriate federal, state and private agencies.

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

Nays: None

MOTION PASSES

B. <u>Amendment to the Zoning Ordinance – Critical Dunes</u> Planning & Economic Development

SUMMARY OF REQUEST: Staff-initiated request to amend Section 2310 of the zoning ordinance. Act 451 of 1994, the Natural Resources and Environmental Protection Act, allows municipalities to enact their own critical dune ordinance and enforce it themselves, rather than relying on the Michigan Department of Environmental Quality to do so. Staff anticipates that this will speed up the approval process for projects located in critical dune areas.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended approval of the ordinance amendment at their November 16, meeting.

Motion by Commissioner Johnson, second by Vice Mayor Hood, to approve the zoning ordinance amendment.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Comments were received by the public.

ADJOURNMENT: The City Commission Meeting adjourned at 6:52 p.m.

Respectfully Submitted,

Ann Meisch, MMC, City Clerk