CITY OF MUSKEGON

CITY COMMISSION MEETING

NOVEMBER 9, 2021 @ 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, November 9, 2021, Pastor Ryan Plantz, Evanston Avenue Baptist Church, opened the meeting with a 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 Dan Rinsema-Sybenga, Willie German, Jr., Michael Ramsey, Ken Johnson, and Teresa Emory, City Manager Frank Peterson, City Attorney John Schrier, and Deputy City Clerk Kimberly Young.

Absent: None

PUBLIC COMMENT ON AGENDA ITEMS: Public comments were received.

2021-100 CONSENT AGENDA:

A. <u>Approval of Minutes</u> City Clerk

SUMMARY OF REQUEST: To approve the minutes of the October 26, 2021 Regular Meeting.

STAFF RECOMMENDATION: To approve the minutes.

B. <u>On-Premise Tasting Room Permit for West Michigan Rum Company, LLC</u> City Clerk

SUMMARY OF REQUEST: To adopt a resolution approving a new On-Premise Tasting Room Permit for West Michigan Rum Company, LLC at 333 W. Western Avenue, Suites 2 & 4, Muskegon, MI 49440.

STAFF RECOMMENDATION: To adopt the resolution for a new On-Premise Tasting Room Permit for West Michigan Rum Company, LLC at 333 W. Western Avenue, Suites 2 & 4, Muskegon, MI 49440.

E. <u>Peck Street Change Order #005</u> DPW

SUMMARY OF REQUEST: Staff is requesting approval of Change Order #005 on the Peck Street project as the overall project has exceeded staff approval levels for change orders.

Change Order #005 represents several minor adjustments needed on the project as a result of the continuing work. These items are all assigned as city responsibility as opposed to the bulk of the additional work to date on the project which is the responsibility of Muskegon Public Schools.

It is anticipated that there will be one additional Change Order needed to complete this project which will balance all final quantities upon full completion and acceptance of work.

Change Order #005 is brought for consideration by the Commission as this project in total has exceeded the staff approval thresholds for Change Orders, primarily because of the additional work for MPS.

The "Amount Budgeted" noted below is a snapshot of the project contingency prior to approval of this change order. If approved the remaining contingency will drop to $63,090.94.

AMOUNT REQUESTED: $26,678.30 AMOUNT BUDGETED: $89,769.24

FUND OR ACCOUNT: 591-60558-5219

STAFF RECOMMENDATION: Authorize staff to approve Change order #005 to Project 92010 in the amount of $26,678.30 for the additional work as noted.

F. <u>Liquid Sodium Hypochlorite – Change Order #002</u> Public Works-Filtration

SUMMARY OF REQUEST: Staff is requesting authorization to accept the temporary price increase of liquid sodium hypochlorite from Alexander Chemical.

The Water Filtration Plant uses sodium hypochlorite in the production of drinking water. The application of sodium hypochlorite is one of several crucial processes used to inactivate or remove pathogens from the water. Since 1996, the Water Filtration Plan has solicited competitive bids for water treatment chemicals jointly with the cities of Grand Haven, Grand Rapids, Holland, Muskegon Heights, and Wyoming.

Major disruptions in the liquid sodium hypochlorite supply chain have been exacerbated by Hurricane Ida. Our supplier of liquid sodium hypochlorite, Alexander Chemical, has been able to obtain a limited supply of these materials in order to keep us supplied. However, it has come at an increased cost due to rising material prices. This is an industry-wide problem, and similar challenges would be experienced with any of the other companies that provided quotes for the work.

At the July 13, 2021 meeting, the Commission approved a change order from Alexander Chemical for a temporary price increase from $156.67 per ton to

$205.58 per ton. Alexander Chemical is requesting another temporary price increase until the market stabilizes and pricing comes back in line. Alexander requests a temporary increase to $290.00 per ton. Grand Rapids holds the master agreement for the purchasing cooperative and has already approved this change order.

Prior to this price increase, the Water Filtration Plan has spent $35,054.02 to procure liquid sodium hypochlorite. If this temporary price increase remains in effect for the remainder of the fiscal year, it is estimated an additional $86,420.00 will be spent, bringing the FY 21-22 total cost to $121,474.02. Liquid sodium hypochlorite is included in the budget, but the actual amount spent will depend on the volume of the water treated, the quality of the source water, and the duration of the temporary price increase. The additional amount requested will be addressed in a budget reforecast if necessary.

AMOUNT REQUESTED: $121,474.02(estimate) ($27,729.54 over last request)

AMOUNT BUDGETED: $72,864.00

FUND OR ACCOUNT: 591-60558-5219

STAFF RECOMMENDATION: Authorize staff to purchase liquid sodium hypochlorite from Alexander Chemical at a temporary increased price of $290.00 per ton.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to accept the consent agenda as presented minus items, C and D.

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

Nays: None

MOTION PASSES

2021-101 REMOVED FROM CONSENT AGENDA:

C. <u>Non-Union Pay/Benefits</u> City Manager

SUMMARY OF REQUEST: Staff is seeking approval of the 2022 Non-Union Employee Wage and Benefit Program as detailed below.

With CPI expected to be between 3% and 4%, we are seeking approval of the following:

1. 2.0% wage adjustment
2. Increase the employee residency incentive from 4.5% to 6%.
3. .5% lump sum payment for all non-union staff.
4. Additional 1.0% lump sum payment for <u>all vaccinated staff</u>. This would be payable the first payroll in January; unvaccinated staff will have time to complete their vaccinations.

5. Every March, employees are able to cash out a portion of the value of their accrued and unused sick time. To receive the full value, the employee is required to deposit the proceeds directly into a retirement savings account or a dependent college savings fund. We are asking to make a permanent change to remove the requirement to invest those funds into either of those savings accounts. This should be cost-neutral to the city.
6. No budget amendment will be necessary.

Note: Due to pandemic concerns, no wage adjustment was granted to non-union staff in 2021.

FUND OR ACCOUNT: Various

STAFF RECOMMENDATION: Approve the wage and benefit program as detailed.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to approve the wage and benefit program as detailed.

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

Nays: None

MOTION PASSES

D. <u>Solid Waste Ordinance Amendment</u> City Manager

SUMMARY OF REQUEST: Staff is seeking approval of an amendment to Chapter 70, Article II of the Code of Ordinances in coordination with the revised Sanitation Policy.

The newly adopted Sanitation Policy includes revised times when refuse collection carts can be placed at the curb and restricts where the carts can be stored. Staff is seeking a change to the Solid Waste ordinance to match the new standards. A summary of requirements for storage of refuse collection carts in neighboring cities is included for reference. Staff will continue to seek compliance through issuance of warnings when the ordinance is not followed and will assist neighbors who have individual hardship related to this ordinance.

STAFF RECOMMENDATION: To amend and adopt Chapter 70, Article II, Section 31(a) of the Code of Ordinances for Solid Waste.

Motion by Commissioner Ramsey, second by Commissioner Rinsema-Sybenga, to amend and adopt Chapter 70, Article II, Section 31(a) of the Code of Ordinances for Solid Waste.

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

Nays: None

MOTION PASSES

2021-102 NEW BUSINESS:

A. <u>Amendment to Lakeside Form Based Code – Marihuana Facilities</u>
Planning

SUMMARY OF REQUEST: Staff initiated request to amend the Lakeside Form Based Code to allow caregivers, microbusinesses, designated consumption establishments, class A recreational grows, class B recreational grows, class A medical grows and temporary marihuana events as a special use permitted in the Lakeside Commercial and Lakeside Heavy Commercial context areas.

The Planning Commissions motion to recommend approval of the request ended in a tie, with three Commissioners voting yes and three commissioners voting no, with three Commissioners absent.

Staff presented this idea to the City Commission at the September work session.

STAFF RECOMMENDATION: To approve the request to amend the Lakeside Form Based Code to allow caregivers, microbusinesses, designated consumption establishments, class A recreational grows, class B recreational grows, class A medical grows and temporary marihuana events as a special use permitted in the Lakeside Commercial and Lakeside Heavy Commercial context areas.

Motion by Commissioner Ramsey, second by Vice Mayor Hood, to approve the request to amend the Lakeside Form Based Code to allow caregivers, microbusinesses, designated consumption establishments, class A recreational grows, class B recreational grow, class A medical grows and temporary marihuana events as a special use permitted in the Lakeside Commercial and Lakeside Heavy Commercial context areas.

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

Nays: Gawron and Emory

MOTION PASSES

SECOND READING REQUIRED.

ANY OTHER BUSINESS:

Commissioner Ramsey requested a progress report for the Watermark building at the next meeting. Commissioner Rinsema-Sybenga advised the City Commission that staff has started the process for appointments and re-appointments to the Community Relations Commission Boards and Committees. Commissioner Johnson thanked Commissioner Rinsema-Sybenga for his leadership on the Community Relations Committee and his excellent work as chair of the CRC.

PUBLIC COMMENT ON NON-AGENDA ITEMS: Public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 6:33 p.m.

Respectfully Submitted,

Kimberly Young, Deputy City Clerk