City of Muskegon

City Commission Meeting

Minutes

March 28, 2023, 5:30 pm
Muskegon City Hall
933 Terrace Street, Muskegon, MI 49440

Present:	Mayor Ken Johnson Commissioner Rachel Gorman Commissioner Rebecca St.Clair Commissioner Eric Hood Vice Mayor Willie German, Jr. Commissioner Michael Ramsey Commissioner Teresa Emory
Staff Present:	City Manager Jonathan Seyferth City Clerk Ann Meisch City Attorney John Schrier Deputy City Clerk Kimberly Young

1. Call To Order

Mayor Ken Johnson called the meeting to order at 5:30 p.m.

2. Prayer

A moment of silence was observed, in lieu of opening prayer.

3. Pledge of Allegiance

The Commission and public recited the Pledge of Allegiance to the Flag.

4. Roll Call

As recorded above

5. Honors, Awards, and Presentations

6. Public Comment on Agenda Items

Public comments were received.

7. Consent Agenda

Action No. 2023-46

Motion by: Commissioner Ramsey
Second by: Commissioner Emory

To accept the consent agenda as presented.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

7.a <u>**Approval of Minutes**</u>

To approve minutes of the February 28, 2023 Regular Meeting.

STAFF RECOMMENDATION: To approve the minutes.

7.b <u>**Sale of 1379 Pine Street**</u>

Staff is requesting approval of a purchase agreement for 1379 Pine Street. 1379 Pine Street was constructed through the agreement with Dave Dusendang to construct infill housing with ARPA funding. The offer is for the full listing price with no seller concessions. The offer also includes costs to cover appliances and air conditioning.

STAFF RECOMMENDATION: To approve the purchase agreement for 1379 Pine Street.

7.c <u>**Sale of 263 Catherine Avenue**</u>

Staff is requesting approval of a purchase agreement for 263 Catherine Avenue. 263 Catherine Avenue was constructed through the agreement with Dave Dusendang to construct infill housing with ARPA funding. The offer is for $6,000 over the full listing price with $6,000 in seller concessions.

STAFF RECOMMENDATION: To approve the purchase agreement for 263 Catherine.

7.d <u>**Sale of 1373 Pine Street**</u>

Staff is requesting approval of a purchase agreement for 1373 Pine Street. 1373 Pine Street was constructed through the agreement with Dave

Dusendang to construct infill housing with ARPA funding. The offer is over the full listing price with 6% seller concessions. The offer also includes costs to cover appliances. Once the appliances and seller concessions are accounted for, the offer is for full price.

STAFF RECOMMENDATION: To approve the purchase agreement for 1373 Pine Street.

7.e **Arena Solar Power Purchase Agreement**

Charthouse Energy proposes, with financial backing by Sunwealth, LLC, to place solar panels on the roof the Trinity Health Arena and sell the energy to the City under a Power Purchase Agreement (PPA) to reduce the City's energy costs over the 25 year life of the system.

This item was discussed at the July, 2020 work session and the April 27th, 2021 regular meeting before being approved in a prior format at the June 8th, 2021 meeting. Due to tax issues, it was then rescinded at the June 14th, 2022 meeting. The tax issues have been resolved due to additional incentives being available under the IIJA, so a new financier (Sunwealth, LLC) has agreed to take the project on.

The updated proposal was reviewed with the Commission at the February 13, 2023 Work Session meeting. After positive feedback and a legal review of the Power Purchase Agreement (PPA) by Matthew Greenberg of Miller Canfield (at the recommendation of City Attorney John Schrier, as Mr. Greenberg assisted the City in developing the 2021 rescinded agreement), staff is pleased to present the proposal and PPA for formal adoption by the City Commission.

STAFF RECOMMENDATION: To enter into a 25 Year Power Purchase Agreement contract with Sunwealth, LLC to purchase power at a reduced cost from a solar generating facility installed on the Trinity Health Arena roof, and authorize the Manager to sign.

7.f **Laketon-Lakeshore DNR Trust Fund Grant**

The City intends to apply for MDNR Trust Fund grants for the Laketon-Lakeshore Trail Connector and would like public feedback on the project and application. Two grants will be submitted for the project, one for the portion from Laketon to Apple and one for the portion from Apple to Shoreline, in order to maximize the potential for funding. This is based on recommendations from the West Michigan Trails & Greenways Coalition and Prein & Newhof, who have helped the City with an application for

MDOT Transportation Alternatives Program (TAP) funding for the trail. The DNR Trust Fund grants and the MDOT TAP grant funds are able to match each other, potentially reducing the City's contribution.

STAFF RECOMMENDATION: To authorize staff to apply for MDNR Trust Fund grants for the Laketon-Lakeshore Trail Connector.

7.g **<u>Portable Restroom Service Extension</u>**

Staff requests approval for a one-year extension to a three-year contract from 2020 with Kerkstra Portable Restroom Service for the 2023 season.

Staff reached out to other area companies seeking to determine the market, and found that Kerkstra Portable Restroom Service is the only company able and willing to service Muskegon for the 2023 season. Kerkstra has offered updated pricing, which staff has confirmed is still well below the market rates offered by the competitors, again none of which are even able or willing to provide the number of units required by the City.

Staff plans to re-bid a three-year contract in fall of 2023 with hopes the market will be more open to and supportive of providing portable restroom service to the Muskegon market.

The majority of cost is from the Parks budget, however the boat launch ramps, special events such as Taste of Muskegon and the fireworks, the farmers market and the Western Market all use these services as well.

AMOUNT REQUESTED: $30,000

AMOUNT BUDGETED: $15,000 (Parks) / $15,000 (Other)

FUND OR ACCOUNT: 101-770 and Various

STAFF RECOMMENDATION: To authorize staff to enter into a one-year extension of the City's contract with Kerkstra Portable Restroom Service for the 2023 season.

7.h **<u>CCTV Services for Sewer Mains</u>**

Staff requests award of a three-year contract to Rogue Industrial Services for cleaning and televising services in the City's sanitary and storm sewer systems. Staff issued a public bid for sewer cleaning and televising services to supplement staff capacity on complex and/or large televising projects. In 2023, this contract will be used to televise the sewers in Apple Avenue in advance of MDOT's fiscal year 2026 reconstruction project to assist staff when deciding which sewers may need repairs or replacement in advance of or as a part of the MDOT project. In future years, staff will use this contract for televising of sewers when needed in large sections of the City or on a tight deadline, such as for Clean Water State Revolving Fund projects. Rogue Industrial Services has performed work for many West Michigan communities as shown in their attached proposal, and is recommended based on their work history and their low bid.

AMOUNT REQUESTED: $79,109 (Three Years)

AMOUNT BUDGETED: $25,000 (FY2023)

FUND OR ACCOUNT: 590 (Sewer)/202 (Highway)

STAFF RECOMMENDATION: To authorize staff to enter into a three-year contract with Rogue Industrial Services for cleaning and televising service in the City's sanitary and storm sewer systems.

7.i EGLE Brownfield Grant/Loan Application for Shaw-Walker Project

Typically, these applications are run through the Brownfield Redevelopment Authority, but they are already applicants for funding on behalf of Adelaide Pointe and cannot submit two requests in the same program year. EGLE has indicated that the city may directly apply on behalf of the Shaw-Walker project.

We have worked closely with Environmental Resource Group for several months on the environmental needs that are anticipated at Shaw-Walker, and with vapor mitigation needed for all buildings the costs will be substantial. EGLE administers an annual program that allows public entities to apply for up to $1,000,000 in grant funds and up to $1,000,000 in loan funds. Regardless of whether the local Brownfield Board or the city serves as the applicant, all loan/grant applications are considered backed by the full faith and credit of the city.

Parkland has asked for the city commission to allow the city to serve as the applicant for these funds, and has agreed to make sure the city is made whole either through TIF capture (the typical repayment method) or direct payment if TIF revenues are insufficient. ERG will do the leg work on the actual application and submittal, and work with our staff during implementation if funding is achieved for all necessary reporting. Staff recommends approval of this request.

STAFF RECOMMENDATION: To authorize staff to apply for EGLE Brownfield Grant/Loan Funding for use at the Shaw Walker Project in an amount of $2,000,000.

8. **Public Hearings**

9. **Unfinished Business**

10. **New Business**

10.a <u>Off-Premises Tasting Room License - The People's Cider Company</u>

The People's Cider Company has been chosen for a chalet at Western Market and needs an Off-Premises Tasting Room License and a Social District License.

FUND OR ACCOUNT: $1,000 revenue to Liquor Licenses

STAFF RECOMMENDATION: To approve the resolution requesting an Off-Premises Tasting Room License and Social District License for The People's Cider Company, 307 W. Western, Suite Q and authorize the Clerk to sign.

Action No. 2023-47(a)

Motion by: Commissioner Gorman
Second by: Commissioner Hood

To approve the resolution requesting an Off-Premises Tasting Room License and Social District License for The People's Cider Company, 307 W. Western, Suite Q and authorize the Clerk to sign.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

10.b <u>1170 W. Southern Avenue (MOCAP Building) Property Sale/Transfer</u>

MOCAP operates out of 1170 W. Southern Ave. This is currently a City owned property and MOCAP has expressed a desire to own the building/property the organization has been operating out of for many years. This action will, through a multi-step process, transfer that property to MOCAP via the Hume Home of Muskegon. The City will receive $3,000 for the sale.

The Muskegon-Oceana Community Action Partnership (MOCAP) operates out of a building (a former City fire station) at 1170 W. Southern

Ave. MOCAP has been in the building for many years. MOCAP wishes to purchase the property from the City for a variety of different reasons.

The City originally obtained the property from the Hume Home of Muskegon in 1950 paying $3,000. The purchase agreement has a deed restriction which states that when the City stops using the property for municipal purposes the Hume Home may exercise its right to repurchase the property for the same amount the City purchased it.

The Hume Home of Muskegon is comfortable with the property being purchased by MOCAP, however, because of the deed restrictions from the 1950s the Hume Home of Muskegon is going to exercise its right to purchase the property back for $3,000 (paid to the City) and then sell it to MOCAP for $3,000.

This two-step process will cure any questions regarding the property transfer/deed restriction and will allow MOCAP to take ownership of a building it has operated in and maintained for many years.

STAFF RECOMMENDATION: To approve the sale of 1170 W. Southern Avenue back to the Hume Home of Muskegon for the sum of $3,000 as provided for in the original 1950 purchase agreement and authorize the City Manager to sign all closing documents.

Action No. 2023-47(b)

Motion by: Commissioner Ramsey
Second by: Commissioner Emory

To approve the sale of 1170 W. Southern Avenue back to the Hume Home of Muskegon for the sum of $3,000 as provided for in the original 1950 purchase agreement and authorize the City Manager to sign all closing documents.

Ayes: (7): Mayor Johnson, Commissioner Gorman, Commissioner St.Clair, Commissioner Hood, Vice Mayor German, Commissioner Ramsey, and Commissioner Emory

MOTION PASSES (7 to 0)

11. Any Other Business

11.a <u>Closed on CSX Rail Road</u>

City Manager, Jonathan Seyferth, told the Commissioners that the city signed closing documents on the CSX Rail Road purchase.

11.b **<u>Odd/Even Parking</u>**

Commissioner Hood raised the question about odd/even parking and what to do when it's the 31st followed by the 1st. Chief Kozal advised that would be two odd days in a row.

11.c **<u>Pubic Forums for Master Plan</u>**

Mayor Johnson thanked staff members Mike Franzak, Jamie Pesch, and Deborah Santiago-Sweet for their work in organizing, promoting and conducting public forums to present information and receive feedback regarding the city's master plan.

12. Public Comment on Non-Agenda items

- Reminder: Individuals who would like to address the City Commission shall do the following:
- Fill out a request to speak form attached to the agenda or located in the back of the room.
- Submit the form to the City Clerk.
- Be recognized by the Chair.
- Step forward to the microphone.
- State name and address.
- Limit of 3 minutes to address the Commission
- (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

Public comments were received.

13. Closed Session

14. Adjournment

The City Commission meeting adjourned at 6:23 p.m.

Motion by: Commissioner Ramsey
Second by: Commissioner Emory

MOTION PASSES

Respectfully Submitted,

Ann Marie Meisch, MMC - City Clerk