CITY OF MUSKEGON

CITY COMMISSION MEETING

JULY 13, 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, July 13, 2021, Mayor Stephen J. Gawron 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 Ken Johnson, Dan Rinsema-Sybenga, Teresa Emory, and Michael Ramsey, City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Commissioner Willie German

HONORS, AWARDS, AND PRESENTATIONS:

A. Check Presentation by Consumers Energy Development Services

Rich Houtteman from Consumer's Energy presented a check to the City to cover the cost of deconstruction of a pavilion near the city's leaf dump site. The pavilion will potentially be reconstructed at Buekema Park. Consumer's Energy also donated a plaque to be installed on the bike path near the former B.C. Cobb plant site. The plaque was installed by the Department of Public Works.

B. Food Assistance Report Community and Neighborhood Services

Oneata Bailey, Director of Community and Neighborhood Services, updated the City Commission on a Food Assistance program. The Community and Neighborhood Services Department has partnered wit AgeWell Services of West Michigan and the YMCA to feed those in need. Food Assistance giveaways were introduced to respond to COVID-19 pandemic situations support with addition funds from HUD called CDBG-CV. AgeWell Services organized three separate events within the City of Muskegon. Three sites were chosen to assist citizens with Food Giveaways. The first was at Marsh Field; the second was dedicated to the Muskegon Housing Commission tenants, and the third site was completed at the Baker College parking lot across from the City's Farmer's market. The program was a great success and the turnout was outstanding.

PUBLIC COMMENT ON AGENDA ITEMS: No public comments were received.

2021-64 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the June 22, 2021 Regular Meeting.

STAFF RECOMMENDATION: To approve the minutes

D. Olympia Ice Resurfacer Mercy Health Arena

SUMMARY OF REQUEST: Request to purchase a new replacement Olympia ice resurfacer (Zamboni). Our current ice resurfacer is 22 years old. We are looking toward the future, and a new resurfacer now will give us at least another 25 years of service. This is a piece of equipment that is absolutely essential for arena competitions and ice maintenance. During a typical 9-month season, it is used almost all day, 7 days per week. The new 2022 model is more fuel efficient, is much "smarter" with how it maintains the ice, and is also fully compatible with our current ice laser cutting system. The build time is about 10 months, so we need to order it soon to be ready for the 2022-2023 season.

AMOUNT REQUESTED: $102,175 AMOUNT BUDGETED: $125,000

FUND OR ACCOUNT: 254

STAFF RECOMMENDATION: To authorize the purchase of a new Olympia ice resurfacer in the amount of $102,175.

F. CDBG/HOME Annual Action Plan Budget Community and Neighborhood Services

SUMMARY OF REQUEST: To approve the 2021 Annual Action Plan Budget representing the funding allocations from Housing and Urban Development (HUD) for Community Development Block Grant (CDBG) funds and HOME Investment Partnership Act (HOME) dollars. Upon review with the Citizen District Council and Public Comment submissions, the CNS Department has compiled a budget of proposed program activities to be funded in the coming year – July 2021 through June 30, 2022. The Budget/Program Activity Services funded with CDBG and HOME allocation for 2021 Annual Action Plan are provided.

AMOUNT BUDGETED: CDBG - $988,508; HOME - $336,456

FUND OR ACCOUNT: 472/473

STAFF RECOMMENDATION: To approve the 2021 Annual Action Plan Budget for CDBG and HOME HUD allocations.

G. Liquid Sodium Hypochlorite 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 Plant has solicited competitive bids for water treatment chemicals jointly with the cities of Grand Haven, Grand Rapids, Holland, Muskegon Heights, and Wyoming.

Recently, major disruptions have occurred in the liquid sodium hypochlorite supply chain. Demand for precursor materials has well exceeded supply. 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 with the liquid sodium hypochlorite we require. However, it has come at a premium cost, with material prices increasing as much as 210%. This is an industry-wide problem and we would have experienced similar challenges with any of the other companies that provided quotes for the work.

At the April 13, 2021 meeting, the Commission approved a bid from Alexander Chemical at $156.67 per ton ($0.78 per gallon). Alexander Chemical is requesting a temporary price increase until the market stabilizes and pricing comes back in line. Alexander requests an increase to $205.58 per ton ($1.03 per gallon) to return to a break-even state after recently losing money on every order. Grand Rapids holds the master agreement for the purchasing cooperative and has already approved this change order.

The Water Filtration Plant has used an average of 456 tons of liquid sodium hypochlorite the previous two fiscal years. The temporary increase could cost an additional $22,302.96 annually based on average use. Liquid sodium hypochlorite is included in the budget, but the actual amount spent will depend on water demand and source water quality. The additional amount requested will be addressed in a budget reforecast if necessary.

AMOUNT REQUESTED: $93,744.48 (Estimate) AMOUNT BUDGETED: $72,864.00

FUND OR ACCOUNT: 591-60558-5219

STAFF RECOMMENDAITON: Authorize staff to purchase liquid hypochlorite from Alexander Chemical at a temporary increased price of $1.03 per gallon.

H. <u>Fire Station Upgrades (Central)</u> Public Safety

SUMMARY OF REQUEST: Staff is seeking approval of the projected budget for the upgrades, modifications, enhancements, and repairs to the Central Fire Station. In November 2020, the Commission approved $236,230.00 in enhancements and repairs for Muskegon Fire Central Station. Over the past 8 months change orders and other upgrades were required in addition to the Dispatch expansion and remodel. Some of the costs are in fact Dispatch's responsibilities while others are

directly assigned to Muskegon Fire Department. The Summary sheet with the scope, costs, updates and basic notes to support the upgrades and repairs to complete the dual use fire station is provided. At this time staff is requesting and additional $165,468.00 in funding.

AMOUNT REQUESTED: $165,468.00

FUND OR ACCOUNT: 101-92114-5750

STAFF RECOMMENDATION: Staff recommends that approval of the projected budget for the upgrades to the Fire Central Station.

I. <u>Peck Street Change Order #003 & #004</u> Public Works

SUMMARY OF REQUEST: Staff is seeking approval of Change Orders #003 and #004 to the Peck Street Construction Project (590/591-92010) with Kamminga & Roodvoets.

Change Order #003 represents the additional work that will be completed on the project to facilitate the Muskegon Public Schools projects at their High School and Middle School site. This was previously discussed at the June 22, 2021 Commission Meeting in the form of a cost sharing agreement for these items. As discussed at that time, the plan for this work is that MPS will reimburse the City upon completion.

Change Order #004 represents several other minor adjustments needed on the project.

Both are brought for consideration as this project in total has exceeded the staff approval thresholds for Change Orders.

The remaining Contingency noted below is a snapshot prior to approval of these change orders. If approved that number will drop to $89,769.24 which accounts for the $508,762.31 in added expenses and the estimated $468,980.36 in reimbursement from MPS. The end result being that the project still carries a positive contingency balance.

AMOUNT REQUESTED: $508,762.31 AMOUNT BUDGETED: $192,686.16

(Remaining Contingency)

STAFF RECOMMENDATION: Authorize staff to approve Change orders #003 and #004 to Project 92010 in the amount of $508,762.31 for the additional work.

K. <u>Special Event Fee Waiver – Muskegon Polish Festival</u> Public Works

SUMMARY OF REQUEST: Muskegon Polish Festival is seeking a Special Event Fee Waiver for their annual festival in Hackley Park on September 3 and 4, 2021.

Muskegon Polish Festival is back in Hackley park to celebrate Polish Heritage with food vendors, polka music, dancing, and a children's area. They are asking their City fees be waived for 2021. Based on the needs of their event, the

estimated cost of their event is $1,000. ($1,000 – 2 days Hackley Park user fee.)

STAFF RECOMMENDAITON: To approve the request from Muskegon Polish Festival to waive $1,000 in special event fees.

L. <u>MJ Verdant Consumption Event</u> City Clerk

SUMMARY OF REQUEST: MJ Verdant is proposing a MJ Verdant harvest Celebration consumption event at 1823 Commerce Street in Muskegon. The City Clerk's signature is required on the attestation form for the event permit filed with the State of Michigan.

A detailed outline of the event is provided. This is an on-site cannabis consumption event. This is the first time this neighborhood has had live music so staff is asking for approval fo the live bands as well as permission for the Clerk to sign the required attestation for the State. Staff met with the organizers to discuss logistics and is satisfied with the plan as outlined.

STAFF RECOMMENDATION: To authorize the clerk to sign the attestation and approve live music at 1823 Commerce Street on October 9, 2021

M. <u>Community Relations Committee Recommendations</u> City Clerk

SUMMARY OF REQUEST: To accept the resignation of a member, Ernest Fordham - from the Zoning Board of Appeals. Term expires 1/31/2023.

STAFF RECOMMENDATION: To concur with the recommendation of the Community Relations Committee and accept the resignation of Ernest Fordham from Zoning Board of Appeals.

Motion by Commissioner Johnson, second by Vice Mayor Hood, to accept the consent agenda as presented, except items B, C, E, and J.

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

Nays: None

MOTION PASSES

2021-65 REMOVED FROM CONSENT AGENDA:

B. <u>Taste of Muskegon Special Liquor License</u> City Clerk

SUMMARY OF REQUEST: The Muskegon City Clerk's Office is seeking Commission approval to apply for a special liquor license for beer, wine, and spirit service for the Taste of Muskegon being held in Hackley Park on Friday, September 24, 2021 and Saturday, September 25, 2021.

STAFF RECOMMENDATION: To authorize the City Clerk's office to apply for a special liquor license for the Taste of Muskegon.

