CITY OF MUSKEGON

CITY COMMISSION MEETING

MARCH 24, 2020 @ 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 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, March 24, 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.

2020-17 CONSENT AGENDA:

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

SUMMARY OF REQEUST: To approve the minutes of the February 19, 2020 Special City Commission meeting, the February 25, 2020 regular meeting, and March 9, 2020 Worksession meeting.

STAFF RECOMMENDATION: To approve the minutes.

B. <u>1639 5th Street Sale</u> Community and Neighborhood Services

SUMMARY OF REQEUST: To approve the resolution and instruct the Community and Neighborhood Services department to complete the sales transaction with Cassandra Wallace for the rehabilitated home at 1639 5th Street for a purchase price of $90,000.

The hoe was acquired through the Muskegon County Land Bank. Proceeds from the sale will be used to continue the rehabilitation of affordable homes through the HOME program and provide funding for our Homebuyer's Assistance Program.

STAFF RECOMMENDATION: To approve the resolution and direct the Community and Neighborhood Services staff to complete the sale.

C. <u>Brownfield Development and Reimbursement Agreement – The Docks (Damfino Development, LLC)</u> Economic Development

SUMMARY OF REQEUST: Requesting approval of the Brownfield Development and Reimbursement Agreement for the Damfino Development LLC (The Docks) Brownfield.

The Brownfield Plan Amendment for Damfino Development LLC (The Docks) was approved by the commission on December 10, 2019. This agreement outlines how the Brownfield Redevelopment Authority will reimburse the developer for eligible costs for the 240 residential site condominiums at 1490 Edgewater for the next 30 years from property tax increments. The $20,097,500 in eligible costs includes $3 million for the city's public infrastructure to support the development. Reimbursement of the developer vs. the city will be done on a prorated basis, 82.5 percent to the developer and 17.5 percent to the city. The Muskegon Brownfield Redevelopment Authority approved this agreement at its March 10, 2020 meeting.

STAFF RECOMMENDATION: Approval of the Damfino Development LLC brownfield Development and Reimbursement Agreement and authorize the city clerk and mayor to sign the same.

D. <u>Resolution Setting Foundry Square, LLC Brownfield Public Hearing</u> Economic Development

SUMMARY OF REQEUST: The Brownfield Redevelopment Authority recommended approval of Brownfield Plan Amendment for Foundry Square LLC (372 Morris Avenue) and now the city commission needs to schedule a public hearing on that plan for April 14, 2020.

Foundry Square LLC – a partner ship of Great Lakes Development Group of Muskegon and Rockford Construction Co. of Grand Rapids – submitted a Brownfield Plan Amendment for the property at 372 Morris Avenue. The Brownfield Redevelopment Authority approved the plan on March 10, 2020. The city commission needs to set a public hearing on the plan for April 14, 2020. The resolution of approval by the Brownfield Redevelopment Authority and a resolution setting the April 14 public hearing are attached.

STAFF RECOMMENDATION: To approve the resolution setting a public hearing for April 14, 2020 on the Foundry Square Brownfield Plan Amendment and notify the appropriate taxing units.

E. <u>Act 51 Map Changes</u> Engineering

SUMMARY OF REQEUST: Staff is requesting authorization to approve the decertification and addition of streets on the MDOT ACT 51 Map.

Staff has reviewed the current MDOT ACT 51 map and has found that 25 streets need to be decertified and 2 streets need to be added to the map. MDOT needs a resolution from our governing body to approve any changes to the map.

Currently the City receives approximately $5,136,000 for 75.64 miles of major roads, 112.97 miles of local roads and 18.88 miles of state roads. The proposed changes to the amp will remove 0.20 miles of major roads and 1.07 miles of local roads. This difference will bring in 0.166% less revenue.

Staff is asking for approval of the changes to the ACT 51 Map and will need a signed Street Add Certification and Street Decertification form to submit to MDOT in order to complete changes.

STAFF RECOMMENDATION: Approve changes to the ACT 51 Map and sigh Street Add Certification and Street Decertification forms to submit to MDOT to complete changes.

F. <u>Amity Avenue Bridge</u> Public Works

SUMMARY OF REQEUST: Staff is requesting authorization to apply for State of Michigan FY 2022 local bridge funds for a project to remove the Amity Avenue Bridge and rebuild an at-grade road through the area. A resolution of support is required to include with the application.

STAFF RECOMMENDATION: Approve the resolution of support and authorize the Mayor and Clerk to sign and commit to funding the required match and engineering costs in future fiscal years if the project is selected.

THIS ITEM WAS REMOVED.

G. <u>Highway Aggregates, Materials, and Concrete</u> Public Works

SUMMARY OF REQEUST: Award supply of aggregates, highway maintenance materials and concrete for 2020 to selected bidders.

Bids were solicited for aggregates, highway maintenance materials and concrete for purchase in 2020. Purchases will be made from recommended bidders listed in blue on attached spreadsheets. Purchases are contingent upon product availability, timely deliveries, and prices as quoted.

STAFF RECOMMENDATION: Awards bids for aggregates, highway maintenance materials and concrete purchases for 2020 as presented.

H. <u>Sheridan & Olthoff Reconstruction</u> Engineering

SUMMARY OF REQEUST: Staff is requesting authorization to approve a contract to reconstruct Olthoff Drive from Black Creek Road to east end and Sheridan Road from Olthoff Drive north to city limits of the City of Muskegon, Muskegon County.

Staff solicited bids to reconstruct 0.98 miles of HMA pavement reconstruction including HMA surface removal, aggregate conditioning, concrete curb and gutter, HMA paving and pavement markings. The location of the project is

Olthoff Drive from Black Creek to east end and Sheridan Road from Olthoff Drive to city limits of the City of Muskegon, Muskegon County.

Below are bids received on March 17, 2020:

Asphalt Paving, Inc: $738,820.00

McCormick Sand: $795,872.10

Michigan Paving and Materials: $845,425.70

Rieth-Riley Construction :$968,737.50

Staff recommends the contract be awarded to Asphalt Paving, Inc. to reconstruct Olthoff and Sheridan roads according to the bid documents in the City of Muskegon.

Amount Reqeusted: $738,820 Fund or Account: 202-91842-5346

Amount Budgeted: $850,000 Fund or Account: 202-91842-5346

STAFF RECOMMENDATION: Award the contract to Asphalt Paving, Inc. To reconstruct Olthoff and Sheridan Roads according to the bid documents.

I. <u>Mulch Installation Contract</u> Public Works

SUMMARY OF REQEUST: Staff is asking permission to hire Superior Ground Cover to apply mulch in various locations in the Downtown area.

Staff is asking permission to hire Superior Ground Cover for $26,649.00 to apply mulch to flower/plant beds on Western Avenue, the Farmers Market and Indian Cemetery.

STAFF RECOMMENDATION: Authorize staff to hire Superior Ground Cover to apply mulch at various locations in the Downtown area.

J. <u>Equipment Purchase</u> Public Works

SUMMARY OF REQEUST: The Water & Sewer Department is requesting permission to purchase one (1) Trailer Mounted Six Inch Trash Pump and Well Point System for Northern Dewatering Inc., the lowest responsible bidder.

Two companies submitted bids for this purchase as follows:

Northern Dewatering, Inc. $53,613.16

Mersino $60,017.30

This equipment will replace the old six-inch pump and point system currently being used. The newer technology will allow us to save on rental costs which have been upwards of $20,000 over the last few years.

Amount Requested: $53,613.16

Amount Budgeted: $50,000.00

STAFF RECOMMENDATION: Authorize staff to purchase Trash Pump and

Dewatering Equipment from Northern Dewatering Inc. for $53,613.16.

K. NEZ Certificates Planning

SUMMARY OF REQEUST: Applications for Neighborhood Enterprise Zone (NEZ) certificates have been received from Terrace Point Landing, LLC for the new construction of homes at 334, 336, 671, 673, 675, and 677 Terrace Point.

STAFF RECOMMENDATION: To approve the Neighborhood Enterprise Zone Certificate for 334, 336, 671, 673, 675, and 677 Terrace Point.

L. Equipment Purchase Public Works – Water Filtration

SUMMARY OF REQEUST: Filtration plant is requesting approval to purchase one (1) ball valve with control and one (1) isolation valve for high service pump #2.

The ball valve will replace the original malfunctioning valve on high service pump #2 and an isolation valve will be necessary to install this ball valve. We have Pratt valves on all other high service pumps and would like to have identical valves on all pumps for ease of maintenance. Pratt is the only regional dealer and we will procure installation services at a later date.

The funding will come from budgeted item for Harvey Pump #2 for $80,000 and budget reallocations will be done in the third quarter

Amount Requested: $67,343.70 Fund or Account: 591-60558-5400

Amount Budgeted: $80,000.00 Fund or Account: 591-60558-5400

STAFF RECOMMENDATION: Authorize staff to purchase ball valve and isolation valve for high service pump #2 from Pratt for $67,343.70.

N. Emergency Purchasing Procedure City Manager

SUMMARY OF REQEUST: City Staff is seeing authorization to temporarily increase the City Manager's purchasing limit to $50,000.

City staff is seeking emergency approval to process all purchase up to $50,000 by increasing the City Manager's authorized purchases from $15,000 to $50,000 until April 30th.

STAFF RECOMMENDATION: Increase authorized purchases for the City Manager from $15,000 to $50,000 until April 30, 2020.

Item F will be discussed at a later date.

Motion by Vice Mayor Hood, second by Commissioner Johnson, to approve the consent agenda as presented, except Item M.

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

Nays: None

MOTION PASSES

2020-18 ITEMS REMOVED FROM CONSENT AGENDA:

M. Emergency Small Business Loans City Manager

SUMMARY OF REQEUST: City staff is seeking authorization to temporarily streamline economic assistance to businesses previously impacted by the prolonged Lakeshore Drive reconstruction project and would like to operate over the next two months allowing Administrative approval of emergency small business loans up to $10,000 as part of the revolving loan program.

City staff is seeking temporary emergency approval to enter into small business loans up to $10,000 each. The specific approvals are as follows:

Authorize the City Manager and Finance Director to approve emergency small business loans. The maximum loan amount would be $10,000; the maximum amount available would be $150,000. The terms would follow the normal revolving loan program interest rate criteria of Prime plus 2%. All loans would be amortized over a 36-month period, with interest incurring after 120 days and payments starting after 120 days. The fund has in excess of $1 Million to lend. If brought to full amortization, the loans would generate approximately $33,000 in interest for the fund.

Amount Request: $150,000 Fund or Account: Revolving Loan Fund.

STAFF RECOMMENDATION: Authorize the City Manager to approve emergency small business loans from the revolving loan fund, with a maximum loan amount of $10,000, and a maximum available of $150,000 until May 30, 2020.

Motion by Commissioner German, second by Commissioner Johnson, to authorize the City Manager to approve emergency small business loans from the revolving loan fund, with a maximum loan amount of $10,000, and a maximum available of $150,000 until May 30, 2020.

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

Nays: None

MOTION PASSES

PUBLIC COMMENT: Public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 6:00 p.m.

Respectfully Submitted,

Ann Marie Meisch – MMC, City Clerk