CITY OF MUSKEGON

CITY COMMISSION MEETING

SEPTEMBER 10, 2019 @ 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, September 10, 2019, Deacon William Cook, St. Mary's of the Immaculate Conception, 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 Byron Turnquist, Ken Johnson, Debra Warren, Dan Rinsema-Sybenga, and Willie German, Jr., City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

HONORS AND AWARDS:

A. <u>Certificate of Recognition for John and Angie King</u>

Commissioner Willie German, Jr. presented John and Angie King with a Certificate of Recognition, on behalf of the City Commission, in recognition of the years of commitment to the youth in the community relative to the Port City Football Program.

PUBLIC COMMENT ON AGENDA ITEMS: Public comments were received.

2019-71 CONSENT AGENDA:

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

SUMMARY OF REQUEST: To approve the minutes of the August 27, 2019 Regular Meeting.

STAFF RECOMMENDATION: Approval of the minutes.

B. <u>MUPD Radar Message Trailer</u> Public Safety/MUPD

SUMMARY OF REQUEST: Seeking City Commission authorization for the purchase of a Speed Alert Radar Message Trailer to provide drivers with speed feedback, messages specific to vehicle speeds, or dedicated messages. This is a versatile tool for both traffic calming and messaging.

STAFF RECOMMENDATION: To approve the purchase of a Speed Alert Radar Message Trailer from All Traffic Solutions for $15,985.00.

C. Increase in General Fund Transfer to LC Walker Arena Fund and Farmers Market/Kitchen 242 Fund Finance

SUMMARY OF REQUEST: The LC Walker Fund and the Farmers Market/Kitchen 242 Fund required a larger transfer from the General Fund then what was budgeted to prevent a deficit. Increases are needed of $50,000 and $15,000 for LC Walker Arena Fund and Farmers Market/Kitchen 242 Fund respectively.

Based on the financial results for the fiscal year ended June 30, 2019, the LC Walker Arena and Farmers Market/Kitchen 242 Fund required a larger transfer from the General Fund then what was budgeted for in the 3rd quarter reforecast, to prevent a fund deficit. The LC Walker Fund needs to be increased from $425,000 to $475,000 and the Farmers Market/Kitchen 242 Fund needs to be increased from $20,000 to $35,000.

STAFF RECOMMENDATION: To approve the increase to the General Fund transfers for the LC Walker Arena to $475,000 and Farmers Market/Kitchen 242 fund to $35,000.

D. Updates to MERS Defined Contribution Plan Adoption Agreements Finance

SUMMARY OF REQUEST: MERS of Michigan has requested we update our Defined Contribution Plan Adoption Agreements to ensure MERS has the correct information regarding what is included and excluded for MERS wage calculations.

After an audit conducted by MERS of our payroll system it was discovered that MERS needed many updates to our Plan Adoption Agreements for our Defined Contribution groups.

STAFF RECOMMENDATION: To approve the updates to the MERS Defined Contribution Plan Adoption Agreements.

E. Update to MERS Defined Benefit Plan Adoption Agreement – Command Finance

SUMMARY OF REQUEST: Per the 2019-2022 Police Command contract, overtime pay is included in calculating MERS wages beginning January 1, 2019, this change requires an update to our MERS Plan Agreement.

After an audit was conducted by MERS of our payrolls system it was discovered that we need to update many of our Plan Agreements for changes made per union agreements, or for policy/procedures not communicated to MERS in the past. The current Police Command contract calls for overtime wages to be included in the MERS wage calculation beginning January 1, 2019. This change requires an update to the Plan Adoption Agreement.

STAFF RECOMMENDATION: To approve the update to the MERS Plan Adoption Agreement for Police Command to include overtime pay in MERS wage calculation.

F. MDNR Urban Forestry Grant DPW

SUMMARY OF REQUEST: Staff is seeking approval to apply for an Urban Forestry Grant from the Michigan Department of Natural Resources. If awarded, the grant would be used to complete an inventory of the existing street and park trees within the City of Muskegon, to prepare an urban tree canopy analysis, and to develop a long-range plan for the management and development of the urban forest within the City of Muskegon.

STAFF RECOMMENDATION: Authorize staff to apply for an MDNR Urban Forestry Grant and commit to providing matching funds for the grant application of up to $20,000.

G. Prein & Newhof Lakeshore Drive Amendment #1 DPW

SUMMARY OF REQUEST: A number of items were added to the Lakeshore Drive Project that were not included in the original scope of work, including replacement of two water mains and additions to streetscaping, causing an increase in engineering services.

During design of the project at the request of the City a number of items were added to the project that were not included in the original scope of work. The largest of these items was the addition of replacement of the two existing 100+ year old water mains. A number of other additions to the streetscape work were added relative to the project. The 18-19 budget included $200,000 in the water fund budget to cover these additional costs. The unused portion of the 18-19 budget will be carried forward to the 19-20 budget in a future reforecast. The major street fund budget between 18-19 and 19-20 fiscal years budgeted to cover the other increases relative to the changes in the streetscape. The overall Engineering Services charge for this $6.1 Million project stands at 11% with inclusion of this amendment which is a lower overall rate than other comparable projects.

STAFF RECOMMENDATION: Authorize staff to sign Amendment #1 to the Professional Services Agreement with Prien & Newhof for the Lakeshore Drive project in the amount of $279,000.

H. Pavement Warranty Resolutions DPW

SUMMARY OF REQUEST: Resolutions to adopt and implement pavement warranty guidelines are a requirement of MCL 247.663. The proposed resolutions are as recommended for adoption by MDOT and the Michigan Municipal

League. Adoption of the guidelines is required prior to September 18, 2019.

STAFF RECOMMENDATION: Authorize the Mayor and Clerk to sign the resolutions to adopt and implement the pavement warranty guidelines as required by law.

I. Amendment to Vacant Building Ordinance and Vacant Building Registration Fees Planning Department

SUMMARY OF REQUEST: Amend Section 10-107 of the City Code of Ordinances to require seasonal homes to be registered with the Public Safety Division, allow additional circumstances for waiving vacant building fees, and eliminate additional fees being applied when registration fees are not paid. Staff is also seeking approval of modification to Vacant Building Registration Fees for buildings zoned for Residential Use and for buildings zoned for Commercial or Industrial Use.

To amend Section 10-107 of the City Code of Ordinances to modify which buildings must be registered and the process and circumstances for waiving fees. The amendment would require seasonal homes to be registered with the Public Safety Division, allow additional circumstances for waiving vacant building fees, and eliminate additional fees being applied when registration fees are not paid. Staff is also seeking approval of modification to Vacant Building Registration Fees for building zoned for Residential use and for buildings zoned for Commercial or Industrial Use. No Fees will be charged until the building has been vacant for one year.

Vacant Building Zoned for Residential Use - $100 per year

Vacant Building Zoned for Commercial or Industrial Use - $500 per year

STAFF RECOMMENDATION: To approve the amendments to Section 10-107 of the City Code of Ordinances and to approve the modification of Vacant Building Registration Fees.

Motion by Commissioner Johnson, second by Commissioner German, to accept the consent agenda, as presented, minus items J and K.

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

Nays: None

MOTION PASSES

2019-72 ITEMS REMOVED FROM CONSENT AGENDA:

J. LC Walker Arena Restroom Renovations City Manager

SUMMARY OF REQUEST: City staff is requesting approval of the proposal to undertake significant upgrades to the arena restrooms. The upgrades will include relocating the Western Avenue restrooms to the alley side of the concourse.

As part of our effort to better utilize the LC Walker Arena's Western Avenue frontage, we are relocating the restrooms to the alley side of the building. The DDA completed a $1 Million transfer to the Public Improvement Fund in FY 18-19; $250,000 was allocated to the restroom relocation. All costs above $250,000 will be absorbed by the Public Improvement Fund.

Staff received two bids for this project; which included construction of the new restaurant along Western Avenue. Platinum Contracting submitted the lowest bid. Platinum's bid of $407,767.66 was 46% less then J.J. Veneklasen's bid of $763,250.00

Platinum's original bid allocated $233,214.07 to the restroom portion of the project. After a number of changes to the construction scheduling and finishes/products, we settled on a project cost of $246,925.92. Staff is requesting 15% contingency and soft cost budget (unforeseen changes, architect, etc.)

STAFF RECOMMENDATION: Accept the bid from Platinum Construction in the amount of $246,925.92 and further authorize a contingency and soft-costs budget for the project equal to 15% of construction costs, with a total project not to exceed amount of $284,000.

Motion by Commissioner Warren, second by Commissioner Rinsema-Sybenga, to accept the bid from Platinum Construction in the amount of $326,925.92 and further authorize a contingency and soft-costs budget for the project equal to 15% of construction costs, with a total project not to exceed amount of $284,000.

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

Nays: None

MOTION PASSES

K. <u>AmeriBank RFP Recommendation</u> Economic Development

SUMMARY OF REQUEST: Staff has reviewed proposals from developers for 880 First Street and have selected a preferred developer in 880 First Street LLC, a partnership of Ferguson Development and Brianna Scott.

STAFF RECOMMENDATION: To endorse the development proposal submitted by 880 First Street, LLC and allow staff to negotiate and execute a development agreement.

Motion by Commissioner German, second by Commissioner Johnson, to endorse the development proposal submitted by 880 First Street, LLC and allow staff to negotiate and execute a development agreement.

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

Nays: None

MOTION PASSES

2019-73 NEW BUSINESS:

A. <u>PILOT – Samaritas</u> Planning Department

SUMMARY OF REQUEST: Samaritas is proposing an affordable housing development at 4 W Webster Avenue and is requesting a Payment in Lieu of Taxes (PILOT) for the project. The development will include 53 residential for seniors and a 900 square foot commercial space on the first floor. A service charge of 4% will be imposed, as well as a municipal services fee of 2%.

There will be 53 one-bedroom units. Income targeting is based on 10 units at 30% AMI (Area Median Income); 9 units at 40% AMI; 1 unit at 50% AMI, 17 units at 60% AMI; and 16 units at 80% AMI. The project will have eight project-based vouchers for residents age 55 and over.

STAFF RECOMMENDATION: To approve the Contract for Housing Exemption and the Municipal Services Agreement with Samaritas and to authorize the Mayor and Clerk to sign both.

Motion by Commissioner Warren, second by Commissioner German, to approve the Contract for Housing Exemption and the Municipal Services Agreement with Samaritas and to authorize the Mayor and Clerk to sign both.

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

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Updates were provided to the City Commission on some items.

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

2019-74 CLOSED SESSION:

A. <u>Attorney/Client Privileged Communication</u>

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to go into Closed Session for the purpose of discussing Attorney/Client privileged communication.

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

Nays: None

MOTION PASSES

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to return to open session.

MOTION PASSES

ADJOURNMENT: The City Commission meeting adjourned at 8:20 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk