

CITY OF MUSKEGON

CITY COMMISSION MEETING

FEBRUARY 25, 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 at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, February 25, 2020, Pastor Tim Cross, Living Word Church, opened the meeting with a 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, 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.

Absent: Vice Mayor Eric Hood

HONORS AND AWARDS:

A. USS Silversides Summer Programming with Boys & Girls Club – Informational Presentation – Peggy Maniates, Executive Director

Peggy Maniates, Executive Director of the USS Silversides Museum presented information on the field trip program that the organization does with the Boys & Girls Club of Muskegon and Muskegon Public School System.

B. Informational Presentation on expansion plans for The Deck

Michelle Harris, owner of 1601 Beach, LLC presented information to the commission regarding their expansion plans for their restaurant, The Deck, at Pere Marquette Park.

PUBLIC COMMENT ON AGENDA ITEMS: No comments on agenda items.

2020-13 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the February 10, 2020 Worksession meeting and the February 11, 2020 regular meeting.

STAFF RECOMMENDATION: To approve the minutes.

D. Tax Incentive Policy and Guidelines Economic Development

REMOVED PER STAFF REQUEST

E. Resolution of Intent to Bond Sanitary Sewer and Water Supply Revenue Bonds Finance

SUMMARY OF REQUEST: This resolution authorizes the publication of a Notice of Intent relating to issuing bonds for the purpose of paying all or part of the cost to acquire, construct, furnish and equip improvements to the Sanitary Sewer and Water Supply System.

To approve two Notices of Intent Resolutions to bond for Sanitary Sewer System bonds for up to \$15,000,000 over the next 5 years and Water Supply System bonds for up to \$20,000,000 over the next 5 years. This is the first step in the bonding process. These bonds will be issued through the State of Michigan's SRF (Sewer Revolving Loan Fund) and the DWRF (Drinking Water Revolving Loan Fund). The interest rate charged by the State is very favorable and additionally they offer loan forgiveness for a portion of the loan. The Commission will be asked at a later date to approve the issuance of bonds once the State has approved our projects and we know the loan details.

STAFF RECOMMENDATION: Approve the Notice of Intent Resolutions for Sanitary Sewer System Revenue Bonds not to exceed \$15,000,000 and Water Supply System Revenue Bonds not to exceed \$20,000,000.

G. Pere Marquette Park – Grant Declaration Public Works

SUMMARY OF REQUEST: The Michigan Department of Natural Resources requires completion of a Declaration and Notice to receive reimbursement of the grant funds that were awarded for the playground and bathhouse improvements at Pere Marquette Park.

The completion of the Declaration and Notice is a requirement of MDNR to reimburse the city for the grant portion (\$220K) of funding that was allocated for the playground and bathhouse improvements at Pere Marquette Park. The declaration is intended to reiterate the grant obligations that were included in the original agreement signed in 2017. Staff is requesting to have the Mayor sign the declaration.

STAFF RECOMMENDATION: Authorize the Mayor to sign the Declaration and Notice with the Michigan DNR.

H. Emergency Sewer Repairs Public Works

SUMMARY OF REQUEST: During the Thanksgiving Holiday a section of sanitary sewer collapsed under a parking lot along Henry Street near Sherman Plaza. DPW contracted under emergency circumstances to provide temporary and long-term solutions to repair the collapse. The invoices for these repairs exceed

staff authorization levels and require commission approval.

On Friday, November 29th a sinkhole formed in the parking lot of Sherman Plaza along Henry Street just north of Sherman Boulevard. After investigation by DPW crews it was determined that the sanitary sewer line had collapsed approximately 27 FT below the parking lot surface. The sanitary sewer line that collapsed served as an outlet for nearly all of the Campbell Field neighborhood. Staff notified Commission of the situation on December 2nd.

The first operation performed was a temporary pump and haul where the sewage was pumped into trucks and hauled away for disposal. This took place on 11/29/19 – 12/03/19 and was provided primarily by Northern A-1, Muskegon County DPW and with our own City crews. The cost for A-1's services through this stage was \$18,276.64 and is included as Attachment 1. The cost for Muskegon County DPW services through this stage was \$10,248.47. All other entities that assisted were less than \$5,000.

Starting on December 3rd a temporary bypass pump that had been installed by Jackson-Merkey was put into place. The bypass pump provided a more manageable temporary solution that included installation of a hydraulic pump and approximately 1,500 FT of piping to temporarily bypass the collapsed sewer. The temporary bypass pumping remained in place until the permanent solution was in place on January 16th, 2020. The cost for Jackson-Merkey's services to install the temporary bypass pump was \$17,814.00 and is included as Attachment 2.

While the temporary bypass pumping was in place DPW explored several options for a long term repair. Several options were eliminated based on the infeasibility to complete the repairs. DPW identified a feasible repair option and worked with the Contractor to begin the repairs. Work on the permanent repairs was started December 30th, 2019 and concluded with a successful installation on January 16th, 2020 at a cost of \$97,478.80 and is included as Attachment 3.

No basements were flooded and no damage to private property occurred as a result of this sewer break. No sewage was lost or discharged into the lakes/streams as a result of this break.

STAFF RECOMMENDATION: Authorize staff to pay the invoices to Northern A-1, Jackson-Merkey Contractors and Midwest Trenchless Services for the emergency sewer repairs for a total of \$143,817.91.

appointments.

Motion by Commissioner Johnson, second by Commissioner German, to approve the consent agenda as presented, except items B, C, F, and I.

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

Nays: None

MOTION PASSES

2020-14 ITEMS REMOVED FROM THE CONSENT AGENDA:

B. NEZ Certificate – 658 Terrace Point Planning

SUMMARY OF REQUEST: An application for a Neighborhood Enterprise Zone (NEZ) certificate has been received from James Starr for the new construction of a home at 658 Terrace Point. The applicant has met local and state requirements for the issuance of the NEZ certificate.

STAFF RECOMMENDATION: To approve the NEZ certificate at 658 Terrace Point for a duration of 12 years.

Motion by Commissioner German, second by Commissioner Johnson, to approve the NEZ certificate at 658 Terrace Point for a duration of 12 years.

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

Nays: None

MOTION PASSES

C. NEZ Certificate – 326 Terrace Point Planning

SUMMARY OF REQUEST: An application for a Neighborhood Enterprise Zone (NEZ) certificate has been received from Timothy Koeze for the new construction of a home at 326 Terrace Point. The applicant has met local and state requirements for the issuance of the NEZ certificate.

STAFF RECOMMENDATION: To approve the NEZ certificate at 326 Terrace Point for a duration of 12 years.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to approve the NEZ certificate at 326 Terrace Point for a duration of 12 years.

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

Nays: None

MOTION PASSES

F. Seaway Railroad Bridge Painting Public Works

SUMMARY OF REQUEST: Staff is requesting authorization to approve a contract to clean and paint the railroad bridge over US-31 BR (Seaway Drive) between Hackley Avenue and Laketon Avenue in the City of Muskegon.

Staff solicited bids to paint two railroad bridges that cross over Seaway Drive (US-31 BR), one in the City of Muskegon and one in Norton Shores. After receiving the initial bids (listed below), it was determined that the cost was too high to

continue with the painting of both bridges. Staff has reached out to the lowest bidder (Seaway Painting) to inquire about only painting the northerly bridge within the City limits and Department of Public Works has agreed to provide traffic control for the work. Seaway Painting has agreed to clean and paint the bridge at the price listed below.

A complete breakdown of the original bids is attached.

The original bid totals for cleaning and painting of two bridges, including traffic control:

Seaway Painting: \$161,771.00

Civil Coatings: \$208,800.00

Abhe & Svoboda: \$293,985.00

Bridge X02 of 61151 Cleaning and Coating + Mobilization (only):

Seaway Painting: \$68,385.00

Civil Coatings: \$125,600.00

Abhe & Svoboda: \$126,135.00

Work will include cleaning the existing structure and painting to a neutral base color in preparation for placement of a mural in the future.

Staff recommends the contract be awarded to Seaway Painting to clean and paint one railroad bridge over US-31 BR between Hackley Ave and Laketon Ave in the City of Muskegon. A portion of the costs will be reimbursed through the Community Foundation. Some fundraising efforts have already begun with more expected to take place once a notice to proceed is issued.

STAFF RECOMMENDATION: Award the contract to Seaway Painting for the cleaning and coating of the railroad bridge over Seaway Drive between Hackley Avenue and Laketon Avenue for \$68,385.00.

Motion by Commissioner Johnson, second by Commissioner Rinsema-Sybenga, to award the contract to Seaway Painting for the cleaning and coating of the railroad bridge over Seaway Drive between Hackley Avenue and Laketon Avenue for \$68,385.00.

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

MOTION PASSES

I. MANA, LLC Revolving Loan City Manager

SUMMARY OF REQUEST: Staff is seeking approval of the revolving loan fund

application by MANA Sports, LLC in the amount of \$30,000. The loan would be repaid based on a 36-month amortization schedule and a 7.5% interest rate.

2020 will mark the 5th season that Mercy Health Arena has hosted professional indoor football. As part of our collective efforts to increase attendance, the West Michigan Ironmen are endeavoring to make significant upfront investments in marketing services, equipment, and gameday operations. This will include purchasing good and services in advance of the team's opening date. The team has developed \$305,000 operating budget for the 2020 season. Much of the income will be realized during the later portions of the season as the team hosts home game events at Mercy Health Arena. Staff is recommending the \$30,000 loan to assist with those initial costs.

STAFF RECOMMENDATION: Approve the agreements and authorize the Mayor and Clerk to sign.

Motion by Commissioner German, second by Commissioner Rinsema-Sybenga, to approve the agreements and authorize the Mayor and Clerk to sign.

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

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: The Commission is directing staff to consider incorporating a cognate regarding environmental stewardship or sustainability into the policy.

PUBLIC COMMENT ON NON-AGENDA ITEMS: Comments were received from the public.

2020-15 CLOSED SESSION:

A. Lawsuit Settlement

Motion by Commissioner Rinsema-Sybenga, second by Johnson, to go into closed session to discuss a lawsuit settlement, Antol v Dent, Straus, Bringedahl, and Kutches.

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

Nays: None

MOTION PASSES

Motion by Commissioner Rinsema-Sybenga, second by Ramsey, to come out of closed session. All in favor.

MOTION PASSES

Motion by Commissioner Rinsema-Sybenga, second by Johnson, to settle the lawsuit, Antol v Dent, Straus, Bringedahl, and Kutches, per the attorney's

recommendation.

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

Nays: None

MOTION PASSES

ADJOURNMENT: The City Commission meeting adjourned at 7:35 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk