CITY OF MUSKEGON

CITY COMMISSION MEETING

JUNE 8, 2021 @ 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 8, 2021.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen J. Gawron (Muskegon, MI), Vice Mayor Eric Hood (Muskegon, MI), Commissioners Ken Johnson – arrived at 5:33 p.m. (Muskegon, MI), Dan Rinsema-Sybenga (Muskegon, MI), Willie German, Jr. (Muskegon, MI), Teresa Emory (Muskegon, MI), and Michael Ramsey (Muskegon, MI), City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

PUBLIC COMMENT ON AN AGENDA ITEM: No public comments were received.

2021-55 CONSENT AGENDA:

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

SUMMARY OF REQUEST: To approve the minutes of the May 25, 2021 Regular Meeting.

STAFF RECOMMENDATION: To approve the minutes.

B. <u>Lakeshore Art Festival Grant</u> City Clerk

SUMMARY OF REQUEST: The City of Muskegon is in the process of pursuant a grant from the Michigan Council for Art and Cultural Affairs (MCACA) in the amount of $25,000 to support the **2022** Lakeshore Art Festival. Grant funds will support artists' fees (performers and artists), art supplies for the interactive art activities, and marketing efforts to attract a diverse audience. Per the grant requirements, the funs will be matched 1:1 from the Festival budget through sponsorship dollars.

STAFF RECOMMENDATION: To approve the submission of the grant application to MCACA.

D. <u>9th Street – Engineering Services Agreement Amendment #001</u>
Public Works

SUMMARY OF REQUEST: Staff is seeking approval of Amendment #001 to the Engineering Services Agreement with Fleis & VandenBrink related to the engineering services provided on the 9th Street sewer upgrade project.

Staff is requesting approval of an amendment to the Engineering Services Agreement with Fleis & VandenBrink in the amount of $39,736.50. This request is due to a number of changed conditions and additional work that staff requested of F & V above and beyond the original scope of work. The original ESA was signed in 2018 in the amount of $203,520.

The amendment covers additional work required by staff and various other agencies to obtain additional survey and permits that were not fully anticipated within the original project proposal. Additionally, several items of work became more complex between the original estimate and the final construction resulting in additional construction inspection time required to complete the oversight.

The project as a whole was originally budgeted for $2,217,530 which included a construction contract value of $1,878,869.50 plus engineering and other expenses as well as a 6% ($125,520.57) contingency. The project construction contract finished at $1,913,824.24, leaving a remaining contingency of $90,565.83. With the proposed adjustment to the ESA the project is still below the overall target budget.

Staff is recommending approval of the Engineering Services Agreement Amendment.

AMOUNT REQUESTED: $39,736.50

AMOUNT BUDGETED: $90,565.83 = Remaining Contingency

FUND OR ACCOUNT: 590-91852

STAFF RECOMMENDATION: Authorize staff to approve Amendment #001 in the amount of $39,736.50 to the Engineering Services Agreement with Fleis & VandenBrink.

G. <u>Musketawa Trail Streetlight Locations</u> Public Works

SUMMARY OF REQUEST: Staff is seeking authorization to relocate seven (7) streetlights within the Port City Industrial Park to facilitate construction of the Musketawa Trail Connector Project.

Final design and alignment of the Musketawa Trail Connector project required relocation of several streetlights along Black Creek Drive, Latimer Drive and Port City Boulevard within the Industrial Park. The work is done by Consumers Energy through contract, however the cost of the relocations is the city's responsibility.

Funding for this request is included in the proposed budget for project number 202-99118-5346 within the 21/22 fiscal year.

AMOUNT REQUESTED: $35,048.00 AMOUNT BUDGETED: $650,000

FUND OR ACCOUNT: 202-99118

STAFF RECOMMENDATION: Authorize staff to contract with Consumers Energy in the amount of $35,048 for the relocation of the streetlights along Black Creek Drive, Latimer Drive and Port City Boulevard as necessary for the construction of the Musketawa Trail Connector.

Motion by Commissioner Johnson, second by Commissioner Ramsey, to approve the consent agenda as presented, minus item C, E, and F.

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

Nays: None

MOTION PASSES

2021-56 REMOVED FROM CONSENT AGENDA:

C. <u>Lakeside Social District Permit Recommendation</u> Economic Development

SUMMARY OF REQUEST: The City Commission must recommend approval of the Michigan Liquor Control Commission permits of participating licensed establishments in the Muskegon Lakeside Social District.

With the establishment of the Muskegon Lakeside Social District, participating licensed establishments must receive a Social District permit from the Michigan Liquor Control Commission. The MLCC must first receive a recommendation for approval from the City Commission before granting the permits. The resolution is for Wonderland Distilling Co., 1989 Lakeshore Drive Suite B and Lakeside Food and Spirits, Inc, dba Marine Tap Room, 1983 Lakeshore Drive. Both are seeking a Social District permit from the state and seeking City Commission recommended approval. The lakeside Social District plan contains up to five potential participating licensees within the district. Other licensed establishments may file a Social District permit application in the future.

STAFF RECOMMENDATION: To approve the resolution recommending Michigan Liquor Control Commission approval of Social District permits in the Muskegon Lakeside Social District and to direct the City Clerk to certify the City Commission action with MLCC.

Motion by Commissioner Emory, second by Commissioner Johnson, to approve the resolution recommending Michigan Liquor Control Commission approval of Social District permits in the Muskegon Lakeside Social District and to direct the City Clerk to certify the City Commission action with MLCC.

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

and German

Nays: None

MOTION PASSES

E. <u>McCrea Field Basketball Court</u> Public Works

SUMMARY OF REQUEST: Staff is seeking authorization to award a contract in the amount of $43,265.00 to Ryerson Brothers Excavating for removal and replacement of the existing basketball court at McCrea Field.

Staff solicited bids for replacement of the McCrea Field basketball court via an RFP process. The low bidder was Ryerson Brothers Excavating. Staff is further recommending that we accept the alternate bid presented for the colored concrete court.

The proposed court will be constructed of concrete, similar to the courts at Seyferth Park, the alternate bidding process will utilize several different colorations of concrete to contract the out-of-bounds, three point, and foul line areas which will require less maintenance to maintain as opposed to paint in the long run.

AMOUNT REQUESTED: $43,265.00 AMOUNT BUDGETED: $50,000

FUND OR ACCOUNT: 101-70751 (With CDBG Reimbursement)

STAFF RECOMMENDATION: Authorize staff to contract with Ryerson Brothers Excavating in the amount of $43,265.00 for the construction of a new basketball court at McCrea Field.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to authorize staff to contract with Ryerson Brothers Excavating in the amount of $43,265.00 for the construction of a new basketball court at McCrea Field.

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

Nays: None

MOTION PASSES

F. <u>Filtration Plant Communications Tower</u> Public Works – Filtration

SUMMARY OF REQUEST: Authorize staff to award the contract for procurement of the communications tower at the Water Filtration Plant.

The City Commission approved the purchase of the Water Filtration Plant Communication Tower at its meeting on February 9, 2021. The original quote for tower materials was $84,618.00, and staff requested a total of $93,079.80 (an additional 10%) to account for any fluctuations in material pricing and shipping.

The project manager (Maralat Communications) recommended to not purchase the tower until all regulatory requirements were completed.

Unfortunately, this process took longer than anticipated. The process is now complete, and staff is ready to purchase the tower.

Staff received an updated quote from Valmont Industries for $94,050.00. Since this is $970.20 more than approved in February, staff is requesting the approval of the purchase of the communications tower for the updated amount.

AMOUNT REQUESTED: $94,050.00 AMOUNT BUDGETED: $300,000

FUND OR ACCOUNT: 591-92034-5346

STAFF RECOMMENDATION: Authorize staff to approve the contract with Valmont Industries for the procurement of the communications tower in the amount of $94,050.00

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to authorize staff to approve the contract with Valmont Industries for the procurement of the communications tower in the amount of $94,050.00

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

Nays: None

MOTION PASSES

2021-57 PUBLIC HEARINGS:

A. <u>Transmittal of 2021-2022 Proposed Budget</u> Finance

SUMMARY OF REQUEST: At this time, staff is transmitting to the City Commission the proposed budget for fiscal year 2021-22 which starts July 1, 2021. Electronic versions of the budget have been distributed to Commissioners. Additionally, the budget is available for inspection on the City's website and at the City Clerk's office.

An overview of the proposed budget was reviewed at the May 25, 2021 regular Commission meeting and Commissioners were encouraged to send their questions to the finance department in the weeks between then and now. The June 7, 2021 work session presented an opportunity for further discussion and inquiry. A public hearing on the budget is being held at the regular Commission meeting on June 8, 2021. 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 2021-22.

Recommended-FY2021-22-Budget-Mtg-5-25-21.pdf (muskegon-mi.gov)

PUBLIC HEARING COMMENCED: No public comments were received.

Motion by Vice Mayor Hood, second by Commissioner Ramsey, to close the public hearing and approve the proposed budget for fiscal year 2021-22.

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

Nays: None

MOTION PASSES

2021-58 NEW BUSINESS:

A. <u>Mercy Health Arena Roof Lease</u> Public Works

SUMMARY OF REQUEST: Staff is seeking authorization to enter into a lease agreement with New Energy Equity to install a solar array on the roof of the Mercy health Arena.

This topic was previously discussed at the July 2020 work session meeting, and again at a meeting in April 27th to recommend a property tax exemption for the site.

Staff has worked with Charthouse Energy and New Energy Equity, along with separate expert legal counsel from Miller, Canfield, Paddock and Stone to prepare the necessary documents to facilitate the installation and operation of a solar array on the roof of the Mercy Health Arena. This installation as designed should recognize substantial energy savings over the life of the system.

This document allows for the lease of the roof space to New Energy Equity and have been reviewed and accepted by city retained legal counsel to be in the best interest of the city.

STAFF RECOMMENDATION: Approve the Rooftop System Site Lease Agreement and authorize the City Manager to sign the agreement contingent upon approval of the personal property tax exemption by the state tax commission.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to approve the Rooftop System Site Lease Agreement and authorize the City Manager to sign the agreement contingent upon approval of the personal property tax exemption by the state tax commission.

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

Nays: None

MOTION PASSES

B. <u>Mercy Health Arena Power Purchase Agreement</u> Public Works

SUMMARY OF REQUEST: Staff is seeking authorization to enter into a Power Purchase Agreement with New Energy Equity to install a solar array on the roof of the Mercy Health Arena.

This topic was previously discussed at the July 2020 work session meeting, and again at a meeting on April 27, 2021 to recommend a property tax exemption for the site.

Staff has worked with Charthouse Energy and New Energy Equity, along with separate expert legal counsel from Miller Canfield, Paddock and Stone to prepare the necessary documents to facilitate the installation and operation of a solar array on the roof of the Mercy health Arena. The installation as designed should recognize substantial energy savings over the life of the system.

This document outlines the policies and rates the City will pay to purchase the generated solar power.

There are no up-front costs to the city related to the installation of the solar array.

STAFF RECOMMENDATION: Approve the Power Purchase Agreement and authorize the City Manager to sign the agreement contingent upon approval of the personal property tax exemption by the state tax commission.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to approve the Power Purchase Agreement and authorize the City Manager to sign the agreement contingent upon approval of the personal property tax exemption by the state tax commission.

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

Nays: None

MOTION PASSES

C. <u>Request for Proposal Approvals – YEP Programs</u> Community & Neighborhood Services

SUMMARY OF REQUEST: There is a request of proposal from sub-recipients to provide funds to *Youth Empowerment Project* (YEP) for work and educational experiences throughout the year. Bethan Housing Ministries dba Community enCompass: YEP Program - $20,000.00

AMOUNT REQUESTED: $20,000 AMOUNT BUDGETED: $20,000

FUND OR ACCOUNT: CDBG – 2019

STAFF RECOMMENDATION: To approve the Agreements with Bethany Housing Ministries dba Community enCompass.

*Commissioner Ramsey disclosed a conflict of interest and did not vote on this item. The City Charter requires a unanimous vote of the remaining members to pass a motion where a conflict of interest is noted.

Motion by Commissioner Rinsema-Sybenga, second by Vice Mayor Hood, to approve the Agreements with Bethany Housing Ministries dba Community

enCompass.

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

Nays: None

MOTION PASSES

PUBLIC COMMENT: No public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 6:30 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk