CITY OF MUSKEGON

CITY COMMISSION MEETING

JUNE 23, 2020 @ 5:30 P.M.

MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440
REMOTE MEETING

MINUTES

The Regular Commission Meeting of the City of Muskegon was held electronically with the Mayor, Vice Mayor and Commissioners participating via Zoom – a remote conferencing service, Clerk staff present at 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, June 23, 2020.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

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

HONORS AND AWARDS:

A. Presentation by Public Safety Director

Police Chief, Jeffrey Lewis, presented information to the City Commission regarding the potential purchase and use of body cameras for the Muskegon Police Department.

2020-37 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the June 8, 2020 Worksession and June 9, 2020 Regular City Commission meeting.

STAFF RECOMMENDATION: To approve the minutes.

B. Electric Assisted Bikes Public Safety

SUMMARY OF REQUEST: Seeking City Commission authorization for the purchase of two electric assist bikes, one carrier and assembly fees. These bikes are intended to assist in addressing the spike in crime being seen during the COVID-19 crisis as well as protecting the health and safety of City residents. Federal

Grant BJA FY20 Coronavirus Emergency Supplemental Funding Program monies will reimburse the purchase of the bikes, carrier and assembly fee, leaving the cost for the City at zero dollars. The Coronavirus grant was awarded to Muskegon Police Department on May 30, 2020.

AMOUNT REQUESTED: $9,827

AMOUNT BUDGETED: Grant Fund Reimbursement

FUND OR ACCOUNT: 101-40301-5720

STAFF RECOMMENDATION: Acknowledge pre-approved grant funding to purchase the two Electric Assisted Bikes (EAB) and related accessories for the quoted amount of $9,827.

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

SUMMARY OF REQUEST: Seeking City Commission authorization for the purchase of a Speed Alert Radar Message Trailer to provide the community with speed feedback, messages specific to vehicle speeds, and messages related to the COVID-19 pandemic. This is a versatile tool for both traffic calming and public health and safety information dissemination . Federal Grant BJA FY20 Coronavirus Emergency Supplemental Funding Program monies will reimburse this purchase leaving the cost for the City at zero dollars. The Coronavirus grant was awarded to Muskegon Police Department on May 30, 2020.

AMOUNT REQUESTED: $15,585.00

AMOUNT BUDGETED: Grant Fund Reimbursement

FUND OR ACCOUNT: 101-40301-5720

STAFF RECOMMENDATION: To acknowledge the pre-approved grant funded purchase of one Speed Alert Radar Message Trailer for the quoted amount of $15,585.00

D. <u>Amendment to the Docks PUD</u> Planning

SUMMARY OF REQUEST: Request to amend the Planned Unit Development at 1875 Waterworks Road; 1490 Edgewater Street; and 3400, 3460, 3474 Wilcox Avenue, by Damfino Development, LLC.

The proposed changes in this plan are:

- **The elimination of the boardwalk and platform in Muskegon Lake.**
- **The beach will be removed and be replaced with a buildable lot.**
- **Lot #70 (now #71) is increased in size.**
- **A new beach would be placed where lots 114-116 were previously located.**
- **The south wall of the channel is being moved with a reduction in**

width from 140' to 120'.

STAFF RECOMMENDATION: To approve the amendments to the Planned Unit Development as requested.

G. <u>FY 2020-21 Sanitation Fee Resolution</u> Finance

SUMMARY OF REQUEST: The FY2020-21 budget calls for the Sanitation Fee to be increased from $2.00 per month to $2.50 per month, this resolution establishes the Sanitation Fee for FY2020-21.

Request to adopt the resolution to continue charging a sanitation fee of $1.20 per month to cover the shortfall between the sanitation charges and the millage collected for sanitation and to increase the fee for recycling from .80 cents per month to $1.30 per month to cover the costs of the program.

STAFF RECOMMENDATION: To adopt the Sanitation Fee Resolution for FY2020-21.

H. <u>FY 2020-21 Lead Service Line Flat Fee Resolution</u> Finance

SUMMARY OF REQUEST: The FY2020-21 Budget calls for a Lead Service Line Flat Fee of $5.00 per month per utility billing, this resolution establishes the fee.

The State of Michigan has mandated communities to replace lead service lines. To offset the cost, the FY2020-21 budget calls for a Lead Service Line Flat fee of $5.00 per month per utility billing, to be adjusted each year.

STAFF RECOMMENDATION: To adopt the Lead Service Line Flat Fee Resolution.

I. <u>Sale – 569 Oak Avenue</u> City Manager

SUMMARY OF REQUEST: City staff is seeking authorization to sell the city-owned home at 569 Oak Avenue to Lamont Vines of 789 Oak Avenue.

The city accepted this property from the delinquent tax sale with the intention of renovating it. Over the past year, we have had difficulty getting to it, as our other projects have occupied so much of our time. Mr. Vines has inquired about purchasing this property numerous times. His intention is to renovate it. We have agreed to a $1 sale price. Mr. Vines is going to purchase the property for $1 and place $1,500 on escrow with the City; once he completes replacement of the roof, we will refund/release his $1,500 deposit. He will have 90 days to comply.

STAFF RECOMMENDATION: Authorize the City Manager to sell the property at 569 Oak as proposed.

J. <u>Sale – 395 Houston</u> City Manager

SUMMARY OF REQUEST: City staff is seeking authorization to sell the city-owned home at 395 Houston to Meisha Brown.

The city constructed this house as part of the phase two of our infill housing

program. Our contract to construct the home was $197,464. We also anticipated $11,844 in sales commissions. The accepted purchase price is $196,000. This city will also contribute $5,800 toward closing-related costs. The total amount requiring brownfield gap financing will be approximately $7,200 - $7,500. The 3.5% gap is significantly smaller than anticipated in the Brownfield Plan, and also significantly smaller than gap in the initial phase of the in-fill project (Midtown Square).

STAFF RECOMMENDATION: Authorize the City Manager to complete the sale of 395 Houston Avenue, as described in the purchase agreement.

L. <u>Second Floor Remodel</u> City Manager

SUMMARY OF REQUEST: We have finalized our city hall construction budget at $203,717.14 plus architectural and contingencies. Staff is seeking approval to hire Platinum Contracting Group to manage the project.

Over the past 2 years, we have worked to reallocate space on the second floor of city hall. The plan has been finalized and the costs are included in the 2020-21 FY Budget. The goal of the reorganization is to allow for visitors to have easier and more convenient access to city departments. The recent developments with COVID-19 has impacted our design. We are seeking to use Platinum Contracting to manage the project – a number of local contractors will be completing the work (all wok was competitively bid by Platinum on our behalf). Much of the planning was done during COVID-19, which did limit our ability to meet with contractors, but we are comfortable with the bids received. The goal of using a project manager vs a general contractor is to provide the most flexibility during construction. The building is older and has many specialty design components (especially HVAC and electrical); we need to have the ability to change course if we find a more efficient affordable way to complete the work. For example, moving to new cubicles instead of offices will likely save $50,000 to $60,000 in construction costs. Note that we are only completing work on the space that will house Planning, CNS, Economic Development, and the City Manager's Office. We are also exploring an additional project that would move the public side of the police department into the current CNS space to provide a more inviting space for the public to visit the police administration, community office, etc.

AMOUNT REQUESTED: $229,588.00

AMOUNT BUDGETED: $200,000

STAFF RECOMMENDATION: Authorize staff to hire Platinum Contracting to complete the renovation of the second floor of city hall at a cost not to exceed $229,588.70, inclusive of architectural fees and contingency.

Motion by Commissioner Ramsey, second by Commissioner Rinsema-Sybenga, approve the consent agenda as presented, except items E, F, and K.

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

Nays: None

MOTION PASSES

2020-37 REMOVED FROM CONSENT AGENDA:

E. <u>GIS Technician</u> Public Works

SUMMARY OF REQUEST: Staff is requesting authorization to eliminate the Administrative Assistant position within the Engineering Department and create a new position for a GIS Technician.

Prior to COVID staff had met and discussed the need for a dedicated staff member to manage and utilize the GIS (Geographic Information Systems) data for the City. The discussion was tabled due to COVID. At the end of May, the DPW Administrative Supervisor (Leigh Ann Archer) retired and the DPW Administrative Assistant (Christy Cashin) was promoted leaving the Administrative Assistant position open.

Staff is requesting permission to not fill the Administrative Assistant position and rather to reallocate that full-time position towards creation of a new position for a GIS Technician. The GIS Technician will work within the Engineering Department but proved services to multiple departments within the city, namely water/sewer and major/local streets. The work formerly performed by the Administrative Assistant will be redistributed between the Administrative Supervisor, the five (5) CSRII Positions at DPW, and the newly created GIS Technician.

Based on current and projected workloads the need for a GIS Technician is greater than the need for the Administrative Assistant.

STAFF RECOMMENDATION: Authorize staff to eliminate the Administrative Assistant position at DPW and create a new position for a GIS Technician.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to authorize staff to eliminate the Administrative Assistant position at DPW and create a new position for a GIS Technician.

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

Nays: None

MOTION PASSES

F. <u>FY 2020-21 Sewer Rate Resolutions</u> Finance

SUMMARY OF REQUEST: The FY2020-21 budget calls for a sewer rate increase of 8%, this resolution establishes the new rate.

In 2019 a resolution with a treatment rate for our customers that is based on a multiplier of 1.81 times the rate the County bills the City for wastewater was adopted. The FY2020-21 calls for the multiplier to be raised to 1.95 to cover the cost of our aging infrastructure system capital needs and the increased cost of treating the infiltration to our system due to the high water levels.

STAFF RECOMMENDATION: To adopt the FY 2020-21 Sewer Rate Resolution.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to adopt the Sewer Rate Resolution at an increased rate of 3%.

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

Nays: None

MOTION PASSES

K. <u>Legal Services</u> City Manager

SUMMARY OF REQUEST: Our Contract for legal services will expire this month. Staff is seeking to enter into an extension with Parmenter Law.

Parmenter has been our legal counsel for many years. Our Service agreement will expire June 30, 2020. The City manager asked that they provide us a proposal to continue as our legal counsel for an additional five-year period. This proposal is attached. Staff recommends approving an extension per the terms outlined in the proposal. Staff fees that the best value for our representation remains with John Schrier and his team at Parmenter Law.

STAFF RECOMMENDATION: Accept the proposal from Parmenter law and authorize the City Manager to enter into an extension agreement per the terms outlined in the proposal.

Motion by Commissioner Johnson, second by Commissioner Ramsey, to accept the proposal from Parmenter Law and authorize the City Manager to enter into an extension agreement per the terms outlined in the proposal.

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

Nays: None

MOTION PASSES

2020-38 NEW BUSINESS:

A. <u>Transmittal of 2020-21 Proposed Budget</u> City Manager

SUMMARY OF REQUEST: At this time staff is transmitting to the City Commission the proposed budget for fiscal year 2020-21 which starts July 1, 2020. Both hardcopy and electronic versions of the budget have been distributed to Commissioner. Additionally, the budget is available for inspection on the City's

website and at the City Clerk's Office.

The proposed budget was reviewed in detail with staff at the June 8, 2020 work session. A public hearing on the budget was held at the regular Commission meeting on June 9, 2020. City ordinance requires that the budget be adopted by the Commission on or before the second Commission meeting in June.

STAFF RECOMMENDATION: Approval of the proposed budget for fiscal year 2020-21.

Motion by Vice Mayor Hood, second by Commissioner Ramsey, to approve the proposed budget for fiscal year 2020-21, amending metered sales in sewer to $9.1 million.

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

Nays: German

MOTION PASSES

B. <u>Rental Housing Pilot Program</u> City Manager

SUMMARY OF REQUEST: Staff is proposing a Pilot program to incentivize privately-funded residential rental development in our core neighborhoods. The Pilot program seeks to leverage upfront capital from residential developers in exchange for semi-affordable rents, property tax flexibility and shared risk in the rental market.

We are proposing the framework of a Pilot program that we would use to initially partner with West Urban Homes to construct 50 units on vacant city lots. The program is expected to be applicable to many different builders/developers and many different housing types and densities. As the City tries to reverse 40+ years of neighborhood disinvestment, it is important that we acknowledge the areas that make us less attractive for development than urban areas. Some of those items are more in our control than others. This program focuses strictly on developer return on investment – with the goal of the city acting as a partner to help ensure that a major investment in rental housing neither fails to cashflow nor causes unreasonable increases in local rents. Many times, affordability and profitability contradict one another – this Pilot Program is designed to help attain both.

STAFF RECOMMENDATION: To accept the Letter of Intent from West Urban Homes and authorize the City Manager and City Attorney to finalize the draft Development Agreement for formal approval at the July 14 City Commission Meeting.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to accept the Letter of Intent from West Urban Homes and authorize the City Manager and City Attorney to finalize the draft Development Agreement for

formal approval at the July 14 City Commission meeting.

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

Nays: None

Absent: Rinsema-Sybenga

MOTION PASSES

PUBLIC COMMENT: Public Comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 8:35 p.m.

Respectfully Submitted,

Ann Marie Meisch – MMC, City Clerk