CITY OF MUSKEGON

CITY COMMISSION MEETING

APRIL 11, 2017 @ 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, April 11, 2017. Pastor Tim Cross, Living Word 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 Stephen J. Gawron, Vice Mayor Hood, Commissioners Ken Johnson, Debra Warren, Willie German, Jr., and Dan Rinsema-Sybenga, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Commissioner Byron Turnquist

INTRODUCTIONS/PRESENTATION:

A. Lumberjacks Charitable Foundation Presentation by Jay Vanvoorde

Jay Vanvoorde spoke about the Charitable Foundation associated with the Muskegon Lumberjacks. There are several community members involved with the foundation. The players continue to visit students and schools to help promote reading.

B. State Representative Update

91st District State Representative, Terry Sabo, briefly updated the City Commission on events in Lansing.

2017-29 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve minutes of the March 28, 2017 Regular City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. <u>Fireworks Display Permit for Muskegon Country Club</u> City Clerk

SUMMARY OF REQUEST: Melrose Pyrotechnics, Inc. is requesting approval of a fireworks display permit for July 2, 2017, at the Muskegon Country Club, 2801 Lakeshore Drive. The Fire Marshall will inspect the fireworks on the day of the event.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks and approval of the insurance.

C. <u>Fireworks Display Permit for Heritage Landing</u> City Clerk

SUMMARY OF REQUEST: Night Magic is requesting approval of a fireworks display permit for July 4, 2017, at Heritage Landing. The Fire Marshall will inspect the fireworks on the day of the event.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval contingent on inspection of the fireworks and approval of insurance.

D. <u>2017 CDBG/Home Budget Recommendations</u> Community and Neighborhood Services

SUMMARY OF REQUEST: To accept the recommendations of the Administration in regards to the 2017 CDBG/HOME Budget Allocations and publish the Budgets and Annual Action Plan for public comments.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: To direct staff to publish the Proposed budgets for the 2017 CDBG/HOME Allocations and the Annual Action Plan for public comments.

STAFF RECOMMENDATION: To authorize the publication of the Proposed 2017-CDBG and HOME Budgets for the Annual Action Plan comment period.

E. <u>Special Event Request – Catamaran Racing Association of Michigan (CRAM) Request to allow overnight camping at Pere Marquette Park (in conjunction with their annual Catamaran Sailing regatta</u> Planning

SUMMARY OF REQUEST: C.R.A.M. is holding their annual Catamaran sailing regatta at Pere Marquette Park the weekend of July 28-30, 2017. They are again requesting permission for their participants to camp overnight at the park, as they have done in previous years. We are requesting that the Commission authorize staff to issue this approval annually and negotiate any terms associated with the request. If the city-owned parking lot across from The Deck restaurant is utilized, the Deck's owners (Harris Hospitality) will be engaged in the approval process (they approved it last year and have indicated approval for the 2017 event, as well).

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To authorize staff to approve overnight camping as part of the CRAM Sailing Regatta at Pere Marquette Parking beginning with the planned 2017 event.

G. Intake Inspection Water Filtration-DPW

SUMMARY OF REQUEST: Authorize staff to contract with Great Lakes Dock & Material for the inspection of the Filtration Plant Intake to determine the overall condition of the intake crib, conduit funnel, chemical application halo, piping and supports as well as the intake line. Also to include an inspection, evaluation and cleaning of the seals and seats of the Raw water Isolation Valves for a cost of $62,161.

FINANCIAL IMPACT: An invitation to bid on the intake inspection was posted to the City Website on March 7, 2017 and E-mailed to two Underwater Construction firms. Two firms submitted proposals; the results of the sealed bids are as follows:

Great Lakes Dock & Materials LLC - $62,161

Solomon Diving Inc. - $63,750

BUDGET ACTION REQUIRED: This item is budgeted in 2017.

STAFF RECOMMENDATION: Staff be authorized to contract with Great Lakes Dock & Materials to perform the intake Inspection at the Water Filtration Plant at a cost of $62,161.

H. West Sludge Pump Replacement Water Filtration – DPW

SUMMARY OF REQUEST: Authorize staff to contract with Franklin-Holwerda for the replacement of our west Sludge Pump at a cost of $25,868. Work to include removal of existing pump, purchase, and installation of a new Gorman-Rupp T Series 4" self-priming pump.

FINANCIAL IMPACT: An invitation to bid on the pump replacement project was posted to the City website on March 7, 2017 and e-mailed to three mechanical firms. Three firms submitted proposals; the results of the sealed bids are as follows:

Northern Boiler and Mechanical - $26,400

Franklin – Holwerda Co. - $25,868

Perceptive Service & Operations - $35,950

BUDGET ACTION REQUIRED: This item is budgeted in 2017.

STAFF RECOMMENDATION: Staff be authorized to contract with Franklin-Holwerda Co to perform the West Sludge Pump replacement at the Water Filtration Plant at a cost of $25,868.

I. <u>High Service Pump #4 Valve Replacement</u> Water Filtration – DPW

SUMMARY OF REQUEST: Authorize staff to contract with Northern Boiler & Mechanical for the removal of existing valve, purchase, and installation of a Pratt 14" rubber seated ball valve, control system, and a 14" chain driven butterfly isolation valve for our High Service #4 Pump at an estimated cost of $70,700 since they were the lowest responsible bidder.

FINANCIAL IMPACT: An invitation to bid on the valve replacement project was posted to the City website on March 7, 2017 and emailed to three mechanical firms. Two firms submitted proposals; the results of the sealed bids are as follows:

Northern Boiler and Mechanical - $70,700

Franklin – Holwerda Co. - $76,498

BUDGET ACTION REQUIRED: This item is budgeted in 2017.

STAFF RECOMMENDATION: Staff be authorized to contract with Northern Boiler and Mechanical to perform the High Service Pump #4 valve replacement at the Water Filtration Plant at a cost of $70,700.

J. <u>Auxiliary #7 Low Service Pump Rebuild</u> Water Filtration – DPW

SUMMARY OF REQUEST: Authorize staff to contract with Professional Pump Inc., for removal, disassembly, rebuild, and reinstallation of our Auxiliary #7 Low Service Pump for an estimated cost of $12,835 since they were the lowest responsible bidder.

FINANCIAL IMPACT: An invitation to bid on the pump rebuild project was posted to the City website on March 7, 2017 and emailed to three pump rebuild firms. Three firms submitted proposals; the results of the sealed bids were as follows:

Professional Pump, Inc. - $12,835

Dubric, Inc. - $13,900

Kennedy, Inc. - $20,850

BUDGET ACTION REQUIRED: This item is budgeted in 2017.

STAFF RECOMMENDATION: Staff be authorized to contract with Professional

Pump Inc. to perform the rebuild of our Auxiliary #7 Pump at the Water Filtration Plant at a cost of $12,835.

L. <u>2017/18 Water Treatment Sodium Hypochlorite Bids</u> Water Filtration – DPW

SUMMARY OF REQUEST: Recommend endorsement of lowest responsible bidder to supply sodium hypochlorite for the water filtration plant.

FINANCIAL IMPACT: An estimated annual cost of $62,836 (based on average annual water pumped and fee rates).

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends the Mayor and City Commission endorse the low bid received and allow staff to enter into a contract with Alexander for sodium hypochlorite for one year, beginning April 16, 2017.

M. <u>Amendment to the Zoning Ordinance – R-1, Single Family Districts</u>
SECOND READING Planning & Economic Development

SUMMARY OF REQUEST: Staff-initiated request to amend Article (R-1, Single Family Residential Districts) to rename it R-1, Single Family Low Density Residential Districts.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended approval of the ordinance amendment, with two members absent.

N. <u>Amendment to the Zoning Ordinance – R-2 and R-3 Districts</u>
SECOND READING Planning & Economic Development

SUMMARY OF REQUEST: Staff initiated request to amend Article IV (R-1, Single Family Residential Districts) to create two new categories for single family districts. These will include R-2, Single Family Medium Density Residential Districts and R-3, Single Family High Density Residential Districts.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended approval of the ordinance amendment, with two members absent.

O. Amendment to the Zoning Ordinance – Preamble & Sections 400 & 404 **SECOND READING** Planning & Economic Development

SUMMARY OF REQUEST: Staff initiated request to amend Article IV (R-1, Single Family Residential Districts) to amend the preamble to reflect the changes made by adding the new residential districts; to amend Sections 400 (Principal Uses Permitted) to create the allowed and special uses permitted in the new residential districts; and to amend Section 404 (Area and Bulk Requirements) to create the development standards for the new residential districts.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended approval of the ordinance amendment, with two members absent.

P. Request to add Parcels to the City's Existing Groundwater Ordinance – Burgess-Norton **SECOND READING** Planning & Economic Development

SUMMARY OF REQUEST: The City has received a petition from Burgess-Norton Manufacturing Company, Inc. to designate 711 parcels under the water supplies ordinance. These parcels are associated with the former Standard Automotive Parts Company at 660 Nims Street. The ordinance prohibits the use of groundwater wells and secondary water supplies under certain circumstances and in certain locations, to prevent exposure to contaminated groundwater, as well as to prevent wells from influencing the movement of contaminated water. Notice was sent to the affected addresses prior to this meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the ordinance amendment to include the additional 711 parcels.

Q. Request to add Parcels to the City's Existing Groundwater Ordinance – Ambrosia Street **SECOND READING** Planning & Economic Development

SUMMARY OF REQUEST: The City has received a petition from the Michigan Department of Environmental Quality to designate 511 parcels under the water supplies ordinance. The Ambrosia Street area groundwater contamination was discovered by sampling conducted by the environmental consultant Arcadis of Michigan, LLC for the Burgess-Norton site in 2013. During that work Arcadis not only defined the extent of the contamination plume coming from the Burgess-Norton site, but also identified three other plumes of chlorinated contamination. The ordinance prohibits the use of groundwater wells and secondary water supplies under certain circumstances and in certain locations, to prevent exposure to contaminated groundwater, as well as to prevent wells from influencing the movement of contaminated water. Notice was sent to the affected addresses prior to this meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the ordinance amendment to include the additional 511 parcels.

R. Consideration of Bids for: Resurfacing of Glenside from Sherman to Glen Engineering

SUMMARY OF REQUEST: To award the milling and resurfacing of Glenside Boulevard to McCormick Sand, Inc. since they were the lowest responsible bidder with a total bid price of $238,027.25

FINANCIAL IMPACT: The construction cost of $238,027.25 plus engineering cost of an additional 15%.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Award the contract to McCormick Sand.

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

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

Nays: None

MOTION PASSES

2017-30 ITEMS REMOVED FROM THE CONSENT AGENDA:

F. Lease Proposal for MACkite Kiteboarding School at Pere Marquette Park Department of Public Works

SUMMARY OF REQUEST: Staff is asking permission to enter into a 3-year contractual agreement for 2017, 2018, and 2019, with Steve Negen of MACkite for a Kiteboard School and Shop in Pere Marquette Park at 1955 Beach Street (former old brown/brick beach house building by Filtration Plant). Staff is also asking permission to negotiate with lessee for “in-kind” services and/or donation to Pere Marquette Park/Facilities in lieu of the standard lease payment.

FINANCIAL IMPACT: Revenue will be $2,500 per year for 2017, 2018, and 2019 contract years. Lessee also agrees to provide a portable handicapped restroom near the building and pay electrical bills for the property. If approved by Commission, staff would negotiate lease payment, "in-kind services", donation to Pere Marquette Park/Facilities or a combination of such up to the standard lease payment of $2,500 per year.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve the request.

Motion by Commissioner Warren, second by Vice Mayor Hood, to approve the request for a lease proposal for MACkite Kiteboarding School at Pere Marquette Park.

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

Nays: None

MOTION PASSES

K. <u>Alum Sludge Removal</u> Water Filtration – DPW

SUMMARY OF REQUEST: Authorize staff to contract with Ottawa County Farms Landfill and Cordes Trucking for the removal and disposal of approximately 1200 tons of Alum Sludge at an estimated cost of $37,440 ($31.20/Ton).

FINANCIAL IMPACT: Ottawa County Farms Landfill - $20.00/ton - $24,000

Cordes Trucking - $11.20/ton - $13,440

Total: $37,440

BUDGET ACTION REQUIRED: This item is budgeted in 2017.

STAFF RECOMMENDATION: Staff be authorized to contract for both, disposal and trucking of sludge from the filtration plant.

Motion by Commissioner Warren, second by Commissioner Johnson, to authorize staff to contract for both disposal and trucking of sludge from the filtration plant.

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

Nays: None

MOTION PASSES

2017-31 PUBLIC HEARINGS:

A. <u>Public Hearing – Request to Establish an Obsolete Property District – 1121 3rd Street</u> Planning & Economic Development

SUMMARY OF REQUEST: Pursuant to Public Act 146 of the Michigan Public Acts of 2000, Square Two Development, LLC, has requested the establishment of an

Obsolete Property District for their property at 1121 3rd Street. The establishment of the Obsolete Property Rehabilitation Exemption Certificate.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATIONS: Staff recommends approval of the Obsolete Property District.

~PUBLIC HEARING COMMENCED~ No public comments were received.

Motion by Vice Mayor Hood, second by Commissioner Rinsema-Sybenga, to close the public hearing and approve the Obsolete Property District.

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

Nays: None

MOTION PASSES

B. <u>Public Hearing – Request to issue an Obsolete Property Certificate – Square Two Development, LLC</u> Planning & Economic Development

SUMMARY OF REQUEST: Pursuant to Public Act 146 of the Michigan Public Acts of 2000, Square Two Development, LLC, has requested the issuance of an Obsolete Property Certificate for their property located at 1121 3rd Street. The estimated cost for rehabilitation of this property will be $75,000, which qualifies the applicant for an abatement of eight (8) years.

FINANCIAL IMPACT: If an Obsolete Property Certificate is issued, the property taxes would be frozen at the pre-rehabilitated rate for the duration of the certificate.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends approval of the Obsolete Property Rehabilitation Exemption Certificate.

~PUBLIC HEARING COMMENCED~ No public comments were received.

Motion by Vice Mayor Hood, second by Commissioner Rinsema-Sybenga, to close the public hearing and approve the Obsolete Property Rehabilitation Exemption Certificate.

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

Nays: None

MOTION PASSES

C. <u>Public Hearing – Request to Create a New Neighborhood Enterprise Zone District at 351 W. Western Avenue</u> Planning & Economic

Development

SUMMARY OF REQUEST: Pursuant to Public Act 147 of the Michigan Public Acts of 1992, 351 W. Western LLC has requested to create a new Neighborhood Enterprise Zone (NEZ) district for the parcel at 351 W Western Avenue for a new mixed-use building. The NEZ would only affect the 20 proposed apartments and not the commercial space.

FINANCIAL IMPACT: For those properties that are approved for a NEZ Certificate, taxation will be levied using half of the State average of millages of local entities.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To hold the public hearing.

~**PUBLIC HEARING COMMENCED~ No public comments were received.**

Motion by Commissioner Warren, second by Commissioner Rinsema-Sybenga, to close the public hearing.

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

Nays: None

MOTION PASSES

2017-32 NEW BUSINESS:

A. <u>City-County Cooperative Agreement</u> City Manager

SUMMARY OF REQUEST: As part of the reorganization of Division and Department duties at City Hall, staff is requesting the creation of an Economic Development Coordinator position to work directly with the City Manager's office to facilitate economic development-related opportunities. Initially, we would like to fill this position on a contractual basis by partnering with Muskegon County to share their current Economic Development Coordinator. Staff is requesting a one-year agreement with Muskegon County to provide us time to evaluate the cooperative agreement. The Agreement calls for the sharing of the costs associated with the position on a 60/40 basis, with the city contributing 40% of the costs associated with the position. The city's portion of those expenses is expected to equal $48,382.17 in the first year.

FINANCIAL IMPACT: Approximately $16,000 in the current fiscal year.

BUDGET ACTION REQUIRED: The costs will be accounted for as part of the 3rd Quarter Reforecast.

STAFF RECOMMENDATION: To approve the request and authorize the Mayor and Clerk to sign an agreement.

Motion by Commissioner Johnson, second by Vice Mayor Hood, to approve the

request and authorize the Mayor and Clerk to sign an agreement.

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

Nays: None

MOTION PASSES

B. <u>Comprehensive Settlement and Termination Agreement with Burgess-Norton</u> Planning & Economic Development

SUMMARY OF REQUEST: The proposed agreement would resolve open items remaining from a 2011 Memorandum of Understanding and Tolling Agreement between Burgess-Norton and the City.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize the Mayor and Clerk to sign the Comprehensive Settlement and Termination Agreement.

Motion by Commissioner Johnson, second by Vice Mayor Hood, to approve the request and authorize the Mayor and Clerk to sign the Comprehensive Settlement and Termination Agreement.

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

Nays: None

MOTION PASSES

C. <u>Restrictive Covenant for Certain City-Owned Parcels</u> Planning & Economic Development

SUMMARY OF REQUEST: During testing for the Burgess-Norton contamination, it was discovered that some of the groundwater located south of Ryerson Creek between Getty Street and approximately 750 feet west of Wood Street contains trichloroethene (TCE) and other associated chlorinated volatile organic compounds. In most of the area where TCE is present, it is located in groundwater at depths of 70 to 90 feet beneath the ground surface. As the groundwater migrates northward and nears Ryerson Creek, it migrates through sediments in the floodplain that are rich in organic matter and biological activity. These sediments tend to be located in areas within wetlands or beneath the bottomland of Ryerson Creek. Extensive Sampling has documented that, as the groundwater travels through those sediments, the TCE and associated compounds degrade significantly through biogeochemical processes. The purpose of this Restrictive Covenant is to preserve this natural system so that the degradation process continues to occur.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize the Mayor and Clerk to sign the Restrictive Covenant.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, authorize the Mayor and Clerk to sign the Restrictive Covenant.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:43 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC, City Clerk