CITY OF MUSKEGON

CITY COMMISSION MEETING

MARCH 13, 2018 @ 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, March 13, 2018. Sister Agnes Mary, St. Michael's Catholic 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 Eric Hood, Commissioners Ken Johnson, Byron Turnquist, Debra Warren, and Dan Rinsema-Sybenga, City Manager Frank Peterson, City Attorney John Schrier, and City Clerk Ann Meisch.

Absent: Commissioner Willie German, Jr.

INTRODUCTIONS/PRESENTATION: Mayor Stephen J. Gawron presented a group of Girl Scouts with a proclamation Celebrating Girl Scout Week and the Importance of Girls' Leadership Development.

2018-15 CONSENT AGENDA:

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

SUMMARY OF REQUEST: To approve minutes of the February 27, 2018 Regular Meeting.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the minutes.

B. <u>Fire – Hurst EDraulic Ram</u> Public Safety

SUMMARY OF REQUEST: The Director of Public Safety requests that the Commission authorize the amount of $17,130.00 for the purchase of two Hurst EDraulic Ram tools with 4 EXL Lithium ion batteries and charging units. The Muskegon Fire Department's antiquated hydraulic "Ram" tool is in disrepair and outside the scope of service life. The two Ram tools will be utilized in critical lifesaving situations for efficient extrications, and to complement our battery operated Hurst “Spreader” and “Cutting” Tools.

FINANCIAL IMPACT: Negative Impact on Fire Budgeted

BUDGET ACTION REQUIRED: No action at this time *(to be reviewed in third quarter forecast)*

STAFF RECOMMENDATION: Staff recommends approval of the Two Hurst EDraulic Ram Tools.

E. <u>One Year Janitorial Services Extension</u> Department of Municipal Services

SUMMARY OF REQUEST: Extend the current janitorial services contract with Reliant Professional Cleaning for City Hall and the Public Service Building for one year through April 30, 2019.

FINANCIAL IMPACT: Cost will be $35,280.00 for City Hall and $12,156.00 for Public Service Building through April 30, 2019.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approval of the one year extension with Reliant Professional Cleaning Services to provide cleaning services through April 2019.

F. <u>Mercy Health Easement</u> DPW

SUMMARY OF REQUEST: Mercy Health has requested an easement for ingress/egress across city property at the end of Harvey Street for access to a newly constructed employee parking lot. Maintenance, repairs and snowplowing for the easement property are the sole responsibility of Mercy Health, and maintenance and repair work require prior approval by the City.

Staff request that the easement be approved for signature.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Approve the easement for signature.

G. <u>State Revolving Fund, DEQ Loan Program, Engineering Costs</u> DPW/Water and Sewer

SUMMARY OF REQUEST: Authorize staff to enter into an agreement with Prein & Newhof to develop a Project Plan for the City’s sanitary sewer system, which is required to apply for a low interest State Revolving Fund (SRF) loan from the MDEQ. With the completion of the SAW (Stormwater, Asset Management, and Wastewater) Grant work, the City is in a position to take advantage of the MDEQ loan program which provides funding to address the failing infrastructure discovered during the asset inventory. Our city’s demographics may allow us to receive some principal forgiveness.

Prein & Newhof is being recommended since they managed the SAW Grant work and have familiarity with the needs of our sanitary system. The engineering cost is a “not to exceed” $55,000.

FINANCIAL IMPACT: The total cost of engineering services is $44,000 to be covered by City’s sewer fund.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Prein & Newhof for engineering services to develop a SRF Project Plan for the City’s sanitary sewer system.

H. <u>Purchase Agreement – 241 and 255 West Western, 1251 8th Street</u> City Manager

SUMMARY OF REQUEST: City staff has been working with a housing developer that is interested in creating multifamily housing in Muskegon. After careful consideration, the developer has identified three parcels: 241 West Western, 255 West Western, and 1251 8th Street.

FINANCIAL IMPACT: $75,000 minus closing costs – deposited to the City’s Public Improvement Fund

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To authorize the City Manager to negotiate a purchase agreement with Dusendang Custom Homes for $75,000, providing 60 days of due diligence for the purchaser and up to 18 months for completion of the projects.

Motion by Commissioner Warren, second by Vice Mayor Hood, to approve the consent agenda as presented, except Item C, D, and I.

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

Nays: None

MOTION PASSES

2018-16 ITEMS REMOVED FROM CONSENT AGENDA:

C. <u>Approval of Building Contract for 1025 E Forest Avenue</u> Community and Neighborhood Services

SUMMARY OF REQUEST: To award the Building Contract for the rehabilitation of 1025 E. Forest Avenue to Custom Exteriors, for the City of Muskegon’s Homebuyers Program through CNS.

FINANCIAL IMPACT: The funding for this project has been secured with 2017 HOME Funds.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To award Custom Exteriors the rehabilitation contract for 1025 E. Forest in the amount $61,051.00, for the Community and Neighborhood Services Office.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to award Custom Exteriors the rehabilitation contract for 1025 E. Forest in the amount of $61,051.00 for the Community and Neighborhood Services Office.

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

Nays: None

MOTION PASSES

D. <u>Purchase of the Home at 1188 4th Street</u> Planning & Economic Development

SUMMARY OF REQUEST: Staff is requesting approval to purchase the home at 1188 4th Street for $85,000 plus closing costs. The seller is also requesting that the City pay the outstanding 2017 and 2018 taxes and the transfer taxes. This property is important for the redevelopment of the area, including the next phase of Midtown Square homes.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To allow the City Manager to enter into a purchase agreement with the seller.

Motion by Commissioner Turnquist, second by Johnson, to allow the City Manager to enter into a purchase agreement with the seller

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

Nays: Turnquist

MOTION PASSES

I. <u>880 First Selective Demolition, Abatement, and Site Prep</u> City Manager

SUMMARY OF REQUEST: City staff is seeking permission to begin selective demolition of the five story office building located at 880 First Street. Three bids were received, with the lowest responsible bidder being Melching, Inc. Staff is seeking approval to reimburse Port City Group up to $350,000 to undertake the selective demolition, abatement, and site preparation.

FINANCIAL IMPACT: Not to exceed $350,000

BUDGET ACTION REQUIRED: None at this time – the expense will be documented in the 3rd Quarter Reforecast.

STAFF RECOMMENDATION: To authorize the City Manager to reimburse Port City Group up to $350,000 to undertake the selective demolition, abatement, and site preparation costs at 880 First Street.

Motion by Commissioner Johnson, second by Commissioner Warren, to authorize the city manager to reimburse Port city Construction up to $350,000 in selective demolition, abatement, and site preparation costs at 880 first street which will ultimately be paid back to the city at time of property sale closing and/or once occupancy permit is issued.

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

Nays: None

MOTION PASSES

2018-17 PUBLIC HEARINGS:

A. <u>Recommendation for Annual Renewal of Liquor Licenses</u> City Clerk

SUMMARY OF REQUEST: To adopt a resolution recommending non-renewal of those liquor license establishments who are in violation of Section 50-146 and 50-147 of the Code of Ordinances for the City of Muskegon. These establishments have been found to be in non-compliance with the City Code of Ordinances and renewal of their liquor licenses should not be recommended by the City Commission. If any of these establishments come into compliance by March 13, 2018, they will be removed from this resolution, and recommendation for their renewal will be forwarded to the Liquor Control Commission.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Adoption of the resolution.

PUBLIC HEARING COMMENCED: No public comments were received.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Johnson, to close the Public Hearing and adopt the resolution.

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

Nays: None

MOTION PASSES

2018-18 NEW BUSINESS:

A. <u>Service Firearm Program</u> Public Safety

SUMMARY OF REQUEST: The Director of Public Safety requests that the

Commission authorize the amount of $49,962.10 for the purchase of department issued primary hand guns for all Muskegon sworn police officers. This firearms platform proposed, (GLOCK 17 Gen 5 piston), will replace our current system where officers purchase and attempt to maintain a primary duty weapon at their expense, which has been less than successful. Muskegon Police Officers currently carry a Sig-Sauer semi-auto pistol with multiple ammunition options (POLC Contract). This firearm is expensive to purchase, and the use of three options of ammunition is costly for the department and can present logistical issued in the field. Allowing different calibers in primary service weapons is not recommended and ammunition is not interchangeable in the handguns, again causing logistical issues. Our proposed platform increases officer safety and efficiency with the move to a one caliber system (9mm) department wide for the proposed primary deputy weapon. The department will own, maintain, issue, and check-in firearms and support equipment as officers pass through our department from hire to retirement.

FINANCIAL IMPACT: None – GF Budgeted

BUDGET ACTION REQUIRED: Firearm & support equipment proposed platform will be funded by the *Drug Forfeiture Fund*

STAFF RECOMMENDATION: Staff recommends approval of this platform to update and enhance the department with primary service pistols and supporting equipment.

Motion by Vice Mayor Hood, second by Commissioner Turnquist, to approve this platform to update and enhance the department with primary service pistols and supporting equipment.

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

Nays: None

MOTION PASSES

B. <u>Administrative Vehicle Replacement</u> DPW/Equipment

SUMMARY OF REQUEST: Authorize staff to purchase three Chevy Impalas from Berger Chevrolet the Mi-Deal State contract holder. This will replace the three oldest administrative vehicles currently being used. Cost to the City will be $23,183 per vehicle.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: $23,183 x three - $69,549.00

STAFF RECOMMENDATION: Authorize staff to purchase three Chevy Impala's from Berger Chevrolet.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Johnson,

authorize staff to purchase three Chevy Impalas from Berger Chevrolet.

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

Nays: None

MOTION PASSES

C. <u>Letter of Intent – 1000 West Western Ave Sales Agreement</u>

SUMMARY OF REQUEST: The City Commission accepted a $249,000 purchase offer from Smith Equities in 2016. After nearly one year of due diligence, Smith Equities is ready to finalize the details of the purchase agreement under their Harbor West, LLC. The Letter of Intent outlines the commitments that Harbor West, LLC and the City of Muskegon intend to commit to as part of the Purchase Agreement. The remaining due diligence activities to be undertaken by Harbor West, LLC will be costly; providing this signed letter of intent will give them the necessary security that the city is generally agreeable to the terms that will be in the purchase agreement.

FINANCIAL IMPACT: $250,000 minus closing costs – deposited to the City's Public Improvement Fund

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: To authorize the city manager to sign the Letter of Intent and negotiate a final purchase agreement with Harbor West, LLC consistent with the terms of the Letter of Intent.

Motion by Commissioner Rinsema-Sybenga, second by Commissioner Johnson, authorize staff to purchase three Chevy Impalas from Berger Chevrolet.

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

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: No public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 6:25 p.m.

Respectfully Submitted,

Ann Marie Meisch, City Clerk