CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 26, 2022 @ 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, Michigan at 5:30 p.m., Tuesday, April 26, 2022. Pastor D.W. Tolbert, New Hope Baptist Church, 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 Ken Johnson, Vice Mayor Willie German, Jr., Commissioners, Eric Hood, Rachel Gorman, Rebecca St.Clair, and Michael Ramsey Interim City Manager LeighAnn Mikesell, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Commissioner Teresa Emory

HONORS, AWARDS, AND PRESENTATIONS: Women Veterans Day

Mayor Ken Johnson presented a proclamation to WINC – Women Injured in Combat. There was a group of women veterans present and all women veterans were being honored for their service and sacrifice. The women veterans community is the fastest growing subset of American veterans. Zaneta Adams, founding member of WINC and Director of Veterans Affairs for the State of Michigan, was in attendance and expressed her appreciation for the City's recognition and for helping to raise awareness.

PUBLIC COMMENT ON AGENDA ITEMS: Public Comments were received.

2022-36 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the March 22, 2022 Regular meeting.

STAFF RECOMMENDATION: To approve the minutes.

B. Request to Fly the Norwegian Flag City Clerk

SUMMARY OF REQUEST: Sons of Norway are requesting permission to fly the Norwegian Flag at City Hall on Constitution Day (Independence Day) which is

Tuesday, May 17, 2022.

STAFF RECOMMENDATION: To approve the request.

C. <u>MERS 457 Supplemental Retirement Program</u> Finance

SUMMARY OF REQUEST: The City wants to offer employees an additional 457 supplement retirement plan through MERS. Municipal Employees' Retirement System (MERS) offers a supplemental 457 plan that encourages employee's additional savings towards retirement. The city offers two additional 457 plans, this will be a third option for employees.

STAFF RECOMMENDATION: To adopt the resolution from MERS to offer an additional 457 supplemental retirement plan to city employees.

D. <u>Health and Dental Care Renewal</u> Finance

SUMMARY OF REQUEST: To approve the renewal of Priority Health as the City's fully insured health care provider and the Third Party Administrator for City's self-funded health care plan. Also, to renew Delta Dental as the City's dental insurance provider.

Detailed Summary: The City's health care coverage renews June 1, 2022, for the period June 1, 2022 to May 31, 2023. The following are changes effective June 1, 2022.

1. Renewal rates increased by 3.5%. Average US increases for 2022 are expected to be between 4.7 and 5.2%.

Demographic	2021	2022
Single	$552.93	$572.44
Double	$1,244.09	$1,287.99
Family	$1,492.91	$1,545.59

2. We are increasing our coinsurance out of pocket maximum as follows:

Demographic	2021	2022
Single	$1,500	$2,500
Double/Family	$3,000	$5,000

3. Our Health Reimbursement Arrangement (HRA) is running very well. Our annual projection for this current (2021/22) plan year payout will be around $325,411.12.
4. Our Deductible needs to be met before the Coinsurance starts. We only had 8 people meet their deductible for 2021.
5. We are saving over $36,000 in premium to increase the coinsurance out of pocket maximum.
6. The out of pocket maximum limit, which is set by the government increased as follows:

2021	2022
$8,150/$16,300	$8,550/$17,100

7. Our employer contribution will remain below the “hard cap limits” set by PA 152.

	2021	2022
Annual Employee	$389,669.32	$403,419.38
Annual HRA Employer	$325,411.12	N/A
Annual Employer	$2,045,763.92	$2,117,951.74
Annual Hard Cap	$2,552,575.15	$2,647,020.05

8. We are implementing our Wellness plan again for 2022. The City will continue to pay the Deductible and Coinsurance for employee and spouses who have gotten a physical between 4/1/2020 and 3/31/2022. If an employee and spouse do not get their physicals they will be responsible for the first $1,000 deductible for an individual and the first $2,000 deductible for a double/family.
9. We are implementing a Hearing Rider. This is a new benefit offered by Priority Health. It is a piece of the healthcare services that has always been missing. We are very pleased to be able to add this rider as assistance for those who need this benefit. The rider gives the member one hearing test covered in full plus a $1,000 allowance per hearing aid every 36 months.

For our self-funded contract, which includes 2 segments, those retirees under 65 and those over 65. We have had a few years of large claims in the self-funded plan. We are starting to see them go down.

	Enrolled	Current	Renewal	Increase/Decrease
Admin Fee	157	$53.12	$52.80	-0.6%
Aggregate Premium	157	$13.76	$14.72	7.0%

Delta Dental rates will be reduced by 6% for 2022-23. There are no plan changes. The city offers three benefit packages dependent on where you work.

	Single	Double	Family
Basic (Police & Fire)	$26.80	$50.40	$101.28
Enhanced (Non-Union)	$32.68	$61.19	$122.25
Union Enhanced (Union)	$31.24	$59.33	$120.50

Vision rates will stay the same and there will be no changes in benefits

AMOUNT BUDGETED: $2,642,220.90

STAFF RECOMMENDATION: To approve the Priority Health fully insured and self-funded renewal, and the Delta Dental renewal for 2022-23.

E. <u>Procure Contractors 2022</u> Community and Neighborhood Services

SUMMARY OF REQUEST: Solicitation of Contractors for various programs to provide repair and replacement services for citizens of our city and county provides CNS with a list of multiple building trades. CNS regularly requests Contractors to submit bids for housing rehabilitation projects to secure a list for future use for our rental units. Ultimately, we are hopeful to attract new contractors throughout the county and outlying communities to provide necessary services of all construction trades and specialties for all of our housing programs.

STAFF RECOMMENDATION: To approve the procured list of contractors submitted for future CNS projects/programs.

F. <u>Request for Proposal Approvals</u> Community and Neighborhood Services

SUMMARY OF REQUEST: We received requests of proposals from sub-recipients to provide academic enrichment and recreation activities; accessible ramps (new and repairs) for low-income households; outdoor childcare center and scholarships for low income households.

Love INC of Muskegon Count - $40,000 – new ramps and repairs to existing ramps of the City of Muskegon low-income residents.

Boys & Girls Club of the Muskegon Lakeshore - $100,000 – continued youth recreation, academics, social enrichment and leadership for Muskegon Youth.

Early Childhood Education Equity – Muskegon YMCA Y-Learning - $50,000 – Outdoor learning space along with scholarships for low-income households.

AMOUNT REQUESTED: $165,000 AMOUNT BUDGETED: $165,000

COVID-19: $25,000 COVID-19: $25,000

FUND OR ACCOUNT: CDBG FY2022/CDBG-CV

STAFF RECOMMENDATION: To approve agreements with Love INC of Muskegon County, Boys and Girls Club of the Muskegon Lakeshore, and Muskegon YMCA.

G. <u>Traffic Control Order #74</u> Traffic/Engineering

SUMMARY OF REQUEST: Staff is requesting approval of Traffic Control Order #74-(2022) for installation of a four-way stop at Wesley and Roberts.

The Michigan Manual of Uniform Traffic Control Devices (MMUTCD), the

document that provides guidance for installation of traffic controls, includes provisions for stop-controlled intersections such as:

- An intersection of two residential neighborhood collector (through) streets of similar design and operating characteristics where multi-way stop control would improve traffic operational characteristics of the intersection.

While the City is not required to install stop-controls in all situations that meet the guidance in the MMUTCD, in the case of the intersection at Wesley Avenue and Roberts Street, DPW and Public Safety staff, together with MAISD staff at the Wesley School and Lakeshore Learning Center, believe stop-control at this intersection will improve safety and compliance in the neighborhood.

Staff is requesting approval of Traffic Control Order #74-(2022)

STAFF RECOMMENDATION: To approve Traffic Control Order #74-(2022).

I. <u>Camp at Burning Foot</u> Public Works

SUMMARY OF REQUEST: The organizers of Burning Foot are requesting to allow camping at their event on August 27, 2022 and authorize staff to charge a fee equal to 10% of their camping revenue. Burning Foot has offered camping at their event each year and has been authorized in the past to pay 10% of their camping revenue. Policy indicates the Commission may choose to charge 10% of the camping revenue or $20 per campsite.

STAFF RECOMMENDATION: To authorize Burning Foot to provide camping at Pere Marquette Park on August 27, 2022 and pay a fee of 10% of their camping revenue as a fee to the City.

J. <u>Roberts Street Water Tower Painting</u> Public Works - Filtration

SUMMARY OF REQUEST: Staff is requesting authorization to contract with Fedewa, Inc. for painting and modifying the Roberts Street water tower.

The Roberts Street water tower is located at the corner of Roberts and Lawrence in the Marquette neighborhood. The tower's exterior and interior coatings are beyond their expected lifetimes, and a 2019 inspection found the coatings to be deteriorating and delaminating. The exterior tower coating continues to chalk, fade, and lose its gloss.

The project to improve this water tower will involve a complete overcoat of the tower exterior and also includes repairs to the interior coating. Other modifications will take place to bring the tower into compliance with current safety standards and drinking water regulations. The artworks on the tower will be changed to the Watch Muskegon logo.

The Commission approved a contract with Dixon Engineering for the professional services portion of this project at the February 8, 2022 meeting. The construction portion of this project was posted publicly in March, and sealed

bids were accepted until April 5, 2022. Two bids were received for painting and modifying the water tower. Dixon has evaluated the bids and recommends the lowest bid of $269,799.00 from Fedewa, Inc. This project is budgeted as part of the FY21-22 budget.

AMOUNT REQUESTED: $269,799.00 AMOUNT BUDGETED: $400,000

FUND OR ACCOUNT: 591-92035

STAFF RECOMMENDATION: Authorize staff to contract with Fedewa, Inc. in the amount of $269,799.00 to paint and modify the Roberts Street water tower.

K. Sale – 1065 James, 266 Meeking, 270 Meeking, 280 Meeking, and 290 Meeking Planning

SUMMARY OF REQUEST: City Staff is seeking authorization to sell five of the City owned vacant lots to James Williams. James Williams will be constructing four single family homes on the lots owned by the City of Muskegon. The properties are zoned R-1 (Single Family Residential). The four lots on Meeking will be combined and split into three buildable parcels. They will be sold for 75% of the True Cash Value (TCV) per policy. The four properties on Meeking will be combined and re-split into three buildable single-family lots. The total selling price will be $21,075. All of the properties are located in the Brownfield Development area. The homes will be constructed within 18 months.

STAFF RECOMMENDATION: Authorize the Code Coordinator to work with the developer and complete the sale of the five city-owned buildable lots as described and to have the Mayor and Clerk sign the deed.

L. Musketawa Trail Project – Change Order #003 DPW/Engineering

SUMMARY OF REQUEST: Staff is requesting approval of Change Order #003 on the Musketawa Trail Connector project as the overall project has exceeded staff approval levels for change orders.

The majority of Change Order #003 represents a design error. Sand fill is needed to bring the grade up to sub-grade from milling the pavement. Also, some driveways are required to be poured on a Saturday and needed to be opened by Monday, which requires a different mix design.

Change Order #003 requests a net increase to the project of $9,019.50 above the previously approved requests.

This change order will result in the following final values for the project:

As-Bid Cost = $518,602.35

Current Cost = $561,874.26

Net Change = $43,271.91 (8.34% Increase)

AMOUNT REQUESTED: $9,019.50 AMOUNT BUDGETED: $650,000

FUND OR ACCOUNT: 202-99118

STAFF RECOMMENDATION: Authorize staff to approve Change order #003 to Project 99118 (Musketawa Trail Connector) in the amount of $9,019.50 for the additional work.

Motion by Vice Mayor German, second by Commissioner Gorman, to accept the consent agenda as presented, minus item H.

ROLL VOTE: Ayes: German, Gorman, St.Clair, Johnson, Hood, and Ramsey

Nays: None

MOTION PASSES

2022-37 REMOVED FROM CONSENT AGENDA:

H. <u>Traffic Control Orders #75, #76, & #77</u> Traffic/Engineering

SUMMARY OF REQUEST: Staff is requesting approval of Traffic Control Orders #75-(2022) for the installation of a four-way stop at Western and Franklin, #76-(2022) for the installation of a four-way stop at Michigan and Franklin, and #77-(2022) for the installation of an all-way stop at Southern and Lakeshore.

The Michigan Manual of Uniform Traffic Control Devices (MMUTCD), the document that provides guidance for installation of traffic controls, includes provisions for stop-controlled intersections such as:

- The combined vehicular, bicycle, and pedestrian volume entering the intersection from all approaches averages more than 2,000 units per day, and
- An intersection to two residential neighborhood collector (through) streets of similar design and operating characteristics where multi-way stop control would improve traffic operational characteristics of the intersection.

While the city is not required to install stop-controls in all situations that meet the guidance in the MMUTCD, in the case of the intersections at Western Avenue and Franklin Street, Franklin Street and Michigan Avenue, and Lakeshore Drive and Southern Avenue, DPW and Public Safety staff believe stop-controls at these intersections will improve safety and compliance on the lakefront corridor from Downtown to the Lakeside District.

Staff is requesting approval of Traffic Control Orders #75-(2022) for the installation of a four-way stop at Western and Franklin, #76-(2022) for the installation of a four-way stop at Michigan and Franklin, and #77-(2022) for the installation of an all-way stop at Southern and Lakeshore.

STAFF RECOMMENDATION: To approve Traffic Control Orders #75-(2022), #76-(2022), and #77-(2022).

Motion by Commissioner St.Clair, second by Vice Mayor German, to approve Traffic Control Orders #75-(2002), #76-(2022), and #77-(2022)

ROLL VOTE: Ayes: Gorman, St.Clair, Johnson, Hood, Ramsey, and German

Nays: None

MOTION PASSES

2022-38 UNFINISHED BUSINESS:

A. <u>CSX Agreement</u> City Manager

SUMMARY OF REQUEST: Staff is seeking approval to proceed with the CSXT agreement following our due diligence period.

In December of 2021, the City Commission approved the agreement with CSXT for the purchase and removal of the CSXT railroad line from the Jaycees Launch Ramp to the Boys and Girls Clubhouse. During the due diligence period, we have obtained a survey of the entire line, have reviewed all of the crossing agreements and encroachments, and are obtaining a title commitment. A consulting firm has been hired through a State of Michigan grant to complete the environmental review which can take place outside of the due diligence period. As noted in the attorney's memo, there are no concerns with continuing forward through the process.

AMOUNT REQUESTED: $1.688 million AMOUNT BUDGETED: $2 million

FUND OR ACCOUNT: State/Federal Grants

STAFF RECOMMENDATION: To authorize staff to proceed with the CSXT Agreement.

Motion by Commissioner Gorman, second by Commissioner St.Clair, to authorize staff to proceed with the CSXT Agreement.

ROLL VOTE: Ayes: St.Clair, Johnson, Hood, Ramsey, German, and Gorman

Nays: None

MOTION PASSES

B. <u>Amendment to the Ride Muskegon Agreement</u> City Manager

SUMMARY OF REQUEST: City staff is seeking approval of the final exhibits in the operating agreement with Ride Muskegon, LLC.

When the operating agreement was approved by the commission, a motion was made to return to the commission with the proposed final attachments for adoption. The final attachments are provided for consideration as is the executed agreement.

STAFF RECOMMENDATION: To approve the final exhibits in the operating agreement with Ride Muskegon, LLC.

Motion by Commissioner Hood, second by Commissioner Ramsey, to approve the final exhibits in the Operating Agreement with Ride Muskegon, LLC.

ROLL VOTE: Ayes: Hood, Ramsey, German, and Gorman

Nays: St.Clair and Johnson

MOTION PASSES

2022-39 NEW BUSINESS:

A. <u>Exspiravit Consumption Events</u> Public Works

SUMMARY OF REQUEST: Exspiravit has applied to host two events in the City of Muskegon. The Incredible Edible Event at Mercy Health Arena on August 20, 2022 and the Falling Leaves Festival at Marsh Field on September 24, 2022.

STAFF RECOMMENDATION: To authorize the Clerk to sign both attestations and approve the events contingent upon a meeting and approval with special event staff.

Motion by Commissioner Ramsey, second by Commissioner Hood, to authorize the Clerk to sign both attestations and approve the events contingent upon a meeting and approval with special event staff.

ROLL VOTE: Ayes: Johnson, Ramsey, German, Gorman, and St.Clair

Nays: Hood

MOTION PASSES

B. <u>Downtown Muskegon Social District Plan and Map Amendments/Fee Restructure</u> Economic Development

SUMMARY OF REQUEST: Requesting approval of an updated Muskegon Downtown plan and map, adding Hackley Park, along Clay Avenue from Second to Fourth and the CIO Hall at 490 W. Western into the district.

The city commission approved the Downtown Muskegon Social District in August 2020 and amended it in April 2021 to remove the Port City CIO Building Association to allow the owners to have special event licenses. The enactment of Public Act 27 of 2022 allows a social district to continue operations even when an LCC special event license is operating within the district as long as the district and the event are separated. Staff has met with a group of the current and potentially future establishments within the Social District and are responding to longstanding downtown special event requests to operate within the Downtown Social District. Staff recommendation is to expand the Downtown Social District to include Hackley Park, along Clay Avenue from Second to Fourth and put 490 W. Western (CIO Hall) back into the district. Special event licenses are now available in the park and at CIO Hall and allows Social District patrons to enjoy Hackley Park when events are not scheduled in the park. An amended Downtown Social District plan, revised Downtown Social District map – list of

establishments, and accompanying resolution are attached for commission consideration. In addition, after meeting with the establishments concerned about the cost of the 75-cent 2022 social district stickers the commission approved in December, staff is requesting a modification reducing the cost to 25-cents a sticker for the first 1,000 stickers for establishments northeast of Terrace Street and in the separate Lakeside Social District.

AMOUNT BUDGETED: Minimal revenue reduction

FUND OR ACCOUNT: 101-80400-5231

STAFF RECOMMENDATION: To approve an amended Muskegon Downtown Social District plan and map, a resolution of the same and adjust fees for the Lakeside Social District and the Downtown District northeast of Terrace Street.

Motion by Vice Mayor German, second by Commissioner Gorman, to approve an amended Muskegon Downtown Social District plan and map, a resolution of the same and adjust fees for the Lakeside Social District and the Downtown District northeast of Terrace Street.

ROLL VOTE: Ayes: Hood, Ramsey, German, Gorman, St.Clair, and Johnson

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Vice Mayor German spoke about an email received from Oakview Schools regarding concerns about safety at Sheldon Park.

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

ADJOURNMENT: The City Commission meeting adjourned at 7:20 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC - City Clerk