Motion by Commissioner Ramsey, second by Commissioner Johnson, to authorize the City Clerk's Office to apply for a special liquor license for the Taste

of Muskegon

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

Nays: None

MOTION PASSES

C. <u>Resolution to Place Charter Amendment on the November 2, 2021 Ballot</u> City Clerk

SUMMARY OF REQUEST: On May 22, 2021 the City Commission adopted a resolution approving a charter amendment to be placed on the November 2, 2021 Ballot. Our City Attorney sent a certified copy of the resolution and proposed ballot language to the Attorney General and his office has requested some changes.

STAFF RECOMMENDATION: To approve the resolution to place a charter amendment question on the November 2, 2021 ballot.

Motion by Commissioner Ramsey, second by Commissioner Rinsema-Sybenga, to approve the resolution to place a charter amendment question on the November 2, 2021 ballot.

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

Nays: None

MOTION PASSES

E. <u>Issue Media Group</u> City Manager

SUMMARY OF REQUEST: Issue Media Group is a weekly publication that looks to revive traditional media in smaller or underserved markets. The content is 100% independent – meaning that the underwriters do not drive the content. The strategy is to focus on news features/stories in our community from the perspective of finding solutions. While we do still have active media in Muskegon, its exceedingly difficult to cover all of the great things happening in the area. This partnership will help ensure that more of the stories coming from our neighborhoods are being told in a thoughtful and thorough way.

AMOUNT REQUESTED: $12,000 AMOUNT BUDGETED: $12,000

FUND OR ACCOUNT: Multiple

STAFF RECOMMENDATION: Authorize the expenditure of $12,000 to partner with the Community Foundation for Muskegon County and Issue Group Media.

Motion by Commissioner Ramsey, second by Commissioner Rinsema-Sybenga, to authorize the expenditure of $12,000 to partner with the Community Foundation for Muskegon County and Issue Media Group.

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

Nays: None

MOTION PASSES

J. <u>Concession Agreement – Grand Traverse Pie Company</u> Public Works

SUMMARY OF REQUEST: Staff is asking permission to enter into a contractual agreement for 2021 with Logan Linck of "Grand Traverse Pie Company" at Pere Marquette Park. Commission from the Concession would be $500 plus 5% of Gross Receipts.

STAFF RECOMMENDATION: Authorize staff to enter into a Concession Agreement with Logan Linck of "Grand Traverse Pie Company", at Pere Marquette Park.

Motion by Commissioner Ramsey, second by Commissioner Johnson, to authorize staff to enter into a Concession Agreement with Logan Linck of Grand Traverse Pie Company, at Pere Marquette Park.

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

Nays: None

MOTION PASSES

2021-66 PUBLIC HEARINGS:

A. <u>Establishment of Commercial Redevelopment District – 623/639 W Clay Avenue</u> Planning

SUMMARY OF REQUEST: Pursuant to Public Act 255 of 1978, as amended, 639 W. Clay Partnership, LLC has requested the establishment of a Commercial Redevelopment District. The creation of the district will allow the building owner to apply for a Commercial Facilities Exemption Certificate which will provide a 50% reduction in the number of mills levied as ad valorem taxes, excluding the State Education Tax. The applicant intends on applying for the certificate at a later date.

STAFF RECOMMENDATION: To close the public hearing and approve the establishment of a Commercial Redevelopment District at 623 and 639 W. Clay Avenue

PUBLIC HEARING COMMENCED: No public comments were received.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Vice Mayor Hood, to close the public hearing and approve the establishment of a Commercial Redevelopment District at 623 and 639 W. Clay Avenue.

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

Sybenga

Nays: None

MOTION PASSES

2021-67 UNFINISHED BUSINESS:

A. Rezoning of 1747 7th Street – 2nd Reading Planning

SUMMARY OF REQUEST: Request to rezone the property at 1747 7th Street from I-2, General Industrial to B-4, General Business, by Muskegon Rescue Mission.

The Planning Commission unanimously voted in favor of recommending approval of the rezoning to the City Commission.

STAFF RECOMMENDATION: To approve the request to rezone the property at 1747 7th Street.

2021-68 NEW BUSINESS:

A. Phase 4 LED Upgrade Public Works

SUMMARY OF REQUEST: Authorize the DPW Director to sign the agreement with Consumer's Energy and issue payment for the final phase of LED Streetlight Upgrades.

The attached authorization represents LED upgrades throughout the remaining portions of the City. The geographic area for the remaining upgrades is entirely west of Seaway Drive within the City limits.

Once authorized and payment issued it is expected that upgrades will begin this fall. In previous years this process has taken between 2-6 months to complete once started depending on workload for Consumers Energy staff.

Updated pricing from Consumers Energy resulted in the small difference between the invoice and the established budget.

AMOUNT REQUESTED: $486,401.00 AMOUNT BUDGETED: $479,588.00

FUND OR ACCOUNT: 101-91508-5346

STAFF RECOMMENDATION: Authorize the DPW Director to sign the agreement with Consumers Energy and issue payment in the amount of $486,401.00 for the final phase of LED upgrades.

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

ADJOURNMENT: The City Commission meeting adjourned at 6:37 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk