

City of Muskegon

Work Session

Minutes

September 11, 2023, 5:30 pm

Muskegon City Hall

933 Terrace Street, Muskegon, MI 49440

Present: Mayor Ken Johnson
Commissioner Rachel Gorman
Commissioner Rebecca St.Clair
Commissioner Eric Hood
Vice Mayor Willie German, Jr.
Commissioner Michael Ramsey
Commissioner Teresa Emory

Staff Present: City Manager Jonathan Seyferth
City Clerk Ann Meisch
Deputy City Clerk Kimberly Young

2023-94

1. Call to Order

Mayor Ken Johnson called the Worksession meeting to order at 5:33 p.m.

2. New Business

2.a Remarks from the Mayor Regarding 9-11 Commemoration

Mayor Johnson attended a 9-11 Commemoration Event at the USS Silversides Museum. He shared excerpts of the some of the remarks he gave at the event. A moment of silence was observed. Never Forget.

2.b Former Employee Health Refund Calculation

Traditionally (and per all 5 union contracts) employees paid 10% of their health benefits (after 2017 this included three components Health Insurance, Co-insurance, and Deductibles). At some point, an error in the calculation occurred, and employees began paying more than 10%. This was brought to our attention

in early 2023, and the insurance contributions have been corrected for all active employees. The commission must now consider addressing this matter with former team members who left employment between the error starting and being corrected.

Starting in 2017 the City began using three different factors to determine employee contributions to their insurance premiums (a percent of actual monthly premiums and a percent of City Paid Benefits (co-insurance & deductibles)). Prior to 2017, just insurance premiums were used as a factor. This change was made because of cost increases in co-insurance and deductibles.

Sometime after 2017 a calculation error occurred and employee contributions increased above the 10% level.

Earlier this year the City Commission approved repayment of benefit overpayments to current employees. The administration is now asking the Commission to consider reimbursement of the overpayment to former employees who left the City between 2017 and the end of 2022 who also overpaid insurance premiums.

During that time period, we had 58 former team members who took health insurance and overpaid. Individual overpayment ranges from about \$3,200 to less than \$10. The total cost to repay these former team members the overpayment is \$51,696.83.

AMOUNT REQUESTED: \$52,696.83

FUND OR ACCOUNT: Various - The appropriate departments and fund will cover this cost.

City Manager Jonathan Seyferth provided an overview of this item. Multiple departments and multiple funds are impacted by this overpayment and it has taken some time to calculate all of the adjustments for those that have left the employment of the City. This item will appear on the September 26, 2023 Agenda for consideration.

2.c Cost Recovery Ordinance 22 - Public Safety

Cost Recovery Ordinance Section 22, for Department of Public Safety.

This Chapter is adopted to enable the City of Muskegon to bill for and collect “cost recovery charges”, as defined herein, from those receiving direct benefits from fire department services, police department services, public works, and

other emergency services provided by the City compared to the fee chart. It is expressly the purpose of this Chapter to provide for and promote the safety and welfare of the general public.

FUND OR ACCOUNT: 101-336-971

Chief Kozal spoke about the proposed cost recovery ordinance, explaining how it would be beneficial to the city to help recover some of the cost of police, fire and DPW services in certain situations, on a case-by case basis. Discussion took place and some adjustments will be made to portions of the proposed ordinance. This will be on the agenda at a later regular meeting for further consideration.

2.d Amendment to Ride Muskegon Agreement - Manager's Office

City staff is working with Ride Muskegon, LLC on developing an amendment to their operating agreement.

The final operating agreement was approved in April of 2022, but the owner was unable to receive and place scooters into operation. With a new partner and the ability to purchase scooters, the owner is requesting an amendment to the agreement to do the following.

Reset the initial term for the duration of January 1, 20024 to December 31, 2024

Update the Non-Parking Zone Fee to \$50 each occurrence

It is important to note that there is potential for the agreement to be in effect for 25 years. During that time, Ride Muskegon, LLC has exclusive use of the parking locations included in the attachments. No competitor can locate on city property within 500 feet of any of the parking locations for the entire term of the agreement.

Marked up versions of the approved documents are included in the packet. Please note the highlighted sections and the comments provided.

Deputy City Manager, Leigh Ann Mikesell, reviewed proposed changes to the Ride Muskegon Agreement. Changes are being requested after implementation due to unforeseen circumstances discovered after implementation. Discussion took place and the consensus of the commission is to terminate the agreement.

2.e Rezoning Update - Planning

On Thursday, September 14, the Planning Commission will hear the following case: Hearing, Case 2023-23: Staff-initiated request to rezone all of the properties zoned R-1, R-2, R-3, and RT in the McLaughlin, Angell, and Jackson Hill neighborhoods to FBC-UR.

Mike Franzak, Planning Manager, explained that the McLaughlin, Angell, and Jackson Hill Neighborhoods are being targeted for rezoning to Form Based Code in order to expand the types of housing choices that can be built in those neighborhoods.

Due to the amount of public outreach that has already been done in these neighborhoods, they have been selected for potential rezoning. The Planning Department is focused on finding housing options that fit in to these neighborhoods and wants to work closely with them to move forward with infill housing.

The proposed rezoning item is scheduled for a Public Hearing with the Planning Commission on September 14, 2023.

More housing options help lead to more affordable housing. Discussion took place regarding the proposed rezoning. Economic Development Director, Jake Eckholm, also addressed the commission and provided more context supporting the proposed zoning changes. Adopting Form Based Code zoning in the McLaughlin, Angell, and Jackson Hill Neighborhoods would allow for duplex, triplex, and quadplex units as well as the ability to build single family homes on smaller lots as well as several other changes to allow more options for construction. More discussion took place. This item will be considered on September 26, 2023.

2.f Driver's Licenses for Undocumented Individuals - Manager's Office

The state legislature is currently considering the Drive SAFE (Safety, Access, Freedom, and the Economy) Act, which would provide undocumented Michigan Residents with the option to obtain a Michigan Driver's license. The City Commission is being asked to consider approving a resolution in support of this legislation that can be shared with State Legislators.

Commissioner Ramsey provided an overview of the status of the ability for non-citizens to obtain Michigan Driver's Licenses. He is seeking support for a resolution of support for the Drive SAFE Act. The resolution will be on the agenda at a later date.

2.g Shoreline Drive Road Diet Study

DPW Director Dan VanderHeide provided an update, from an engineering standpoint things are going well - public feedback has been coming in. We have implemented lane closures and landscaping. The other two elements of the pilot have not been implemented but work continues to get this done. Pilot will run through the end of October.

Discussion took place regarding the elements of the pilot, FAQs are being updated as more comments and questions come in from the public.

3. Public Comment

No public comment was received.

4. Adjournment

The Work Session meeting adjourned at 8:00.

Respectfully Submitted,

Ann Marie Meisch, MMC - City Clerk