

CITY OF MUSKEGON

CITY COMMISSION MEETING

FEBRUARY 22, 2022 @ 5:30 P.M.

**MUSKEGON CITY COMMISSION CHAMBERS
933 TERRACE STREET, MUSKEGON, MI 49440**

AGENDA

- ☐ **CALL TO ORDER:**
- ☐ **PRAYER:**
- ☐ **PLEDGE OF ALLEGIANCE:**
- ☐ **ROLL CALL:**
- ☐ **HONORS, AWARDS, AND PRESENTATIONS:**
- ☐ **PUBLIC COMMENT ON AGENDA ITEMS:**
- ☐ **CONSENT AGENDA:**
 - A. Approval of Minutes City Clerk
 - B. Sale – 760 Leonard Economic Development
 - C. Peck Street – Change Order #006 Public Works
 - D. Western Avenue Fifth to Third Parking Lane Improvements – Contract Award Public Works
 - E. Hartshorn Marina Village Brownfield Repayment City Manager
 - F. Deficit Elimination Plan – BRA – Hartshorn Village (combined) Finance
 - G. Development Agreement Williams Construction Development Services/Economic Development
 - H. Development Agreement LRS Enterprises Development Services/Economic Development
 - I. Development Agreement Kramer Builders Development Services/Economic Development
 - J. Amendment to Community enCompass Infill Housing Agreement (EACH Program) Development Services/Economic Development
 - K. Request for Water Utility Connection Fee Waiver Development Services/Economic Development

L. Precinct Boundary Changes City Clerk

M. Unmarked Police Vehicle Lease Plan Public Safety

☐ PUBLIC HEARINGS:

☐ UNFINISHED BUSINESS:

A. Amendment to the Marihuana Facilities Overlay District – 1314 E Apple Avenue – 2nd Reading Planning

☐ NEW BUSINESS:

A. HBA Demolitions Public Safety

2123 Henry

507 E Apple

743 Amity

867 Scott

B. Interim City Manager City Manager

☐ ANY OTHER BUSINESS:

☐ 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.)

☐ CLOSED SESSION:

☐ ADJOURNMENT:

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY-FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT ANN MARIE MEISCH, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TTY/TDD DIAL 7-1-1-22 TO REQUEST A REPRESENTATIVE TO DIAL (231) 724-6705.

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Approval of Minutes
Submitted By: Ann Marie Meisch, MMC	Department: City Clerk
Brief Summary: To approve the minutes of the January 25, 2022 Regular Meeting.	
Detailed Summary: N/A	
Amount Requested: N/A	Amount Budgeted: N/A
Fund(s) or Account(s): N/A	Fund(s) or Account(s): N/A
Recommended Motion: To approve the minutes.	
For City Clerk Use Only: Commission Action:	

CITY OF MUSKEGON

CITY COMMISSION MEETING

JANUARY 25, 2022 @ 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, Michigan at 5:30 p.m., Tuesday, January 25, 2022. Reverend Eileen B. Stoffan, St. Paul's Episcopal 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 Ken Johnson, Vice Mayor Willie German, Jr., Commissioners Eric Hood, Teresa Emory, Rachel Gorman, and Rebecca St.Clair, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Marie Meisch.

Absent: Commissioner Michael Ramsey

PUBLIC COMMENT ON AGENDA ITEMS: No comments were received.

2022-06 CONSENT AGENDA:

A. Approval of Minutes City Clerk

SUMMARY OF REQUEST: To approve the minutes of the December 13, 2021 Worksession Meeting and the January 4, 2022 Organizational Meeting.

STAFF RECOMMENDATION: To approve the minutes.

B. Non-Profit Recognition for Breakthrough Believers Recovery and Healing Center City Clerk

SUMMARY OF REQUEST: Breakthrough Believers Recovery and Healing Center is requesting recognition as a non-profit in the City of Muskegon for the purpose of obtaining charitable gaming licenses for raffles to raise money for various underserved community needs.

STAFF RECOMMENDATION: To approve the request from Breakthrough Believers Recovery and Healing Center to be recognized as a non-profit operating in the City for the purpose of obtaining a charitable gaming license.

C. Chamber of Commerce Proposal City Manager's Office

SUMMARY OF REQUEST: Staff is requesting approval of a partnership and funding agreement with the Muskegon Lakeshore Chamber of Commerce.

The Chamber continues to partner with the city to promote our community and support our local businesses. They have been instrumental in attracting cruise ships, improving our public image, administering the Silent Observer program, and bolstering our business community. The proposal includes funding allocation and benefits to the city in the areas of event and program sponsorship, membership, Silent Observer promotion, and community promotion activities.

The city currently pays \$16,000 annually for various Chamber services, membership, and events, and those funds come from various budgets. The amount requested will require adjustments in the 2nd quarter reforecast.

AMOUNT REQUESTED: \$20,000 AMOUNT BUDGETED: \$16,000

FUND OR ACCOUNT: 80400, 10101

STAFF RECOMMENDATION: To approve the partnership and funding agreement with the Muskegon Lakeshore Chamber of Commerce.

D. MDOC Utility Easements Public Works

SUMMARY OF REQUEST: Staff is seeking approval to purchase utility easements from the State of Michigan Department of Corrections.

Staff is pursuing several utility easements from the state of Michigan to provide utility service to the former prison site. The utilities easements cross through a 100 FT strip of property that was retained by the State of Michigan during the land transaction. The city is requesting and the state has issued preliminary approval for five (5) utility easements across this 100 FT strip of property.

The cost of the easements is determined by the state to be \$1,750.00 which would be paid from the remaining funds in the State Grant Fund dedicated to this project.

AMOUNT REQUESTED: \$1,750.00 AMOUNT BUDGETED: \$1,750.00

FUND OR ACCOUNT: 482-91908-5700

STAFF RECOMMENDATION: Authorize staff to issue payment in the amount noted and sign the agreement, inclusive of any immaterial revisions that are noted during the final state reviews.

E. Mini-Excavator Purchase Public Works

SUMMARY OF REQUEST: The Equipment Division is requesting permission to purchase one Mini-Excavator from Michigan CAT, the Mi-Deal State contract holder. The cost for the Mini-Excavator will be \$84,975.00 coming from the Equipment Fund.

This equipment is expected to compliment a smaller mini-excavator that already exist within the equipment fleet. This particular piece of equipment is larger than our existing mini-excavator, yet still substantially smaller than other equipment that could be used for similar functions (tractor backhoe) and will provide much needed versatility to the fleet.

AMOUNT REQUESTED: \$84,975.00 AMOUNT BUDGETED: \$85,000

FUND OR ACCOUNT: 661-60932-5700

STAFF RECOMMENDATION: Authorize staff to move forward with the purchase of a Mini-Excavator through the Mi-Deal State Contract.

F. Traffic Control Order Public Works

SUMMARY OF REQUEST: Staff is requesting approval of Traffic control order 2022-001, to add a stop sign on Clay at Pine, converting the intersection to an all-way Stop. Traffic Control Order #2022-001 includes addition of stop signs on Clay at Pine Street converting this intersection into an all-way stop. The site was reviewed for sight distance for NW bound Pine Street obstructions.

STAFF RECOMMENDATION: To approve traffic control orders #2022-001 and authorize staff to make the necessary signing changes.

G. Engine 24 Repairs Public Safety

SUMMARY OF REQUEST: Final repair estimate to rebuild the motor in Engine 24 (2015). This is a front-line Engine (24) and has already been down for weeks while they diagnosed, etc. The concern is running our only Reserve truck (21) weeks on end, and running the new 41 in the dead of winter.

AMOUNT REQUESTED: \$39,493.73 AMOUNT BUDGETED: \$0

STAFF RECOMMENDATION: Approval of the amount for repair to Engine 24.

H. Deficit Elimination Plan – Sewer Finance

SUMMARY OF REQUEST: To approve the Deficit Elimination plan and resolution for the Sewer Fund and direct staff to submit plan to the State of Michigan.

On June 30, 2021 the Sewer Fund had a \$1,222,053 deficit unrestricted net position. Act 275 of Public Acts of 1980 requires the City to formulate a deficit elimination plan and submit it to the Michigan Department of Treasury. The deficit elimination plan and resolution for the Sewer Fund are provided.

STAFF RECOMMENDATION: To approve the deficit elimination resolution for the Sewer Fund.

I. Deficit Elimination Plan – Public Improvement Finance

SUMMARY OF REQUEST: To approve the Deficit Elimination plan and resolution for the Public Improvement Fund and direct staff to submit plan to the State of Michigan.

On June 30, 2021 the Public Improvement fund had a \$1,026,966 deficit. Act 275 of Public Acts of 1980 requires the City to formulate a deficit elimination plan and submit it to the Michigan Department of Treasury. The deficit elimination plan and resolution for the Public Improvement Fund are provided.

STAFF RECOMMENDATION: To approve the deficit elimination resolution for the Public Improvement Fund.

J. Deficit Elimination Plan – Marina Finance

SUMMARY OF REQUEST: To approve the Deficit Elimination plan and resolution for the Marina Fund and direct staff to submit plan to the State of Michigan.

On June 30, 2021 the Marina Fund had a \$146,718 deficit. Act 275 of Public Act of 1980 requires the City to formulate a deficit elimination plan and submit it to the Michigan Department of Treasury. The deficit elimination plan and resolution for the Marina are provided.

STAFF RECOMMENDATION: To approve the deficit elimination resolution for the Marina Fund.

L. Community Relations Committee Recommendations City Clerk

SUMMARY OF REQUEST: To concur with the CRC Recommendations to accept resignations, make appointments, and amend the composition of the DDA.

The CRC recommends:

- Accepting the resignation of and Randy Mackie – Housing Code Board of Appeals – Term Expires 1/31/2024.
- Appointing the following citizens to each of the stated boards:
 - o **Board of Review** – Reappoint David Mendendorp & Martha Bottomley (Citizens)
 - o **Business Improvement District** – Reappoint Dan Castle & John Riegler; Appoint Kiel Reid (Assessed property owners or their representatives)
 - o **Citizen’s Police Review Board** – Reappoint Josie James (Member of a minority-based organization) & Ruby Clark (Neighborhood association representative)
 - o **Citizen’s District Council** – Appoint Bre’Onna Sanders (Citizen At-Large)
 - o **Construction Code Board of Appeals** – Reappoint Brion Boucher

(Architect) & Michael McPhall (Fire)

- o **Downtown Development Authority** – Reappoint Heidi Sytsema (Member with interest in the property in the district), Jeanette Moore (Citizen) & John Rielger (Resident of the district)
 - o **Election Commission** – Reappoint Wanda Matsey (Citizen)
 - o **Equal Opportunity Committee** – Reappoint Charlotte Johnson, Tonya Pell & Ana Zuber (At-Large Citizens)
 - o **Farmers Market Advisory Board** – Appoint Jeanine Platt (Citizen At-Large)
 - o **Historic District Commission** – Reappoint Emilio Trejo (Member who resides or has occupational or financial interest in one or more of the historic districts); appoint Jacquelyn Huss (Member of a local preservation society)
 - o **Housing Code Board of Appeals** – Appoint Jordan Potter and Corey Bickford (Citizens)
 - o **Housing Commission** – Reappoint Jonathon Wilson (Citizens)
 - o **Income Tax Board of Review** – Reappoint Michael Haueisen (Resident)
 - o **Lakeside Business Improvement District** – Appoint Andrea Chambers (Assessed property owner or their representative)
 - o **Local Development Finance Authority** – Reappoint Jeffrey Burr; Appoint Patsy Petty (Citizens)
 - o **Local Officer's Compensation Commission** – Reappoint Paul Edbrooke (Citizen)
 - o **Zoning Board of Appeals** – Appoint Roberta King (Resident)
- Amending the composition of the Downtown Development Authority as follows:
- A 6 Members must have an interest in the property in the district
 - B 4 Citizens

- C 2 Resident of the district
- D 1 City Manager

STAFF RECOMMENDATION: To approve the resignations, appointments and reappointments, and amendments to the composition of the DDA.

M. DDA/BRA Resignation City Clerk

SUMMARY OF REQUEST: To accept the resignation of Don Kalisz from the Downtown Development Authority/Brownfield Redevelopment Board, effective immediately. Term expires 1/31/2025

STAFF RECOMMENDATION: To approve the resignation.

Motion by Commissioner Gorman, second by Commissioner Emory, to accept the consent agenda as presented, minus item K.

ROLL VOTE: Ayes: Gorman, Emory, St.Clair, Johnson, Hood, and German

Nays: None

MOTION PASSES

2022-07 REMOVED FROM CONSENT AGENDA:

K. Deficit Elimination Plan – Convention Center Finance

SUMMARY OF REQUEST: To approve the Deficit Elimination plan and resolution for the Convention Center Fund and direct staff to submit plan to the State of Michigan.

On June 30, 2021 the Convention Center Fund had a \$1,892,438 deficit. Act 275 of Public Acts of 1980 requires the City to formulate a deficit elimination plan and submit it to the Michigan Department of Treasury. The deficit elimination plan and resolution for the Convention Center Fund are provided. The City has received a \$1,000,000 Grant to help with the negative impact of Covid-19. The City will transfer \$2,668,933.07 from the General Fund to eliminate the deficit.

STAFF RECOMMENDATION: To approve the deficit elimination resolution for the Convention Center Fund.

Motion by Vice Mayor German, second by Commissioner Gorman, to approve the deficit elimination resolution for the Convention Center Fund.

ROLL VOTE: Ayes: Emory, St.Clair, Johnson, Hood, German, and Gorman

Nays: None

MOTION PASSES

2022-08 PUBLIC HEARINGS:

A. Parks and Recreation 5-Year Plan Public Works

SUMMARY OF REQUEST: To host a public hearing and adopt a resolution of

adoption relative to the updated City of Muskegon Park and Recreation 5-year plan.

Staff along with assistance from MCSA, Inc. have prepared an update to the city's Parks and Recreation 5-Year Plan. The previous plan from 2016 has expired and an update was required. The draft update is available for review online at the link below, and can be viewed in person during normal business hours at the City of Muskegon DPW Offices (1350 East Keating Avenue, 49442).

<https://www.muskegon-mi.gov/community-parks-recreation-plan/>

In order to be eligible for state grant funding through the MDNR (and other sources) a current 5-year plan must be filed with the MDNR no later than February 1, 2022.

Through hosting of this public hearing, adoption of the enclosed resolution, and a final update of the plan to reflect any comments received through the public hearing the City will be in a position to submit the updated plan by the required deadline.

STAFF RECOMMENDATION: To close the public hearing, approve the 5-year Parks and Recreation Plan, and authorize the Mayor and Clerk to sign a resolution in support of the plan.

PUBLIC HEARING COMMENCED: The following comments were received:

Wenda Hannah – 2293 Moon Street – did not see any reference to Charter Park Ordinance and feels that it should be included and Charter Parks identified.

Tom Weatherby – 1747 Edgewater – concerns about walkway width proposed for Pere Marquette Park and feels 16 feet is excessive and suggested a study be done. He also has concerns about striping of the walkway.

Darlene DeHudy – 4356 Lake Harbor Road – concurs with Mr. Weatherby – recommends following National Standards for determining width of walkway. Designate in plan which are charter parks and add Critical Dunes Ordinance. Would like to see a use study which usually precludes an engineering plan or construction.

Mark Poletti - 3244 Thompson – we don't know the map of the trail system. Would like to contribute to planning the pathway. Is concerned about the amount of traffic and safety issues.

Motion by Commissioner St.Clair, second by Commissioner Hood, to close the public hearing and approve the 5-year Parks and Recreation Plan and authorize the Mayor and Clerk to sign a resolution in support of the plan.

ROLL VOTE: Ayes: St.Clair, Johnson, Hood, German, Gorman, and Emory

Nays: None

MOTION PASSES

2022-09 NEW BUSINESS:

A. Amendment to the Form Based Code Planning

SUMMARY OF REQUEST: Staff initiated request to amend the Form Based Code, Urban Residential and Lakeside Residential context areas of the zoning ordinance to reduce the minimum side setback (at non-street locations) requirement from six feet to five feet and reduce the side build-to-zone (at side street) from 10-25 feet to 5-25 feet. The Planning Commission recommended in favor of the request by a 6-1 vote.

STAFF RECOMMENDATION: To approve the request to amend the Form Based Code, Urban Residential and Lakeside Residential context areas of the zoning ordinance to reduce the minimum side setback (at non-street locations) requirement from six to five feet and reduce the side build-to-zone (at side street) from 10-25 feet to 5-25 feet.

Motion by Commissioner Gorman, second by Commissioner Hood, to approve the request to amend the Form Based Code, Urban Residential and Lakeside Residential context areas of the zoning ordinance to reduce the minimum side setback (at non-street locations) requirement from six to five feet and reduce the side build-to-zone (at side street) from 10-25 feet to 5-25 feet.

ROLL VOTE: Ayes: Johnson, Hood, Gorman, and St.Clair

Nays: German and Emory

MOTION PASSES – 2nd READING REQUIRED

B. Mercy Health Arena Floor Scrubber Mercy Health Arena

SUMMARY OF REQUEST: Mercy Health Arena is seeking funding for a new floor scrubber for Arena concourse, lower level, and locker rooms.

Mercy Health Arena is in desperate need of a new floor scrubber. We have been using an old one left behind by our previous cleaning contract, but we are spending time, energy and finances to keep it going as efficiently as we need. The Arena concourse gets a considerable amount of traffic, as well as the lower level and locker rooms. With limited resources and labor costs, we believe the proposed scrubber is necessary as we continue to keep the Arena in its best condition. Our cleaning regiment has increased substantially because of COVID, and a new modern machine is required. We are recommending to purchase the equipment from Pacific Floor Care, as they are located in the city limits. The machines will be manufactured in the City, and available to us within just a few days of ordering. We will be seeking partial reimbursement from FEMA, as their programming provides for reimbursement of COVID-19 related cleaning/sanitizing equipment.

AMOUNT REQUESTED: \$21,774.69

FUND OR ACCOUNT: State and Federal Grants

STAFF RECOMMENDATION: To approve the purchase of a floor scrubber from Pacific Floor Care at a cost not to exceed \$21,774.69.

Motion by Commissioner Gorman, second by Commissioner Hood, to approve the purchase of a floor scrubber from Pacific Floor Care at a cost not to exceed \$21,774.69.

ROLL VOTE: Ayes: Hood, German, Gorman, Emory, St.Clair, and Johnson

Nays: None

MOTION PASSES

C. Sales Agreement 2725 Olthoff City Manager

SUMMARY OF REQUEST: Staff is seeking approval to sell approximately 20 acres of property at 2725 Olthoff Drive.

The site was originally procured from the Michigan State Land Bank, and previously housed the West Shoreline Correctional Facility. The property has a total of 64 acres, and approximately 34 are in the City of Muskegon. Staff seeks to sell approximately 20 acres of the property within the city limits for the purpose of redevelopment.

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

PUBLIC COMMENTS WERE RECEIVED ON THIS ITEM.

Motion by Commissioner Hood, second by Commissioner Gorman, to approve the sales agreement and authorize the Mayor and Clerk to sign.

ROLL VOTE: Ayes: German, Gorman, Emory, St.Clair, Johnson, and Hood

Nays: None

MOTION PASSES

D. Watch Muskegon Marketing City Clerk

SUMMARY OF REQUEST: The Watch Muskegon Committee put out a Request for Qualifications to put a campaign together to continue with the Watch Muskegon brand. After reviewing all proposals, the committee determined that Kindred closely matched the needs of the campaign at this stage.

The City received proposals from Kindred, CMF Marketing, Fine Line, RCP Productions, and Revel. After reviewing all proposals, the committee felt that Kindred most closely matched the needs of the campaign at this time.

AMOUNT REQUESTED: Up to \$60,000 – The Watch Campaign account will contribute \$20,000, the Public Relations Committee will contribute \$20,000. The

rest will be obtained from private donors.

FUND OR ACCOUNT: Public Relations - \$20,000

STAFF RECOMMENDATION: To authorize the City Clerk to enter into an agreement with Kindred for an amount not to exceed \$60,000.

Motion by Commissioner Gorman, second by Commissioner Emory, to authorize the City Clerk to enter into an agreement with Kindred for an amount not to exceed \$60,000.

ROLL VOTE: Ayes: German, Gorman, Emory, St.Clair, Johnson, and Hood

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Mayor Johnson discussed the idea of requesting alternate bids for different width pathways and the Commission agreed that it would be a good idea to receive alternate options and information before making a final decision. Director Evans should seek alternates bids for a 12 ft, 14 ft, and 16 ft width for the proposed pathway at Pere Marquette.

Senator Bumstead was in attendance and updated the Commission on several different bills that could have a significant impact on the community. The proposed bills include funding in several areas.

PUBLIC COMMENT ON NON-AGENDA ITEMS: Public comments were received.

ADJOURNMENT: The City Commission meeting adjourned at 7:45 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC – City Clerk

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Sale – 760 Leonard
Submitted By: Hope Griffith	Department: Economic Development
Brief Summary: City staff is seeking authorization to sell the city-owned home at 760 Leonard in Jackson Hill to Brittany Alexander.	
Detailed Summary: The city is constructing this single family detached home as part of our infill housing program. Our contract to construct two homes was for \$425,000, and the estimated finished costs of this home will be \$215,000. We also anticipated \$12,900 in sales commissions. The accepted purchase price is \$206,000, and the incurred sales commissions are \$10,000, and sellers' concession of \$6,000. The City will not contribute funds toward closing costs outside of seller's concession and agent commission. The proceeds of this home will repay a portion of the Priority Related Investment made by the Community Foundation for Muskegon County. The sale of the second home in this project should repay the remainder, and any additional funds will reimburse the Economic Development Fund for the \$75,000 investment in the project.	
Amount Requested: None at this time	Amount Budgeted: \$0
Fund(s) or Account(s): N/A	Fund(s) or Account(s): N/A
Recommended Motion: Authorize the Code Coordinator to complete the sale of 760 Leonard Street, as described in the purchase agreement and for the Mayor and Clerk to sign the deed.	
Check if the following Departments need to approve the item first: Police Dept. ☐ Fire Dept. ☐ IT Dept. ☐ For City Clerk Use Only: Commission Action:	

WEST MICHIGAN REGIONAL PURCHASE AGREEMENT

DATE: 01/25/2022 9PM (time) MLS # 21109694

SELLING OFFICE: Terri L Kitchen Realtor BROKER LIC.#: REALTOR® PHONE: 231-760-9015

LISTING OFFICE: Terri L Kitchen Realtor REALTOR® PHONE: 231-760-9015

1. **Effective Date:** This Agreement is effective on the date of Seller's acceptance of Buyer's offer or Buyer's acceptance of any counteroffer, as the case may be, and this date shall hereafter be referred to as the "Effective Date". Further, any reference to "days" in this Agreement refers to calendar days. The first calendar day begins at 12:01 a.m. on the day after the Effective Date. Any reference to "time" refers to local time.
2. **Agency Disclosure:** The Undersigned Buyer and Seller each acknowledge that they have read and signed the Disclosure Regarding Real Estate Agency Relationships. The selling licensee is acting as (check one):
☐ Agent/Subagent of Seller ☐ Buyer's Agent ☒ Dual Agent (with written, informed consent of both Buyer and Seller)
☐ Transaction Coordinator
- Primary Selling Agent Name: Terri Kitchen Email: terri@tkrealtors.com Lic.#: 6501352334
- Alternate Selling Agent Name: Email: Lic. #:
3. **Seller's Disclosure Statement:** (This paragraph applies to sales of one-to-four family residential units.)
☐ Buyer has received the Seller's Disclosure Statement, dated . Seller certifies to Buyer that the Property is currently in the same condition as Seller previously disclosed in that statement. Seller agrees to inform Buyer in writing of any changes in the content of the disclosure statement.
☒ Buyer has not received the Seller's Disclosure Statement. Buyer may terminate this Agreement, in writing, any time prior to receipt of the Seller's Disclosure Statement. Once Buyer has received the Seller's Disclosure Statement, Buyer may terminate this Agreement, in writing, within 72 hours of receipt if the disclosure was received in person, or within 120 hours if received by registered mail. Exceptions: New Construction
☐ Seller is exempt from the requirements of the Seller Disclosure Act.
4. **Lead-Based Paint Addendum:** Transactions involving homes built prior to 1978 require a written disclosure which is hereby attached and will be an integral part of this Agreement.
5. **Property Description:** Buyer offers to buy the property located in the ☒ City ☐ Village ☐ Township of Muskegon, County of Muskegon, Michigan, commonly known as (insert mailing address: street/city/state/zip code)
 760 Leonard Avenue, Muskegon, MI 49442

with the following legal description and tax parcel ID numbers:

The East 29.77 Feet of Lot 10 AND THE WEST 25.11 FEET OF LOT 11 BLOCK 3 GUNNS SUBDIVISION OF PART OF BLOCK 2 CITY OF MUSKEGON, MUSKEGON COUNTY

PP# 6124405003001100

The following paragraph applies only if the Premises include unplatted land:

Seller agrees to grant Buyer at closing the right to make (insert number) n/a division(s) under Section 108(2), (3), and (4) of the Michigan Land Division Act. (If no number is inserted, the right to make divisions under the sections referenced above stays with any remainder of the parent parcel retained by Seller. If a number is inserted, Seller retains all available divisions in excess of the number stated; however, Seller and/or REALTOR® do not warrant that the number of divisions stated is actually available.) If this sale will create a new division, Seller's obligations under this Agreement are contingent on Seller's receipt of municipal approval on or before of the proposed division to create the Premises.

6. **Purchase Price:** Buyer offers to buy the Property for the sum of \$ 206000
 two hundred six thousand U.S. Dollars
7. **Seller Concessions, if any:** 3%
8. **Terms:** The Terms of Purchase will be as indicated by "X" below: (Other unmarked terms of purchase do not apply.)
 SOURCE OF FUNDS TO CLOSE: Buyer represents that the funds necessary to close this transaction on the terms specified below are currently available to Buyer in cash or an equally liquid equivalent.

If the Property's value stated in an appraisal obtained by Buyer or Buyer's lender is less than the Purchase Price, Buyer shall within three (3) days after receipt of the appraisal: 1) renegotiate with the Seller, 2) terminate the transaction, in which case Buyer shall receive a refund of Buyer's Earnest Money Deposit, or 3) proceed to close the transaction at the agreed Purchase Price.

- ☐ **CASH.** The full Purchase Price upon execution and delivery of Warranty Deed. Buyer Agrees to provide Buyer Agent/Dual Agent verification of funds within five (5) days after the Effective Date, and consents to the disclosure of such information to Seller and/or Seller's Agent. If verification of funds is not received within 5 days after the Effective Date, Seller may terminate this Agreement at any time before verification of funds is received by giving written notice to Buyer. Any appraisal required by Buyer shall be arranged and paid for by Buyer within ten (10) days after the Effective Date of this Agreement.
- ☒ **NEW MORTGAGE.** The full Purchase Price upon execution and delivery of Warranty Deed, contingent upon Buyer's ability to obtain a FHA type 30 (year) mortgage in the amount of 96.5 % of the Purchase Price bearing interest at a rate not to exceed best % per annum (rate at time of loan application), on or before the date the sale is to be closed. Buyer agrees to apply for a mortgage loan, and pay all fees and costs customarily charged by Buyer's lender to process the application, within 7 days after the Effective Date, not to impair Buyers' credit after the date such loan is offered. ☐ Seller ☐ Buyer will agree to pay an amount not to exceed \$ 0 representing repairs required as a condition of financing. Buyer ☒ agrees ☐ does not agree to authorize Buyer's Agent/Dual Agent to obtain information from



Buyer's Initials



Seller's Initials

Buyer's lender regarding Buyer's financing, and consents to the disclosure of this information to Seller and/or Seller's Agent.
Exceptions:

- ☐ SELLER FINANCING (check one of the following): ☐ CONTRACT or ☐ PURCHASE MONEY MORTGAGE

In the case of Seller financing, Buyer agrees to provide Seller with a credit report within 72 hours after the Effective Date. If the credit report is unacceptable to Seller, Seller shall have the right to terminate this offer within 48 hours of Seller's receipt, or if Buyer fails to provide said credit report to Seller within the time frame allotted, Seller shall have the right to terminate this offer within 48 hours. Seller is advised to seek professional advice regarding the credit report.

\$_____ upon execution and delivery of a _____
form (name or type of form and revision date), a copy of which is attached, wherein the balance of \$ _____
will be payable in monthly installments of \$ _____ or more including interest at _____ % per annum,
interest to start on date of closing, and first payment to become due thirty (30) days after date of closing. The entire unpaid balance
will become due and payable _____ months after closing. Any appraisal required by Buyer shall be arranged and
paid for by Buyer within ten (10) days after the Effective Date of this Agreement. Exceptions:

- ☐ EQUITY (check one of the following): ☐ Formal Assumption or ☐ Informal Assumption
Upon execution and delivery of: ☐ Warranty Deed subject to existing mortgage OR ☐ Assignment of Vendee Interest
in Land Contract, Buyer to pay the difference (approximately \$_____) between the Purchase Price above
provided and the unpaid balance (approximately \$_____) upon said mortgage or land contract, which Buyer
agrees to assume and pay. Buyer agrees to reimburse Seller for accumulated funds held in escrow, if any, for payment of future
taxes and insurance premiums, etc. Any appraisal required by Buyer shall be arranged and paid for by Buyer within ten
(10) days after the Effective Date of this Agreement. Exceptions:

- ☐ OTHER: _____

9. Contingencies: Buyer's obligation to consummate this transaction (check one):

- ☒ **IS NOT CONTINGENT** - is not contingent upon the sale or exchange of any other property by Buyer.
- ☐ **IS CONTINGENT UPON CLOSING** - is contingent upon closing of an existing sale or exchange of Buyer's property located at:

A copy of Buyer's agreement to sell or exchange that property is being delivered to Seller along with this offer. If the existing sale or exchange terminates for any reason, Buyer will immediately notify Seller, and either party may terminate this Agreement in writing, within 3 days of Buyer's notice to Seller. If either party terminates, Buyer shall receive a refund of any applicable Earnest Money Deposit.

- ☐ **IS CONTINGENT UPON THE SALE AND CLOSING** - is contingent upon the execution of a binding agreement and the closing of a sale or exchange of Buyer's property located at _____ on or before _____. Seller will have the right to continue to market Seller's Property until Buyer enters into a binding agreement to sell or exchange Buyer's property and delivers a copy thereof to Seller. During such marketing period, Seller may enter into a binding contract for sale to another purchaser on such price and terms as the Seller deems appropriate. In such event, this Agreement will automatically terminate, Buyer will be notified promptly, and Buyer's Earnest Money Deposit will be refunded. Exceptions:

10. Fixtures & Improvements: The following is not intended to be an all-inclusive list of items included with the Property. All improvements and appurtenances are included in the Purchase Price, if now in or on the Property, unless rented, including the following: all buildings; landscaping; attached smart home devices; attached security systems; lighting fixtures and their shades and bulbs; ceiling fans; hardware for draperies and curtains; window shades and blinds; built-in kitchen appliances, including garbage disposal and drop-in ranges; wall to wall carpeting, if attached; all attached mirrors; all attached TV mounting brackets; all attached shelving; attached work benches; stationary laundry tubs; water softener; water heater; incinerator; sump pump; water pump and pressure tank; heating and air conditioning equipment (window units excluded); attached humidifiers; heating units, including add-on heating stoves and heating stoves connected by flue pipe; fireplace screens, inserts, and grates; fireplace doors, if attached; liquid heating and cooking fuel tanks; TV antenna and complete rotor equipment; satellite dish and necessary accessories and complete rotor equipment; all support equipment for inground pools; screens and storm windows and doors; awnings; installed basketball backboard, pole and goal; mailbox; flagpole(s); fencing, invisible inground fencing and all related equipment, including collars; detached storage buildings; underground sprinkling, including the pump; installed outdoor grills; all plantings and bulbs; garage door opener and control(s); and any and all items and fixtures permanently affixed to the Property; **and also includes:**

Oven, Range, Refrigerator and Dishwasher

but does not include:

760 Leonard Avenue, Muskegon, MI 49442

Subject Property Address/Description	Assessed Value	Market Value	Taxable Value	Taxes Due	

01/25/2022

Date

9PM

Time

11. Heating and Cooking Fuels: Liquid heating and cooking fuels in tanks are included in the sale and will transfer to Buyer at time of possession unless usage is metered (in which case it is not included in the sale). Sellers are responsible for maintaining heating and cooking liquid fuels at an operational level and shall not permit fuels to fall below 10% in the tank(s) at the time of possession, except that the tank(s) may be empty only if now empty. Further, Seller is precluded from removing fuel from tank(s) other than what is expended through normal use. Exceptions:

12. Assessments (choose one):

If the Property is subject to any assessments,

☒ Seller shall pay the entire balance of any such assessments that are due and payable on or before the day of closing (regardless of any installment arrangements), except for any fees that are required to connect to public utilities.

☐ Seller shall pay all installments of such assessments that become due and payable on or before day of closing. Buyer shall assume and pay all other installments of such assessments.

13. Property Taxes: Seller will be responsible for any taxes billed prior to those addressed below. Buyer will be responsible for all taxes billed after those addressed below.

Buyer is also advised that the state equalized value of the Property, principal residence exemption information and other real property tax information is available from the appropriate local assessor's office. Buyer should not assume that Buyer's future tax bills on the Property will be the same as Seller's present tax bills. Under Michigan law, real property tax obligations can change significantly when property is transferred.

☐ No proration. (Choose one):

☐ Buyer ☐ Seller will pay taxes billed summer _____ (year);
☐ Buyer ☐ Seller will pay taxes billed winter _____ (year);

☒ Calendar Year Proration (all taxes billed or to be billed in the year of the closing). Calendar year tax levies will be estimated, if necessary, using the taxable value and the millage rate(s) in effect on the day of closing, broken down to a per diem tax payment and prorated to the date of closing with Seller paying for January 1 through the day before closing.

☐ Fiscal Year Proration - Taxes will be prorated as though they are paid in (choose one): ☐ advance. ☐ arrears.
Fiscal Year will be assumed to cover a 12-month period from date billed, and taxes will be prorated to the date of closing. Fiscal year tax levies will be estimated, if necessary, using the taxable value and millage rate(s) in effect on the day of closing, broken down to a per diem tax payment and prorated to the date of closing with Seller paying through the day before closing. Exceptions:

14. Well/Septic: Within ten (10) days after the Effective Date, Seller will arrange for, at Seller's expense, an inspection of the primary well used for human consumption (including a water quality test for coliform bacteria and nitrates) and septic systems in use on the Property. The inspection will be performed by a qualified inspector in a manner that meets county (or other local governmental authority, if applicable) protocol. Seller will also follow any governmental rules regarding pumping of tanks.

Where no county or government protocol is in place, Seller will arrange for, at Seller's expense, well and septic inspections (as referenced above) by a qualified inspector. Seller will have tanks pumped, unless a qualified inspector determines, in writing, that pumping is not necessary.

If any report discloses a condition unsatisfactory to Buyer, or doesn't meet county standards that are a condition of sale, Buyer may, within three (3) days after Buyer has received the report, by written notice to Seller, either terminate this Agreement and receive a refund of Buyer's Earnest Money Deposit, or make a written proposal to Seller to correct those unsatisfactory conditions. If Buyer fails to make a written proposal within the above referenced time period, then Buyer will be deemed to have accepted the well/septic as-is. Seller will respond in writing within three (3) days to Buyer's request. If Seller fails to respond or to arrive at a mutually agreeable resolution within three (3) days after Seller's receipt of Buyer's proposal, Buyer will have three (3) days to provide written notice of termination of this Agreement and receive a refund of any applicable Earnest Money Deposit. If Buyer fails to terminate the contract, Buyer will proceed to closing according to the terms and conditions of this Agreement. Exceptions:

Public water and sewer

15. Inspections & Investigations:

Inspections: Buyer, or someone selected by Buyer, has the right to inspect the buildings, premises, components and systems, at Buyer's expense. Any damage, misuse, abuse, or neglect of any portion of the Property or premises as a result of inspections will be Buyer's responsibility and expense. **In the event of VA financing, Seller will pay for the inspection for termites and other wood destroying insects.**

Investigations: It is Buyer's responsibility to investigate (i) whether the Property complies with applicable codes and local ordinances and whether the Property is zoned for Buyer's intended use; (ii) whether Buyer can obtain a homeowner's insurance policy for the Property at price and terms acceptable to Buyer; (iii) and whether or not the Property is in a flood zone.

All inspections and investigations will be completed within ten (10) days after the Effective Date. If the results of Buyer's inspections and investigations are not acceptable to Buyer, Buyer may, within the above referenced period, by written notice to Seller, either terminate this Agreement and receive a refund of Buyer's Earnest Money Deposit, or make a written proposal to Seller to correct those unsatisfactory conditions. If Buyer fails to make a written proposal within the above referenced time period, then Buyer will be

760 Leonard Avenue, Muskegon, MI 49442

Subject Property Address/Description

1/25/2022

Date

9PM

Time



Buyer's Initials



Seller's Initials

Seller's Initials

If Seller occupies the Property after closing, Seller will pay all utilities during such occupancy. Buyer will maintain the structure and mechanical systems at the Property. However, any repairs or replacements necessitated by Seller's misuse, abuse, or neglect of any portion of the Property will be Seller's responsibility and expense.

On the agreed delivery date, Seller shall deliver the Property free of trash and debris and in broom-clean condition, shall remove all personal property (unless otherwise stated in this or an additional written agreement), shall make arrangements for final payment on all utilities, and shall deliver all keys to Buyer. Exceptions:

23. **Earnest Money Deposit:** For valuable consideration, Buyer gives Seller until 5:00pm (time) on 01/27/2022 (date), to deliver the written acceptance of this offer and agrees that this offer, when accepted by Seller, will constitute a binding Agreement between Buyer and Seller. An Earnest Money Deposit in the amount of \$ 1,000 shall be submitted to PREMIER LAKESHORE TITLE (insert name of broker, title company, other) within 72 hours of the Effective Date of this Agreement, and shall be applied against the Purchase Price. If the Earnest Money Deposit is not received within 72 hours of the Effective Date or is returned for insufficient funds, Seller may terminate this Agreement until such time as the Earnest Money Deposit is received. If Seller terminates this Agreement under this provision, Seller waives any claim to the Earnest Money Deposit. If the sale is not closed due to a failure to satisfy a contingency for a reason other than the fault of Buyer, the Earnest Money Deposit shall be refunded to Buyer. If the sale is not closed as provided in this Agreement and Buyer and Seller do not agree to the disposition of the Earnest Money Deposit, then Buyer and Seller agree that the Broker holding the Earnest Money Deposit may notify Buyer and Seller, in writing, of Broker's intended disposition of the Earnest Money Deposit. If Buyer and Seller do not object to such disposition in writing within fifteen (15) days after the date of Broker's notice, they will be deemed to have agreed to Broker's proposed disposition; if either Buyer or Seller object and no mutually agreeable disposition can be negotiated, Broker may deposit the funds by interpleader with a court of proper jurisdiction or await further actions by Buyer and Seller. In the event of litigation involving the deposit, in whole or in part, either the Seller or the Buyer that is not the prevailing party, as determined by the court, will reimburse the other for reasonable attorneys' fees and expenses incurred in connection with the litigation, and will reimburse the Broker for any reasonable attorneys' fees and expenses incurred in connection with any interpleader action instituted. If the entity holding the Earnest Money Deposit is not the Broker, then to the extent that the terms of any escrow agreement conflict with this paragraph, then the terms and conditions of the escrow agreement shall control.

24. **Professional Advice:** Broker hereby advises Buyer and Seller to seek legal, tax, environmental and other appropriate professional advice relating to this transaction. Broker does not make any representations or warranties with respect to the advisability of, or the legal effect of this transaction. Buyer further acknowledges that REALTOR® above named in the Agreement hereby recommends to Buyer that an attorney be retained by Buyer to pass upon the marketability of the title and to ascertain that the required details of the sale are adhered to before the transaction is consummated. Buyer agrees that Buyer is not relying on any representation or statement made by Seller or any real estate salesperson (whether intentionally or negligently) regarding any aspect of the Property or this sale transaction, except as may be expressly set forth in this Agreement, a written amendment to this Agreement, or a disclosure statement separately signed by Seller.

25. **Disclosure of Information:** Buyer and Seller acknowledge and agree that the Purchase Price, terms, and other details with respect to this transaction (when closed) are not confidential, will be disclosed to REALTORS® who participate in the applicable Multiple Listing Service, and may otherwise be used and/or published by that Multiple Listing Service in the ordinary course of its business.

26. **Other Provisions:**

27. **Mergers and Integrations:** This Agreement is the final expression of the complete agreement of Buyer and Seller, and there are no oral agreements existing between Buyer and Seller relating to this transaction. This Agreement may be amended only in writing signed by Buyer and Seller and attached to this Agreement.

28. **Fax/Electronic Distribution and Electronic Signatures:** Buyer and Seller agree that any signed copy of this Agreement, and any amendments or addendums related to this transaction, transmitted by facsimile or other electronic means shall be competent evidence of its contents to the same effect as an original signed copy. Buyer and Seller further agree that an electronic signature is the legal equivalent of a manual or handwritten signature, and consent to use of electronic signatures. Buyer and Seller agree that any notice(s) required or permitted under this Agreement may also be transmitted by facsimile or other electronic means.

29. **Wire Fraud:** Seller and Buyer are advised that wire fraud is an increasingly common problem. If you receive any electronic communication directing you to transfer funds or provide nonpublic personal information (such as social security numbers, drivers' license numbers, wire instructions, bank account numbers, etc.), even if that electronic communication appears to be from the Broker, Title Company, or Lender, DO NOT reply until you have verified the authenticity of the email by direct communication with Broker, Title Company, or Lender. DO NOT use telephone numbers provided in the email. Such requests may be part of a scheme to steal funds or use your identity.

760 Leonard Avenue, Muskegon, MI 49442
Subject Property Address/Description

01/25/2022
Date

9pm
Time



Buyer's Initials



Seller's Initials

30. **Buyer's Approval and Acknowledgment:** Buyer approves the terms of this offer and acknowledges receipt of a copy of this offer.

Buyer 1 Address X BRITTANY ALEXANDER dotloop verified
01/26/22 9:18 AM EST
3110-0000-MBP-QJW **Buyer**
Buyer 1 Phone: (Res.) _____ (Bus.) _____ BRITTANY ALEXANDER
Print name as you want it to appear on documents.
Buyer 2 Address X **Buyer**
Buyer 2 Phone: (Res.) _____ (Bus.) _____
Print name as you want it to appear on documents.

31. **Seller's Response:** The above offer is approved: ☒ As written. ☐ As written except:

Counteroffer, if any, expires _____, at _____ (time). Seller has the right to withdraw this counteroffer and to accept other offers until Seller or Seller's Agent has received notice of Buyer's acceptance.

32. **Certification of Previous Disclosure Statement:** Seller certifies to Buyer that the Property is currently in the same condition as disclosed in the Seller's Disclosure Statement dated _____ (check one): ☐ Yes ☐ No. Seller agrees to inform Buyer in writing of any changes in the content of the disclosure statement prior to closing.

33. **Notice to Seller:** Seller understands that consummation of the sale or transfer of the Property described in this Agreement will not relieve Seller of any liability that Seller may have under the mortgages to which the Property is subject, unless otherwise agreed to by the lender or required by law or regulation. Buyer and Seller are advised that a Notice to Seller & Buyer of Underlying Mortgage form is available from the respective agents via the West Michigan REALTOR® Boards.

34. **Listing Office Address:** _____ Listing Broker License # _____
Listing Agent Name: Terri L. Kitchen Listing Agent License # _____

35. **Seller's Approval and Acknowledgment:** Seller approves the terms of this Agreement and acknowledges receipt of a copy. If Seller's response occurs after Buyer's offer expires, then Seller's response is considered a counteroffer and Buyer's acceptance is required below.

X (Seller's Signature, Date, Time): Hope Griffith dotloop verified
01/27/22 7:46 AM EST
KW67-MLPP-LQMG-HKZV
Hope Griffith Is Seller a U.S. Citizen? ☒ Yes ☐ No*
Print name as you want it to appear on documents.

X (Seller's Signature, Date, Time):
 Is Seller a U.S. Citizen? ☐ Yes ☐ No*
Print name as you want it to appear on documents.

Seller's Address: _____ Seller's Phone (Res.) _____ (Bus.) _____
* If Seller(s) is not a U.S. Citizen, there may be tax implications and Buyer and Seller are advised to seek professional advice.

36. **Buyer's Receipt/Acceptance:** Buyer acknowledges receipt of Seller's response to Buyer's offer. In the event Seller's response constitutes a counteroffer, Buyer accepts said counteroffer. All other terms and conditions in the offer remain unchanged.

X (Buyer's Signature, Date, Time):
X (Buyer's Signature, Date, Time):

37. **Seller's Receipt:** Seller acknowledges receipt of Buyer's acceptance of counter offer.

X (Seller's Signature, Date, Time):
X (Seller's Signature, Date, Time):

WEST MICHIGAN REGIONAL ADDENDUM TO PURCHASE AGREEMENT

MLS # <u>21109694</u>	Date: <u>01/28/2022</u>	1:39PM (time)
Selling Office <u>TLK REALTORS</u> , REALTOR® Phone <u>231-760-9015</u>	Email <u>TERRI@TLKREALTORS.COM</u>	
Listing Office <u>TLK REALTORS</u> , REALTOR® Phone <u>231-760-9015</u>	Email <u>TERRI@TLKREALTORS.COM</u>	

1. Addendum # 1 to Purchase Agreement dated 01/25/2022 covering property at
760 Leonard, Muskegon, MI 49442

2. This Addendum shall be an integral part of the Purchase Agreement, which is amended as follows:
The legal description is Lot 10, EXCEPT THE WEST 20.22 FEET AND THE WEST 25.11 FEET OF LOT 11, BLOCK 3, GUNNS
SUBDIVISION OF PART OF BLOCK 2, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN.
PARCEL #: 61-24-405-003-0010-00

3. The ☐ Seller ☒ Buyer (check one) gives the above-named REALTOR® 1 days to obtain the written acceptance of this Addendum to the Purchase Agreement. If accepted, this Addendum will constitute a binding change to the Purchase Agreement.

4. **RECEIPT IS ACKNOWLEDGED BY BUYER** of a copy of this Agreement.

Date _____

X *BRIAN ALEXANDER* dotloop verified
01/28/22 1:50 PM EST
GRU8-PFLK-Z00Z-USKM Buyer
(Note: Please sign as you wish your name to appear on final papers.)

X Buyer
(Note: Please sign as you wish your name to appear on final papers.)

5. **RECEIPT IS ACKNOWLEDGED BY SELLER** of a copy of this Agreement.

Date _____

X *Hope Griffith* dotloop verified
01/28/22 1:51 PM EST
T808-C3GY-UETY-Z27G Seller
(Note: Please sign as you wish your name to appear on final papers.)

X Seller
(Note: Please sign as you wish your name to appear on final papers.)



WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: 2/22/2022	Title: Peck Street – Change Order #006
Submitted By: Leo Evans	Department: DPW
Brief Summary: Staff is requesting approval of Change Order #006 on the Peck Street project as the overall project has exceeded staff approval levels for change orders.	
Detailed Summary: Change Order #006 represents final balancing of all items on the project and will bring the project to a close. Change Order #006 requests a net increase to the project of \$100,647.98 above the previously approved requests. This change order will result in the following final values for the project: As-Bid Cost = \$3,481,438.91 Final Cost = \$4,186,417.34 Net Chagne = \$704,978.43 (20.2% Increase) As a note of clarification several of the previously approved change orders were the result of additional work undertaken at the request of Muskegon Public Schools to facility utility relocations for capital projects at the High School and Middle School sites. Of the \$704,978.43 net increase to the project it is expected that MPS will reimburse the City \$467,454.93 resulting in the true cost increase of the project really being \$237,523.50 (6.8% Increase) This increase is still slightly above the 6% budgeted contingency on the projects and will require a slight reforecast adjustment in the future. It should be noted that this project was bundled and bonded in conjunction with the Amity Avenue project (92009). The Amity Avenue project is nearing final closeout and is on track to be finalized at or slightly below the as-bid amount resulting in nearly all of the budgeted 6% contingency from that project being able to cover the slight overrun on Peck Street.	
Amount Requested: \$100,647.98	Amount Budgeted: \$63,090.94 (Remaining Contingency 92010)
Fund(s) or Account(s): 202/590/591-92010	Fund(s) or Account(s): 202/590/591-92010
Recommended Motion: Authorize staff to approve Change Orders #006 to Project 92010 in the amount of \$100,647.98 for the additional work as noted.	

Check if the following Departments need to approve the item first:

Police Dept. ☐

Fire Dept. ☐

IT Dept. ☐

For City Clerk Use Only:

Commission Action:

CHANGE ORDER NO.: 6

Owner: City of Muskegon Owner's Project No.: 92010
 Engineer: Prein&Newhof Engineer's Project No.: 2190730
 Contractor: Kamminga & Roodvoets Contractor's Project No.:
 Project: Street and Utility Improvements - Peck Street: Laketon to Merrill
 Date Issued: 2/1/2022 Effective Date of Change Order: 2/1/2022

The Contract is modified as follows upon execution of this Change Order:

Description:

- Add non-eligible irrigation repair item for restoration on Southern Avenue.
- Adjust all item base quantities to reflect final quantities at the completion of the project.

Attachments:

- Contract Modification Summary
- Change Order 6 Pricing

Change in Contract Price		Change in Contract Times	
Original Contract Price:		Original Contract Times:	
\$ 3,481,438.91		Substantial Completion:	September 2, 2021
		Ready for final payment:	September 17, 2021
Increase from previously approved Change Orders No. 1 to No. 5:		[Increase] [Decrease] from previously approved Change Orders No.1 to No. [Number of previous Change Order] :	
\$ 604,330.45		Substantial Completion:	60 days
		Ready for final payment:	60 days
Contract Price prior to this Change Order:		Contract Times prior to this Change Order:	
\$ 4,085,769.36		Substantial Completion:	November 1, 2021
		Ready for final payment:	November 15, 2021
Increase this Change Order:		Increase this Change Order:	
\$ 100,647.98		Substantial Completion:	N/A
		Ready for final payment:	167 days
Contract Price incorporating this Change Order:		Contract Times with all approved Change Orders:	
\$ 4,186,417.34		Substantial Completion:	November 1, 2021
		Ready for final payment:	May 1, 2022

Recommended by Engineer (if required)

By: _____
 Title: Project Engineer
 Date: _____

 Authorized by Owner
 By: _____
 Title: Director of Public Works
 Date: _____

Accepted by Contractor

By: _____
 Title: _____
 Date: _____

 Approved by Funding Agency (if applicable)
 By: _____
 Title: _____
 Date: _____



Contract Modification

Prein&Newhof

2/1/2022 5:09 PM

FieldManager 5.3c

Contract: _2190730, Peck Street

Cont. Mod. Number	Revision Number	Cont. Mod. Date	Electronic File Created	Net Change	Awarded Contract Amount
6	3	2/1/2022	No	\$100,647.96	\$3,481,438.91
Route		Managing Office		District	Entered By
		PN Muskegon		0	Tyler A DeNooyer
Contract Location					
City of Muskegon					

Short Description

CO 6

Description of Changes

- Add non-eligible irrigation repair item for restoration on Southern Avenue.
- Adjust all item base quantities to reflect final quantities at the completion of the project.

Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Tree, Rem, 6 inch to 18 inch	8507050	0004	0020	2190730	001	Original	-6.000	Ea	395.00000	\$-2,370.00
_ Tree, Rem, 19 inch to 36 inch	8507050	0005	0025	2190730	001	Original	5.000	Ea	1,150.00000	\$5,750.00
_ Dr Structure, Rem	8507050	0006	0030	2190730	001	Original	7.000	Ea	250.00000	\$1,750.00
_ Sewer Rem, Less than 24 inch	8507001	0007	0035	2190730	001	Original	-223.500	Ft	7.00000	\$-1,564.50
_ Sewer Rem, 24 inch and Greater	8507001	0008	0040	2190730	001	Original	-212.000	Ft	10.00000	\$-2,120.00
_ Sewer, Abandon, Less than 20 inch	8507001	0009	0045	2190730	001	Original	-310.000	Ft	5.00000	\$-1,550.00

Contract: _2190730

Cont. Mod.: 6, Rev. 3

Page 1 of 13



Prein&Newhof

Contract Modification

2/1/2022 5:09 PM

FieldManager 5.3c

Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Sewer, Abandon, 20 inch and Greater	8507001	0010	0050	2190730	001	Original	173.000 Ft		15.00000	\$2,595.00
_ Curb and Gutter, Rem	8507001	0011	0055	2190730	001	Original	-512.200 Ft		3.50000	\$-1,792.70
_ Pavt, Rem	8507011	0012	0060	2190730	001	Original	-3,150.550 Syd		5.50000	\$-17,328.03
_ HMA Surface, Rem	8507011	0013	0065	2190730	001	Original	-1,670.460 Syd		2.50000	\$-4,176.15
_ Irrigation Repair Allowance	8507060	0015	0075	2190730	001	Original	2.518 Dlr		15,000.00000	\$37,770.00
Reason: Extra irrigation repair required on Peck Street in excess of allowance										
_ Erosion Control, Inlet Protection, Fabric Drop	8507050	0016	0080	2190730	001	Original	-25.000 Ea		170.00000	\$-4,250.00
_ Machine Grading, Modified	8507002	0017	0085	2190730	001	Original	0.990 Sta		2,500.00000	\$2,475.00
_ Aggregate Base, 9 inch, Modified	8507011	0018	0090	2190730	001	Original	-676.900 Syd		12.00000	\$-8,122.80
_ HMA, 5E1	8507031	0019	0095	2190730	001	Original	16.640 Ton		82.80000	\$1,377.79
_ HMA, 4E3	8507031	0020	0100	2190730	001	Original	-176.270 Ton		81.98000	\$-14,450.61



Prein&Newhof

Contract Modification

2/1/2022 5:09 PM

FieldManager 5.3c

Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ HMA, 3E3	8507031	0021	0105	2190730	001	Original	-133.940	Ton	74.32000	\$-9,954.42
_ Driveway, Nonreinf Conc, 6 inch	8507011	0022	0110	2190730	001	Original	-48.020	Syd	40.00000	\$-1,920.80
_ Curb and Gutter, Conc. Det F4	8507001	0023	0115	2190730	001	Original	67.080	Ft	14.00000	\$939.12
_ Sidewalk, Conc, 4 inch	8507010	0024	0120	2190730	001	Original	-10.000	Sft	3.00000	\$-30.00
_ Sidewalk, Conc, 6 inch	8507010	0025	0125	2190730	001	Original	832.830	Sft	4.25000	\$3,539.53
_ Sidewalk Ramp, Conc, 6 inch	8507010	0026	0130	2190730	001	Original	-53.620	Sft	5.50000	\$-294.91
_ Detectable Warning Surface	8507001	0027	0135	2190730	001	Original	-1.550	Ft	48.00000	\$-74.40
_ Turf Restoration	8507002	0028	0140	2190730	001	Original	0.740	Sta	500.00000	\$370.00
_ Pavt Mrkg, Polyurea, 8507001 4 inch, Yellow	8507001	0031	0155	2190730	001	Original	-435.000	Ft	0.95000	\$-413.25
_ Pavt Mrkg, Polyurea, 8507001 4 inch, White	8507001	0032	0160	2190730	001	Original	-5,976.250	Ft	0.95000	\$-5,677.44



Contract Modification

Prein&Newhof

2/1/2022 5:09 PM

FieldManager 5.3c

Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Pavt Mrkg, Polyurea, 6 inch, White	8507001	0033	0165	2190730	001	Original	5,660.800	Ft	0.99000	\$5,604.19
_ Pavt Mrkg, Polyurea, 6 inch Crosswalk, White	8507001	0034	0170	2190730	001	Original	1,253.000	Ft	2.95000	\$3,696.35
_ Pavt Mrkg, Polyurea, 12 inch Crosswalk, White	8507001	0035	0175	2190730	001	Original	-230.000	Ft	5.95000	\$-1,368.50
_ Pavt Mrkg, Polyurea, 18 inch, Stop Bar, White	8507001	0036	0180	2190730	001	Original	-913.000	Ft	7.50000	\$-6,847.50
_ Sign Type IIIB	8507010	0037	0185	2190730	001	Original	22.250	Sft	25.00000	\$556.25
_ Post, Steel 3 LB	8507001	0038	0190	2190730	001	Original	60.000	Ft	8.00000	\$480.00
_ Sanitary Sewer, 8", Tr Det B	8507001	0039	0195	2190730	001	Original	-18.000	Ft	60.00000	\$-1,080.00
_ Sanitary Sewer, 10", Tr Det B	8507001	0040	0200	2190730	001	Original	5.000	Ft	90.00000	\$450.00
_ Sanitary Sewer, Wye, 8 inch x 6 inch	8507050	0043	0215	2190730	001	Original	-5.000	Ea	375.00000	\$-1,875.00
_ Sanitary Lateral, 6 inch	8507001	0044	0220	2190730	001	Original	-77.750	Ft	45.00000	\$-3,498.75



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Contract Modification

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FieldManager 5.3c

Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Sanitary Lateral, 6 inch, Pipe Burst	8507001	0045	0225	2190730	001	Original	2.000	Ft	66.00000	\$132.00
_ Sanitary Lateral, Connect to Ex.	8507050	0046	0230	2190730	001	Original	-9.000	Ea	150.00000	\$-1,350.00
_ Sanitary Sewer, Connect to Ex. 8"	8507050	0047	0235	2190730	001	Original	-1.000	Ea	950.00000	\$-950.00
_ Sanitary Sewer, Plug, 8 inch	8507050	0049	0245	2190730	001	Original	-1.000	Ea	300.00000	\$-300.00
_ Sanitary Sewer, CCTV	8507001	0051	0255	2190730	001	Original	-8.000	Ft	2.25000	\$-18.00
_ Sewer, CI E, 12 inch, Tr Det B	8507001	0052	0260	2190730	001	Original	-265.000	Ft	50.00000	\$-13,250.00
_ Sewer, CI E, 15 inch, Tr Det B	8507001	0053	0265	2190730	001	Original	53.000	Ft	70.00000	\$3,710.00
_ Sewer, CI E, 18 inch, Tr Det B	8507001	0054	0270	2190730	001	Original	-8.500	Ft	72.00000	\$-612.00
_ Sewer, CI E, 24 inch, Tr Det B	8507001	0055	0275	2190730	001	Original	-4.000	Ft	75.00000	\$-300.00
_ Sewer, Connect to Ex. 12"	8507050	0056	0280	2190730	001	Original	-1.000	Ea	650.00000	\$-650.00



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Contract Modification

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FieldManager 5.3c

Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Sewer, Connect to Ex. 18"	8507050	0058	0290	2190730	001	Original	1.000	Ea	900.00000	\$900.00
_ Sewer, Connect to Ex. 24"	8507050	0059	0295	2190730	001	Original	-1.000	Ea	950.00000	\$-950.00
_ Dr Structure, 24 inch dia	8507050	0061	0305	2190730	001	Original	-2.000	Ea	1,000.00000	\$-2,000.00
_ Dr Structure, 48 inch dia	8507050	0062	0310	2190730	001	Original	3.000	Ea	1,700.00000	\$5,100.00
_ Dr Structure Cover Adj, Case 1	8507050	0067	0335	2190730	001	Original	-1.000	Ea	550.00000	\$-550.00
_ Water Main, DI, 4 inch, Tr Det G	8507001	0068	0340	2190730	001	Original	34.000	Ft	70.00000	\$2,380.00
_ Water Main, DI, 6 inch, Tr Det G	8507001	0069	0345	2190730	001	Original	13.700	Ft	70.00000	\$959.00
_ Water Main, DI, 8 inch, Tr Det G	8507001	0070	0350	2190730	001	Original	246.550	Ft	73.00000	\$17,998.15
_ Water Main, DI, 16 inch, Tr Det G	8507001	0072	0360	2190730	001	Original	10.000	Ft	140.00000	\$1,400.00
_ Water Main, Bend, 22.5 Degree. 8 inch	8507050	0073	0365	2190730	001	Original	2.000	Ea	763.83000	\$1,527.66



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Contract Modification

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Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Water Main, Bend, 45 Degree, 6 inch	8507050	0074	0370	2190730	001	Original	6.000	Ea	700.00000	\$4,200.00
_ Water Main, Bend, 45 Degree, 8 inch	8507050	0075	0375	2190730	001	Original	3.000	Ea	900.00000	\$2,700.00
_ Water Main, Sleeve, 4 inch	8507050	0078	0390	2190730	001	Original	1.000	Ea	1,200.00000	\$1,200.00
_ Water Main, Sleeve, 8 inch	8507050	0080	0400	2190730	001	Original	3.000	Ea	1,800.00000	\$5,400.00
_ Water Main, Sleeve, 10 inch	8507050	0081	0405	2190730	001	Original	-1.000	Ea	2,000.00000	\$-2,000.00
_ Water Main, Tee, 8 inch x 8 inch x 4 inch	8507050	0084	0420	2190730	001	Original	1.000	Ea	700.00000	\$700.00
_ Water Main, Tee, 8 inch x 8 inch x 8 inch	8507050	0086	0430	2190730	001	Original	-1.000	Ea	850.00000	\$-850.00
_ Water Main, Valve and Box, 4 inch	8507050	0089	0445	2190730	001	Original	1.000	Ea	1,000.00000	\$1,000.00
_ Water Main, Valve and Box, 8 inch	8507050	0091	0455	2190730	001	Original	-2.000	Ea	1,600.00000	\$-3,200.00
_ Water Main, Cap, 8 inch	8507050	0096	0480	2190730	001	Original	-4.000	Ea	150.00000	\$-600.00



Contract Modification

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FieldManager 5.3c

Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Water Main, Abandon	8507001	0100	0500	2190730	001	Original	-8,250.000	Ft	2.50000	\$-20,625.00
_ Water Main, Rem	8507001	0101	0505	2190730	001	Original	-272.000	Ft	5.00000	\$-1,360.00
_ Water Service, Corporation Stop, 2 inch	8507050	0103	0515	2190730	001	Original	1.000	Ea	775.00000	\$775.00
_ Water Service, Curb Stop and Box, 1 inch	8507050	0104	0520	2190730	001	Original	7.000	Ea	300.00000	\$2,100.00
_ Water Service, Curb Stop and Box, 2 inch	8507050	0105	0525	2190730	001	Original	1.000	Ea	800.00000	\$800.00
_ Water Service, 1 inch	8507001	0106	0530	2190730	001	Original	2,048.000	Ft	35.00000	\$71,680.00
Reason: Additional length due to site conditions and additional piping required to make connections in homes										
_ Water Service, 2 inch	8507001	0107	0535	2190730	001	Original	147.000	Ft	88.00000	\$12,936.00
_ Water Service, Meter Pit	8507050	0108	0540	2190730	001	Original	-7.000	Ea	1,000.00000	\$-7,000.00
_ Water Service Restoration, Private	8507050	0109	0545	2190730	001	Original	-27.000	Ea	50.00000	\$-1,350.00
_ Sidewalk, Rem	8507011	0112	0560	2190730	002	Original	-64.060	Syd	5.00000	\$-320.30



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Contract Modification

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Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Sidewalk, Conc, 4 inch	8507010	0113	0565	2190730	002	Original	2,355.000	Sft	3.00000	\$7,065.00
_ Sidewalk, Conc, 6 inch	8507010	0114	0570	2190730	002	Original	1,085.330	Sft	4.25000	\$4,612.65
_ Sewer, CI E, 10 inch, Tr Det B	8507001	0115	0575	2190730	002	Original	-14.000	Ft	45.00000	\$-630.00
_ Sewer, CI E, 12 inch, Tr Det B	8507001	0116	0580	2190730	002	Original	92.500	Ft	50.00000	\$4,625.00
_ Dr Structure, 24 inch dia	8507050	0120	0600	2190730	002	Original	-1.000	Ea	1,000.00000	\$-1,000.00
_ Dr Structure, 48 inch dia	8507050	0121	0605	2190730	002	Original	1.000	Ea	1,700.00000	\$1,700.00
_ Dr Structure, Tap, 8 inch	8507050	0122	0610	2190730	002	Original	1.000	Ea	900.00000	\$900.00
_ Dr Structure Cover, Type B	8507050	0123	0615	2190730	002	Original	1.000	Ea	800.00000	\$800.00
_ Frontier Duct Bank, Hand Chipping	8507001	0159	0655	2190730	001	Extra	1,136.000	Ft	10.63000	\$12,075.68
_ Dr Structure, Rem	8507050	0199	0695	2190730	002	Extra	1.000	Ea	250.00000	\$250.00



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Contract Modification

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Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Sewer Rem, Less than 24 inch	8507001	0204	0700	2190730	002	Extra	7.000	Ft	7.00000	\$49.00
_ Sewer Rem, 24 inch and Greater	8507001	0209	0705	2190730	002	Extra	11.000	Ft	10.00000	\$110.00
_ Curb and Gutter Rem	8507001	0214	0710	2190730	002	Extra	-33.500	Ft	3.50000	\$-117.25
_ Pavt, Rem	8507011	0219	0715	2190730	002	Extra	-261.070	Syd	5.50000	\$-1,435.89
_ HMA Surface, Rem	8507011	0224	0720	2190730	002	Extra	89.670	Syd	2.50000	\$224.18
_ Erosion Control, Inlet Protection, Fabric Drop	8507050	0229	0725	2190730	002	Extra	-4.000	Ea	170.00000	\$-680.00
_ Machine Grading, Modified	8507002	0234	0730	2190730	002	Extra	0.440	Sta	2,500.00000	\$1,100.00
_ Aggregate Base, 9 inch, Modified	8507011	0239	0735	2190730	002	Extra	88.670	Syd	12.00000	\$1,064.04
_ HMA, 5E1	8507031	0244	0740	2190730	002	Extra	13.570	Ton	82.80000	\$1,123.60
_ HMA, 4E3	8507031	0249	0745	2190730	002	Extra	22.170	Ton	81.98000	\$1,817.50



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Contract Modification

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Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Driveway, Nonreinf Conc, 6 inch	8507011	0254	0750	2190730	002	Extra	9.030	Syd	40.00000	\$361.20
_ Curb and Gutter, Conc. Det F4	8507001	0259	0755	2190730	002	Extra	80.500	Ft	14.00000	\$1,127.00
_ Sidewalk Ramp, Conc, 6 inch	8507011	0264	0760	2190730	002	Extra	-215.000	Syd	5.50000	\$-1,182.50
_ Detectable Warning Surface	8507001	0269	0765	2190730	002	Extra	-15.000	Ft	48.00000	\$-720.00
_ Turf Restoration	8507002	0274	0770	2190730	002	Extra	-0.430	Sta	500.00000	\$-215.00
_ Sewer, CI E, 36 inch, Tr Det B	8507001	0289	0785	2190730	002	Extra	2.500	Ft	129.61000	\$324.03
_ Sewer, CI E, 18 inch, Tr Det B	8507001	0304	0800	2190730	002	Extra	-7.000	Ft	72.00000	\$-504.00
_ Sewer, Abandon, Less than 20 inch	8507001	0334	0830	2190730	002	Extra	-65.000	Ft	5.00000	\$-325.00
_ Pavt Mrkg, Polyurea, 4 inch, Yellow	8507001	0339	0835	2190730	002	Extra	-57.000	Ft	0.95000	\$-54.15
_ Pavt Mrkg, Polyurea, 6 inch Crosswalk, White	8507001	0344	0840	2190730	002	Extra	331.000	Ft	2.95000	\$976.45



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Contract Modification

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Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Pavt Mrkg, Polyurea, 18 inch, Stop Bar, White	8507001	0349	0845	2190730	002	Extra	3.000	Ft	7.50000	\$22.50
_ Sanitary Sewer, Wye, 8 inch x 6 inch	8507050	0364	0860	2190730	002	Extra	1.000	Ea	375.00000	\$375.00
_ Sanitary Lateral, 6 inch	8507001	0369	0865	2190730	002	Extra	93.000	Ft	45.00000	\$4,185.00
_ Sanitary Lateral, Connect to Ex.	8507050	0374	0870	2190730	002	Extra	1.000	Ea	150.00000	\$150.00
_ Sewer, CI E, 15 inch, Tr Det B	8507001	0389	0885	2190730	002	Extra	20.000	Ft	70.00000	\$1,400.00
_ Dr Structure Cover Adj, Case 1	8507050	0404	0900	2190730	002	Extra	-2.000	Ea	550.00000	\$-1,100.00
_ Water Main, DI, 6 inch, Tr Det G	8507001	0409	0905	2190730	002	Extra	13.000	Ft	70.00000	\$910.00
_ Water Main, Sleeve, 6 inch	8507050	0419	0915	2190730	002	Extra	-1.000	Ea	1,300.00000	\$-1,300.00
_ Valve Box, Adjust	8507050	0424	0920	2190730	002	Extra	3.000	Ea	485.00000	\$1,455.00
_ Water Main, Rem	8507001	0429	0925	2190730	002	Extra	13.000	Ft	5.00000	\$65.00



Contract Modification

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FieldManager 5.3c

Increases / Decreases

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Quantity Change	Unit	Unit Price	Dollar Value
_ Sanitary Sewer, 8", Tr Det B, Southern	8507001	0469	0965	2190730	002	Extra	5.000 Ft		106.50000	\$532.50
_ Sewer, CI E, 21 Inch, Tr Det B	8507001	0474	0970	2190730	002	Extra	-8.000 Ft		150.00000	\$-1,200.00
_ Sewer, Bulkhead, 8"	8507050	0489	0985	2190730	002	Extra	1.000 Ea		1,000.00000	\$1,000.00
_ Sewer, Bulkhead, 36 Inch	8507050	0504	1000	2190730	002	Extra	1.000 Ea		950.00000	\$950.00

Total Dollar Value: \$96,842.52

New Items

Item Description	Item Code	Prop. Line	Proj. Line	Project	Catg.	Item Type	Proposed Quantity	Unit	Unit Price	Dollar Value
_ Irrigation Repair, Southern Avenue	8507051	0544	1040	2190730	002	Extra	1.000 LS		3,805.44000	\$3,805.44

Reason: CO 6

Total Dollar Value: \$3,805.44

Project / Category Summary

Project/Catg	Project/Category Description	Federal Number	Project Status	Finance System	Control Section	Dollar Value
2190730	Peck Street	0	CNST			
001	SRF/DWRF Eligible					\$68,351.96
002	SRF/DWRF Ineligible					\$32,296.00
Total:						<u>\$100,647.96</u>
Total Net Change Amount:						<u>\$100,647.96</u>

February 2, 2022
2190730

Leo Evans
City of Muskegon
1350 E Keating Avenue
Muskegon, MI 49442

RE: Peck Street: Laketon to Merrill

Dear Leo:

Enclosed is Change Order 6 with signatures for the referenced project. This Change Order adds an item for the non-eligible irrigation repair on Southern Avenue. The remainder of the Change Order balances base quantities.

Additionally, Payment Application 8 with signatures for the referenced project is enclosed. This Payment Application includes additional miscellaneous quantities that were not paid for during construction and agreed upon with Kamminga & Roodvoets during final quantity review. \$10,000 was withheld as retainage until the remaining restoration punch list items are rectified in the spring of 2022.

The final breakdown by fund through Payment Application 9 is as follows:

SRF Eligible:	\$2,081,664.09
DWRF Eligible:	\$1,512,500.37
Non-Eligible:	\$592,252.89
Total:	\$4,186,417.34

For simplicity we recommend withholding \$10,000 from the SRF Eligible fund in retainage to be released in the spring for the final Payment Application. Based on what has been paid from each fund to date, and after subtracting retainage, we recommend the following payment breakdown for Payment Application 9 to match the final payment totals listed above:

SRF Eligible:	\$87,444.67
DWRF Eligible:	\$41,586.76
Non-Eligible:	(\$10,356.41)
Total:	\$118,675.01

The final fund breakdown shows that there was a slight overpayment of \$10,356.41 in Non-Eligible funds and will be need to be rebalanced to match the final fund breakdown.

Please review the Change Order and Payment Application and once approved, return one signed copy of each to Kamminga & Roodvoets with payment. Additionally, please return one signed copy of each to our office.

If you have any questions regarding this recommendation and the project in general, please do not hesitate to contact me.

Sincerely,

Prein&Newhof

A handwritten signature in blue ink, reading "Matthew R. Hulst", with a horizontal line underneath.

Matthew Hulst, P.E.

Enclosures: Payment Application 9
 Change Order 6

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Western Ave. Fifth to Third Parking Lane Improvements – contract award
Submitted By: Joel Brookens	Department: Public Works
Brief Summary: Staff is requesting authorization to approve a contact with Anlaan Corporation in the amount of \$332,863.00.	
Detailed Summary: Bids were solicited for a construction project to improve the parking lane along Western Ave, between Fifth and Third. Anlaan provided the low bid. The bid tabulation is attached. Two alternates were also solicited. Alternate #1 is a different type of bollard post system. Alternate #2 is a different concrete surface finish and texture. The base bid is the preferred construction method, therefore staff recommends acceptance of the base bid and rejection of the alternates.	
Amount Requested: \$332,863.00	Amount Budgeted: \$400,000 Upcoming reforecast
Fund(s) or Account(s): 101-91116 (ADA Projects) 202-92201 (Western Ave ADA) 420-91801 (Convention Center)	Fund(s) or Account(s): 101-91116 (\$100K) 202-92201 (\$200K) 420-91801 (\$100K)
Recommended Motion: Authorize staff to approve a contact with Anlaan Corporation in the amount of \$332,863.00	
Check if the following Departments need to approve the item first: Police Dept. ☐ Fire Dept. ☐ IT Dept. ☐ For City Clerk Use Only: Commission Action:	

1.10 BID TABULATION														
City of Muskegon Engineering Department					Project Engineer: JDB		Date: 11/23/2021							
					Project Number:									
					Project description: WESTERN AVE, FIFTH TO THIRD									
					Engineer's Estimate: \$ 294,857.00									
					Anlaan Corp		Wadel Stabilization		McCromick Sand Inc		Accurate Excavators		Jackson Merkey	
Line Item	Pay Code	Description	Units	Quantity	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1	1100001	Mobilization, Max	LSUM	1	\$ 24,000.00	\$ 24,000.00	\$ 39,000.00	\$ 39,000.00	\$ 39,000.00	\$ 39,000.00	\$ 15,000.00	\$ 15,000.00	\$ 54,000.00	\$ 54,000.00
2	2030011	Dr Structure, Rem	Ea	4	\$ 1,000.00	\$ 4,000.00	\$ 600.00	\$ 2,400.00	\$ 1,000.00	\$ 4,000.00	\$ 650.00	\$ 2,600.00	\$ 695.00	\$ 2,780.00
3	2030015	Sewer, Rem, Less than 24 inch	Ft	40	\$ 35.00	\$ 1,400.00	\$ 11.00	\$ 440.00	\$ 24.00	\$ 960.00	\$ 24.00	\$ 960.00	\$ 49.00	\$ 1,960.00
4	2040020	Curb and Gutter, Rem	Ft	794	\$ 10.00	\$ 7,940.00	\$ 9.00	\$ 7,146.00	\$ 10.00	\$ 7,940.00	\$ 7.00	\$ 5,558.00	\$ 16.00	\$ 12,704.00
5	2040050	Pavt, Rem	Syd	925	\$ 12.50	\$ 11,562.50	\$ 10.00	\$ 9,250.00	\$ 10.00	\$ 9,250.00	\$ 10.00	\$ 9,250.00	\$ 22.00	\$ 20,350.00
6	2040055	Sidewalk, Rem	Syd	25	\$ 35.00	\$ 875.00	\$ 19.00	\$ 475.00	\$ 30.00	\$ 750.00	\$ 75.00	\$ 1,875.00	\$ 79.00	\$ 1,975.00
7	2050010	Embankment, CIP	Cyd	90	\$ 50.00	\$ 4,500.00	\$ 15.00	\$ 1,350.00	\$ 15.00	\$ 1,350.00	\$ 40.00	\$ 3,600.00	\$ 48.00	\$ 4,320.00
8	4021203	Sewer Tap, 10 inch	Ea	1	\$ 385.00	\$ 385.00	\$ 510.00	\$ 510.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 530.00	\$ 530.00
9	4030010	Dr Structure Cover, Type B	Ea	2	\$ 525.00	\$ 1,050.00	\$ 850.00	\$ 1,700.00	\$ 500.00	\$ 1,000.00	\$ 880.00	\$ 1,760.00	\$ 845.00	\$ 1,690.00
10	4030025	Dr Structure Cover, Type D	Ea	6	\$ 650.00	\$ 3,900.00	\$ 1,250.00	\$ 7,500.00	\$ 750.00	\$ 4,500.00	\$ 950.00	\$ 5,700.00	\$ 975.00	\$ 5,850.00
11	4030200	Dr Structure, 24 inch dia	Ea	5	\$ 2,300.00	\$ 11,500.00	\$ 2,500.00	\$ 12,500.00	\$ 2,500.00	\$ 12,500.00	\$ 1,365.00	\$ 6,825.00	\$ 1,830.00	\$ 9,150.00
12	4030210	Dr Structure, 48 inch dia	Ea	1	\$ 3,400.00	\$ 3,400.00	\$ 3,500.00	\$ 3,500.00	\$ 2,600.00	\$ 2,600.00	\$ 1,765.00	\$ 1,765.00	\$ 2,550.00	\$ 2,550.00
13	8030010	Detectable Warning Surface	Ft	20	\$ 33.00	\$ 660.00	\$ 35.00	\$ 700.00	\$ 33.00	\$ 660.00	\$ 220.00	\$ 4,400.00	\$ 38.50	\$ 770.00
14	8030030	Curb Ramp Opening, Conc	Ft	795	\$ 18.40	\$ 14,628.00	\$ 15.00	\$ 11,925.00	\$ 17.00	\$ 13,515.00	\$ 26.50	\$ 21,067.50	\$ 26.14	\$ 20,781.30
15	8030048	Sidewalk, Conc, 8 inch	Sft	8600	\$ 5.20	\$ 44,720.00	\$ 5.00	\$ 43,000.00	\$ 6.00	\$ 51,600.00	\$ 10.50	\$ 90,300.00	\$ 10.30	\$ 88,580.00
16	8037010	POLYMER CEMENT SURFACING	Sft	8600	\$ 7.35	\$ 63,210.00	\$ 7.35	\$ 63,210.00	\$ 7.35	\$ 63,210.00	\$ 8.10	\$ 69,660.00	\$ 7.35	\$ 63,210.00
17	8037010	Sidewalk, Conc, 8 inch, colored and stamped	Sft	475	\$ 11.90	\$ 5,652.50	\$ 11.00	\$ 5,225.00	\$ 12.00	\$ 5,700.00	\$ 16.50	\$ 7,837.50	\$ 14.00	\$ 6,650.00
18	8107050	Removal Bollard System (TrafficGuard)	Ea	70	\$ 1,480.00	\$ 103,600.00	\$ 2,000.00	\$ 140,000.00	\$ 2,200.00	\$ 154,000.00	\$ 2,525.00	\$ 176,750.00	\$ 3,033.70	\$ 212,359.00
19	8120012	Barricade, Type III, High Intensity, Double Sided, Lighted, Furn	Ea	5	\$ 65.00	\$ 325.00	\$ 65.00	\$ 325.00	\$ 65.00	\$ 325.00	\$ 72.00	\$ 360.00	\$ 76.00	\$ 380.00
20	8120013	Barricade, Type III, High Intensity, Double Sided, Lighted, Oper	Ea	5	\$ 5.00	\$ 25.00	\$ 5.00	\$ 25.00	\$ 5.00	\$ 25.00	\$ 6.00	\$ 30.00	\$ 5.80	\$ 29.00
21	8120026	Pedestrian Type II Barricade, Temp	Ea	10	\$ 85.00	\$ 850.00	\$ 85.00	\$ 850.00	\$ 85.00	\$ 850.00	\$ 94.00	\$ 940.00	\$ 99.00	\$ 990.00
22	8120027	Pedestrian Type II Channelizer, Temp	Ft	800	\$ 14.00	\$ 11,200.00	\$ 14.00	\$ 11,200.00	\$ 14.00	\$ 11,200.00	\$ 15.50	\$ 12,400.00	\$ 16.50	\$ 13,200.00
23	8120170	Minor Traf Devices	LSUM	1	\$ 11,000.00	\$ 11,000.00	\$ 32,000.00	\$ 32,000.00	\$ 10,000.00	\$ 10,000.00	\$ 2,550.00	\$ 2,550.00	\$ 20,000.00	\$ 20,000.00
24	8120252	Plastic Drum, Fluorescent, Furn	Ea	20	\$ 16.00	\$ 320.00	\$ 16.00	\$ 320.00	\$ 16.00	\$ 320.00	\$ 18.00	\$ 360.00	\$ 18.50	\$ 370.00
25	8120253	Plastic Drum, Fluorescent, Oper	Ea	20	\$ 1.00	\$ 20.00	\$ 1.00	\$ 20.00	\$ 1.00	\$ 20.00	\$ 2.00	\$ 40.00	\$ 1.20	\$ 24.00
26	8120350	Sign, Type B, Temp, Prismatic, Furn	Sft	190	\$ 3.00	\$ 570.00	\$ 3.00	\$ 570.00	\$ 3.00	\$ 570.00	\$ 4.00	\$ 760.00	\$ 3.50	\$ 665.00
27	8120351	Sign, Type B, Temp, Prismatic, Oper	Sft	190	\$ 1.00	\$ 190.00	\$ 1.00	\$ 190.00	\$ 1.00	\$ 190.00	\$ 2.00	\$ 380.00	\$ 1.20	\$ 228.00
28	8257001	SEWER, PVC SDR 35, 10 INCH, TR DET B	Ft	12	\$ 115.00	\$ 1,380.00	\$ 95.00	\$ 1,140.00	\$ 45.00	\$ 540.00	\$ 50.00	\$ 600.00	\$ 84.50	\$ 1,014.00

BASE BID TOTAL:	\$ 332,863.00	\$ 396,471.00	\$ 397,075.00	\$ 443,828.00	\$ 547,109.30
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Alternate #1 - Delete line item #18 and add the following														
18	8107050	Removal Bollard System (TrafficGuard)	Ea	70	\$ (1,480.00)	\$ (103,600.00)	\$ (2,000.00)	\$ (140,000.00)	\$ (2,200.00)	\$ (154,000.00)	\$ (2,525.00)	\$ (176,750.00)	\$ (3,033.70)	\$ (212,359.00)
29	8107050	Removal Bollard System (Gorilla Post)	Ea	70	\$ 470.00	\$ 32,900.00	\$ 1,300.00	\$ 91,000.00	\$ 200.00	\$ 14,000.00	\$ 500.00	\$ 35,000.00	\$ 700.00	\$ 49,000.00
Net change					\$	(70,700.00)	\$	(49,000.00)	\$	(140,000.00)	\$	(141,750.00)	\$	(163,359.00)
Alternate #2 - Delete line item #16 and add the following														
16	8037010	POLYMER CEMENT SURFACING	Sft	8600	\$ (7.35)	\$ (63,210.00)	\$ (7.35)	\$ (63,210.00)	\$ (7.35)	\$ (63,210.00)	\$ (8.10)	\$ (69,660.00)	\$ (7.35)	\$ (63,210.00)
30	8037010	Concrete Surface Finishing - Sand washed and stained finish	SFT	8600	\$ 2.30	\$ 19,780.00	\$ 3.50	\$ 30,100.00	\$ 5.75	\$ 49,450.00	\$ 13.25	\$ 113,950.00	\$ -	\$ -
Net change					\$	(43,430.00)	\$	(33,110.00)	\$	(13,760.00)	\$	44,290.00	\$	(63,210.00)

CITY OF MUSKEGON

PLAN AND PROFILE OF PROPOSED

WESTERN AVE, FIFTH TO THIRD

PARKING LANE IMPROVEMENTS

PROJECT NUMBER:



SHEET INDEX

SHEET	DESCRIPTION
1.	TITLE SHEET
2.	CROSS SECTION & PLAN
3.	TRAFFIC CONTROL PLAN

STANDARD PLANS

R-01-G DRAINAGE STRUCTURES
R-28-J SIDEWALK RAMP AND DETECTABLE WARNING DETAILS
R-30-G CONCRETE CURB & GUTTER
R-96-E SOIL EROSION & SEDIMENTATION CONTROL MEASURES

TRAFFIC/SAFETY STANDARD PLANS

WZD-125-E TEMPORARY TRAFFIC CONTROL DEVICES

UTILITIES

ELECTRIC
JOEL BROWN
CONSUMERS ENERGY
700 E STERNBERG ROAD
NORTON SHORES, MI 49441
(231) 332-2682

TELEPHONE
DAVID B. FLERMOEN
FRONTIER COMMUNICATIONS
860 TERRACE STREET
MUSKEGON MI 49440
(231) 727-1319

NATURAL GAS
VINCENT DUCA
DTE ENERGY
2359 OLTHOFF DRIVE
MUSKEGON MI 49444
(231) 578-0488 (CELL)

CABLE
COMCAST
TBA

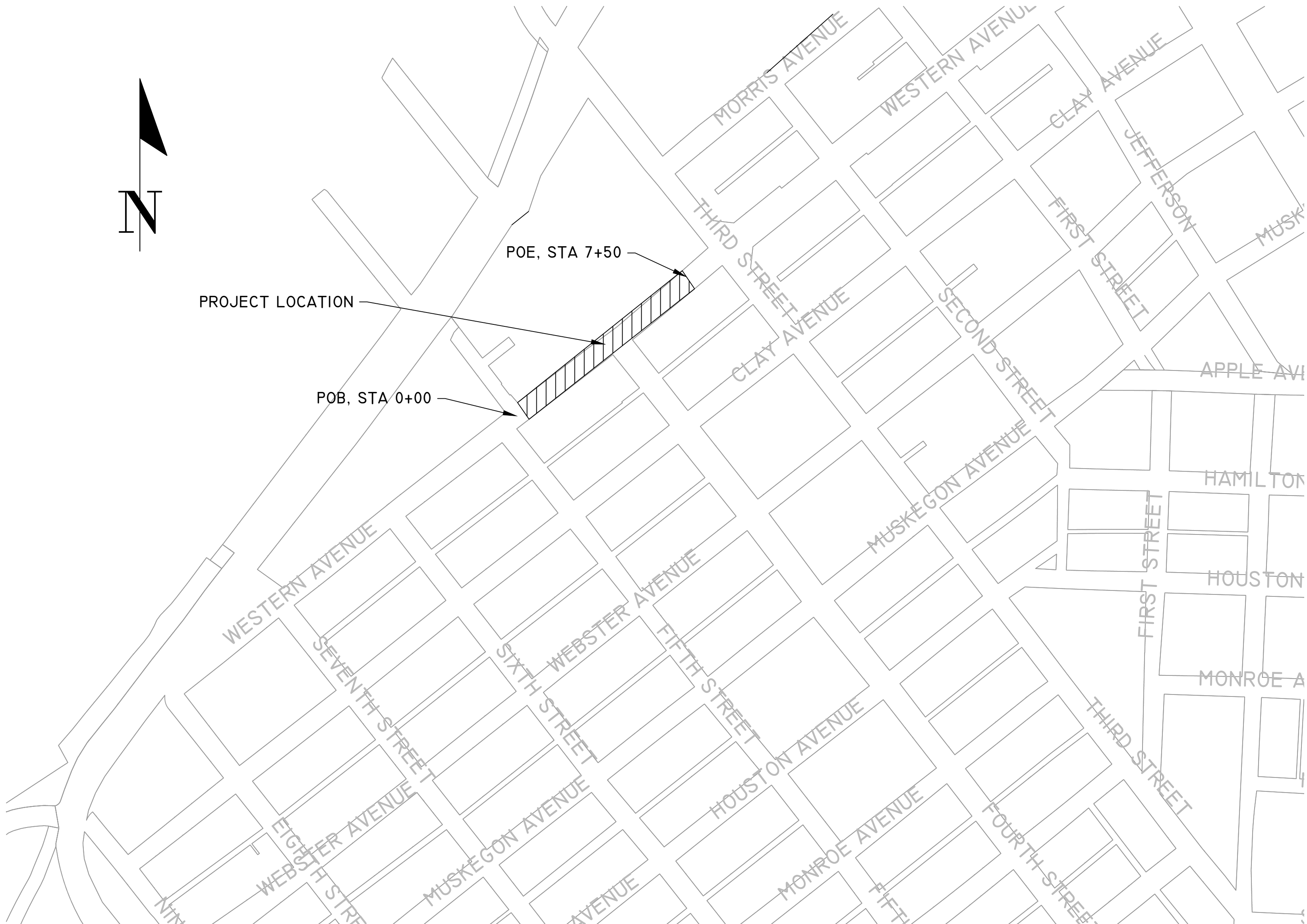
WATER & SEWER
DAVE BAKER
CITY OF MUSKEGON - DPW
1350 E KEATING AVENUE
MUSKEGON MI 49442
(231) 724-4100

NOTE:

THE IMPROVEMENTS COVERED BY THESE PLANS SHALL BE DONE IN ACCORDANCE WITH THE MICHIGAN DEPARTMENT OF TRANSPORTATION 2020 STANDARD SPECIFICATIONS FOR CONSTRUCTION AND THE 2011 MICHIGAN MANUAL OF UNIFORM TRAFFIC CONTROL DEVICES. THESE IMPROVEMENTS HAVE BEEN DESIGNED IN ACCORDANCE WITH THE 2018 AASHTO GUIDELINES.

GENERAL NOTES:

- EXISTING CONDITIONS INCLUDING ELEVATIONS ARE SUBJECT TO CHANGE DUE TO CONSTRUCTION OUTSIDE THE CONTROL OF THE CITY OF MUSKEGON. CONTRACTOR IS TO VERIFY EXISTING CONDITIONS OF THE SITE. MATCH ALL EXISTING MEETS AND COORDINATE WORK ACTIVITIES WITH NEIGHBORING CONTRACTORS.
- UPON REQUEST AND APPROVAL, THE CONTRACTOR MAY OBTAIN A WATER SUPPLY FROM THE CITY OF MUSKEGON FIRE HYDRANTS AT NO COST, PROVIDED THAT THEY FOLLOW THE CONDITIONS OF THE CITY WATER DEPARTMENT.
- FOR PROTECTION OF UNDERGROUND UTILITIES, THE CONTRACTOR SHALL CALL MISS DIG, 1-800-482-7171, A MINIMUM OF 3 WORKING DAYS EXCLUDING SATURDAYS, SUNDAYS, AND HOLIDAYS PRIOR TO EXCAVATING IN THE VICINITY OF ALL UTILITY LINES. ALL MISS DIG PARTICIPATING MEMBERS WILL THUS BE NOTIFIED, THIS DOES NOT RELIEVE THE CONTRACTOR THE RESPONSIBILITY OF NOTIFYING OWNERS WHO MAY NOT BE PART OF THE MISS DIG ALERT SYSTEM.
- PUBLIC UTILITIES OF ALL TYPES HAVE BEEN SHOWN ON THE PLAN USING AVAILABLE INFORMATION, BUT ARE NOT GUARANTEED AS ACCURATE OR THAT UTILITIES OTHER THAN THOSE SHOWN ARE NOT PRESENT.
- THE CONTRACTOR SHALL SAW CUT ALL MEETS RELATIVE TO SIDEWALK OR PAVEMENT CONSTRUCTION UNLESS WAIVED BY THE ENGINEER. PAYMENT FOR SAW CUTTING SHALL BE INCLUDED IN THE PAYMENT FOR THE PAY ITEMS PAVT, REM, MODIFIED CURB AND GUTTER, REM, AND/OR SIDEWALK, REM. NO ADDITIONAL PAYMENT WILL ALLOWED FOR SAW CUTTING.
- THE CONTRACTOR SHALL PREVENT EROSION AND CONTROL SEDIMENTATION ASSOCIATED WITH THE PROJECT. KEEP SEDIMENTATION WITHIN THE RIGHT OF WAY (OR CONSTRUCTION LIMITS) AND OUT OF SURFACE WATERS. CONSTRUCT AND MAINTAIN TEMPORARY EROSION AND SEDIMENTATION CONTROLS, TO INCLUDE INLET PROTECTION, FABRIC DROPS ON ALL INLET STRUCTURES NEW AND EXISTING AND INSTALL TEMPORARY EROSION, SEDIMENTATION CONTROLS AS DIRECTED BY THE ENGINEER. THE CONTRACTOR SHALL REMOVE ON A DAILY BASIS SOIL TRACKED ONTO EXISTING PAVED ROADS. (VACUUM METHODS ARE PREFERRED BUT BROOM SWEEPING IS ACCEPTABLE IF THE MATERIAL IS REMOVED) THE CONTRACTOR SHALL INSPECT ALL SOIL EROSION / SEDIMENTATION CONTROL MEASURES ON A WEEKLY BASIS OR AFTER EACH RAIN FALL EVENT, CLEAN REPAIR, OR REPLACE, AS NECESSARY, TO ENSURE PROPER FUNCTION. ALL SOIL EROSION / SEDIMENTATION CONTROLS SHALL REMAIN UNTIL ALL DISTURBED AREAS ARE STABILIZED. ALL SOIL EROSION / SEDIMENTATION CONTROL, EXCEPT FOR THE EROSION CONTROL, INLET PROTECTION, FABRIC DROP AND SILT FENCE SHALL BE INCLUDED WITH THE PAY ITEM PROJECT CLEAN UP. NO OTHER PAYMENT SHALL BE MADE.



3 WORKING DAYS
EXCLUDING SAT, SUN & HOLIDAYS
BEFORE YOU DIG
CALL MISS DIG

CONSTRUCTION INCLUDES REMOVAL AND REPLACEMENT OF 800 FEET CONCRETE CURB, 8,600 SFT OF CONCRETE SIDEWALK, AND SEVERAL STORM SEWER CATCH BASIN MODIFICATIONS IN THE CITY OF MUSKEGON, MUSKEGON COUNTY.

PREPARED UNDER THE SUPERVISION OF:

LEO EVANS, P.E.
CITY ENGINEER

CITY OF MUSKEGON
ENGINEERING DEPARTMENT
1350 E KEATING AVE
MUSKEGON MI 49442

55599

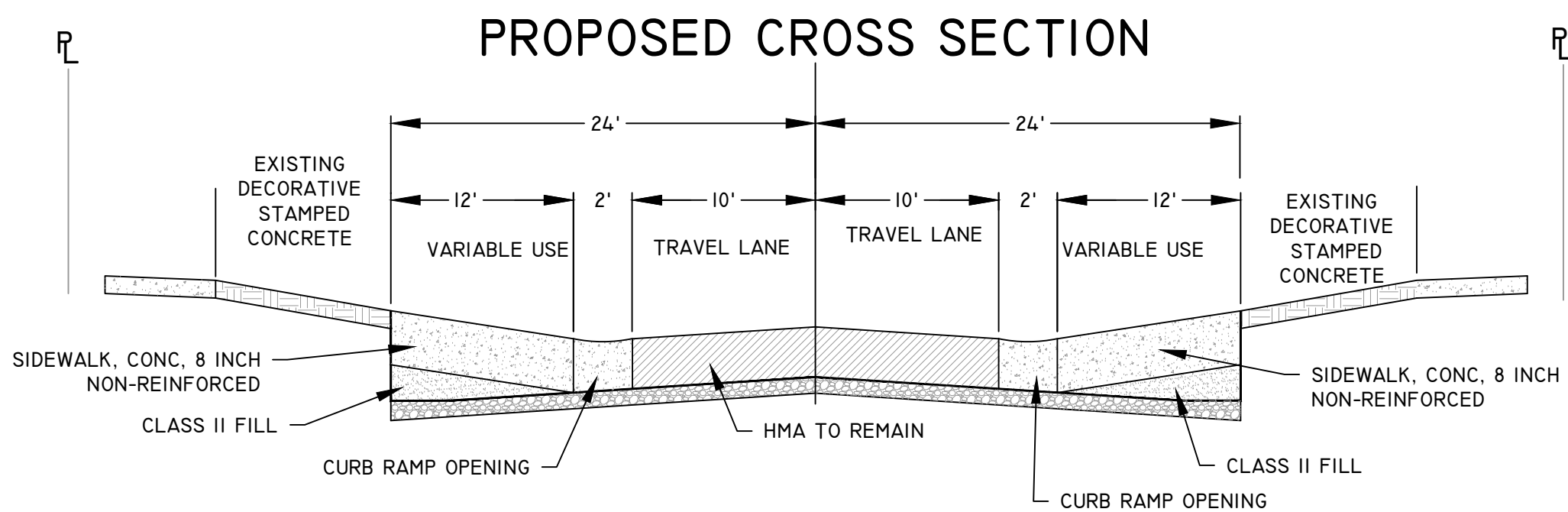
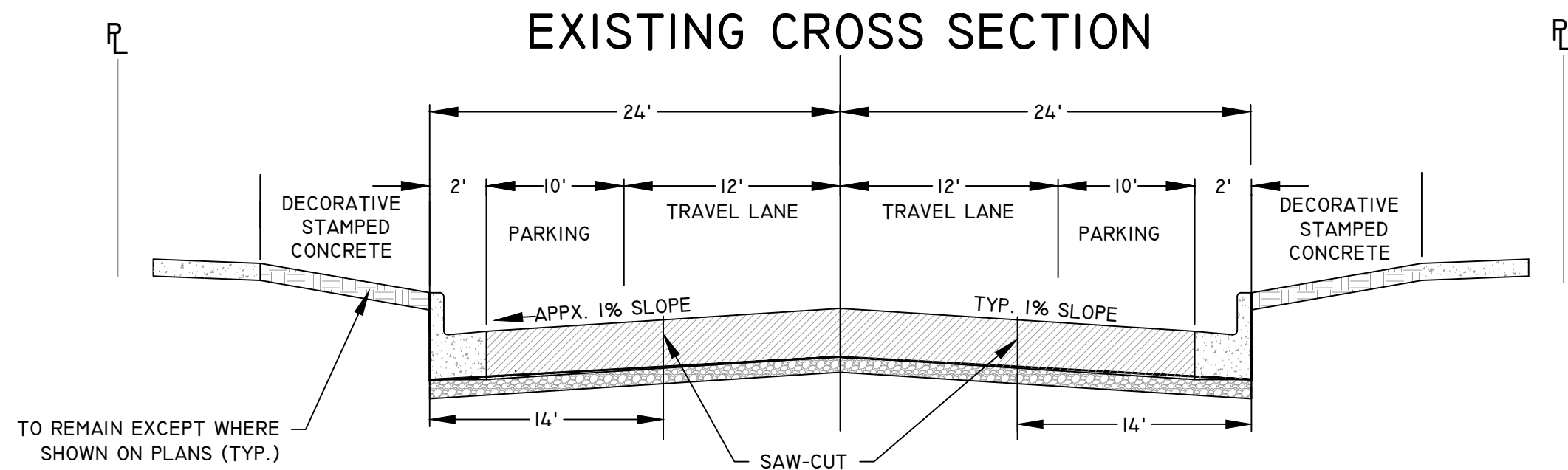
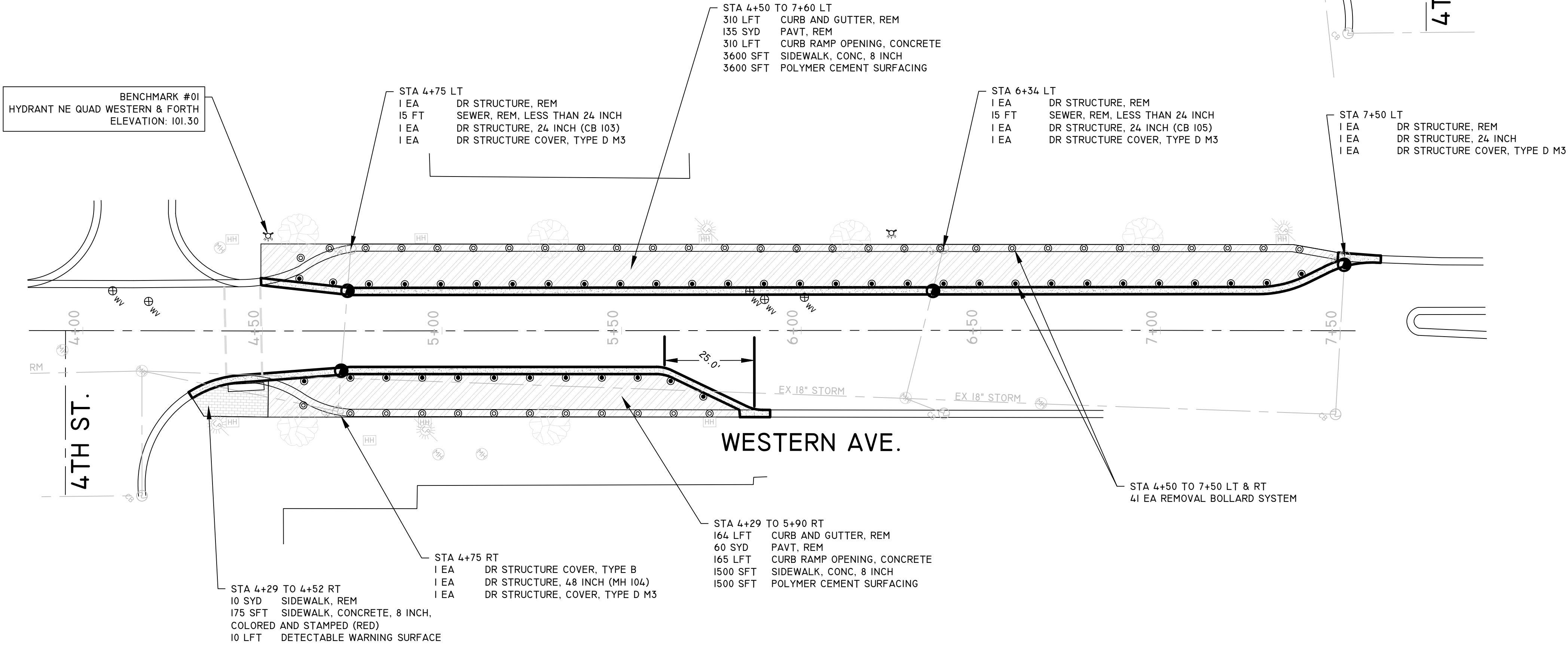
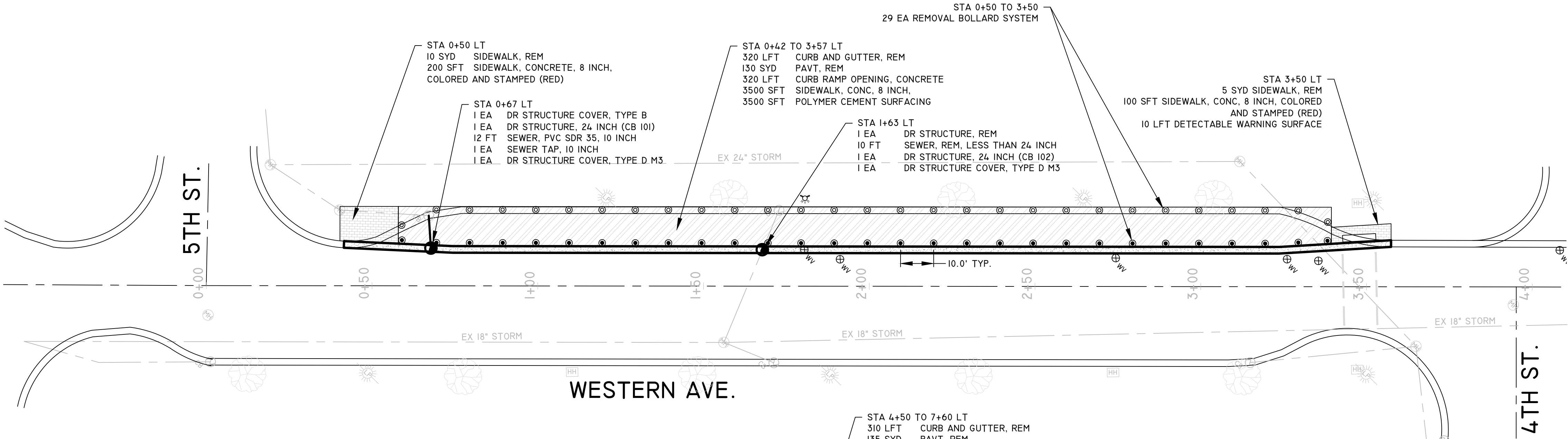
REGISTRATION NUMBER

CITY OF MUSKEGON
OFFICE OF THE CITY ENGINEER

WESTERN SIDEWALK IMPRV.
FIFTH TO THIRD

DRAWN J BROOKENS 10/2021	REVISION	SURVEY FP 09/2021	PROJECT NO
CHECKED	REVISION	AS-BUILT	X
APPROVED	REVISION		SHEET NO. 01 OF 03

QUANTITIES THIS SHEET		
DESCRIPTION	QUANTITY	UNIT
DR STRUCTURE, REM	4	EA
SEWER, REM, LESS THAN 24 INCH	40	FT
CURB AND GUTTER, REM,	794	FT
PAVT, REM	325	SYD
SIDEWALK, REM	25	SYD
EMBANKMENT, CIP	90	CYD
SEWER TAP, 10 INCH	1	EA
DR STRUCTURE COVER, TYPE B	2	EA
DR STRUCTURE COVER, TYPE D	6	EA
DR STRUCTURE, 24 INCH DIA	5	EA
DR STRUCTURE, 48 INCH DIA	1	EA
DETECTABLE WARNING SURFACE	20	FT
CURB RAMP OPENING, CONC	795	FT
SIDEWALK, CONC, 8 INCH	8600	SFT
SIDEWALK, CONC, 8 INCH, COLORED AND STAMPED	475	SFT
SEWER, PVC SDR 35, 10 INCH, TR DET B	12	FT
POLYMER CEMENT SURFACING	8600	SFT
REMOVAL BOLLARD SYSTEM	70	EA



EXISTING DRAINAGE STRUCTURE INFO.

Structure #	Station - Offset	Rim Elev.	Inverts	Notes
1	STA 0+67 LT 21	93.68	90.98 SW 12" CONC	
2	STA 1+70 LT 21	95.10	90.60 SE 12" CONC	REMOVE
3	STA 1+57 RT 17	95.21	90.31 NW 12" CONC 89.81 NE/SW 21" CONC	MH
4	STA 4+75 LT 21	99.25	95.25 SW 12" CONC	REMOVE
5	STA 4+75 RT 21	99.27	95.27 SW 12" CONC	NEW CASTING
6	STA 6+30 RT 19	101.18	96.18 N 12" CONC 94.68 NE/SW 18" CONC	
7	STA 6+38 LT 21	100.84	96.09 SE 12" CONC	REMOVE
8	STA 7+50 LT 18	101.68	97.98 E 12" CONC	REMOVE, 48" STRUCTURE

PROPOSED DRAINAGE STRUCTURE INFO.

Structure #	Station - Offset	Rim Elev.	Inverts	Notes
CB 101	STA 0+67 LT 11	93.8	91 NW 12" CONC	
CB 102	STA 1+67 LT 11	95.22	90.5 SE 12" CONC	
CB 103	STA 4+75 LT 11	99.37	95.26 SE 12" CONC	
MH 104	STA 4+75 RT 11	99.39	95.26 W 12" CONC 95.26 E 12" CONC	48" MH
CB 105	STA 6+35 LT 11	100.96	96.12 SE 12" CONC	
CB 106	STA 7+50 LT 18	101.70	97.9 SE 12" CONC	

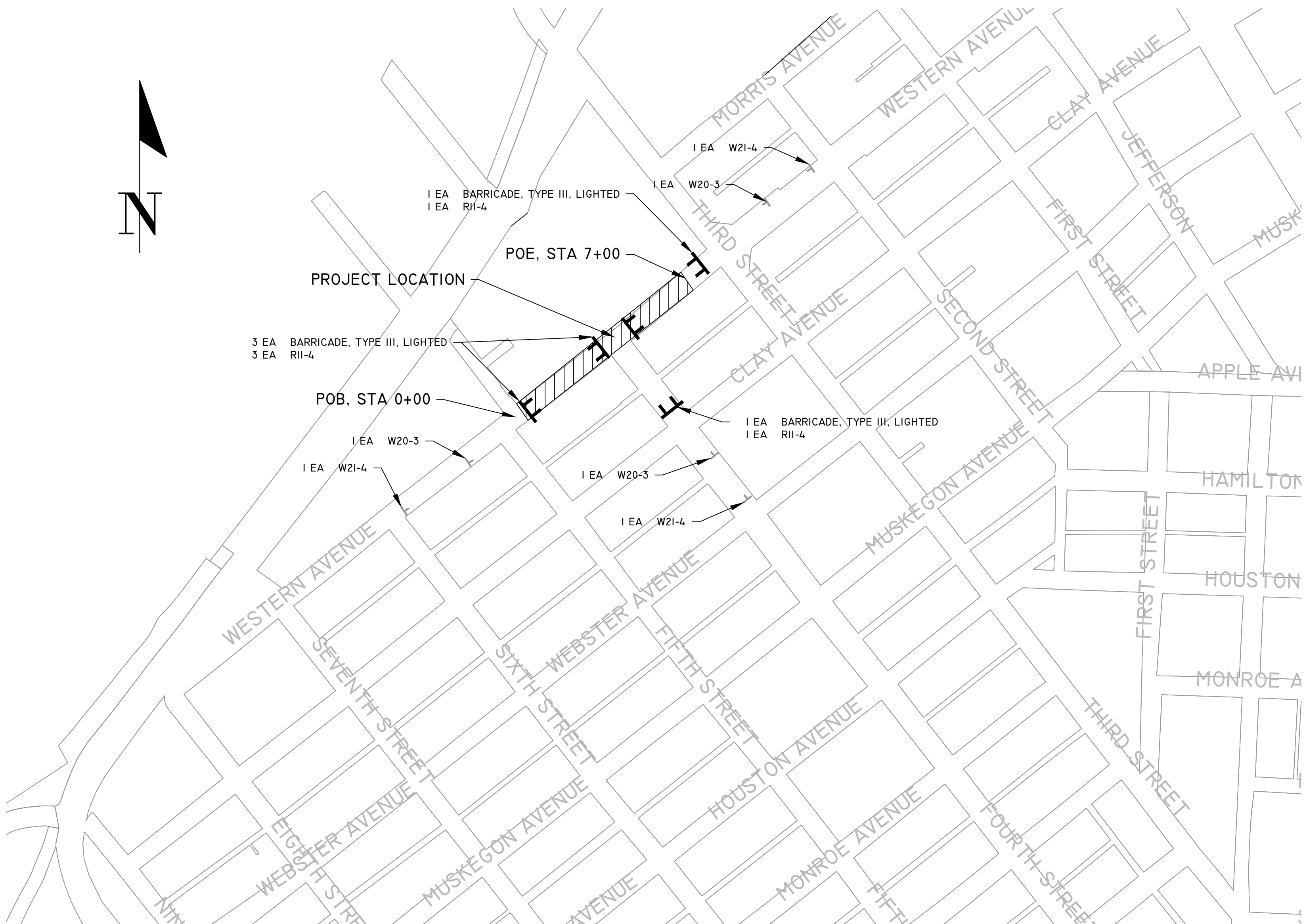
- NOTES:
- CASTING TYPE D M3 IS TO BE EJ 5100 WITH TYPE M3 GRATE, OR AS APPROVED BY ENGINEER
 - ALL SIGN WORK, INCLUDING REMOVAL, RELOCATION AND INSTALLATION WILL BE DONE BY CITY.

TRAFFIC CONTROL PLAN

TRAFFIC CONTROL NOTES:

- 1. THE CONTRACTOR SHALL CLOSE WESTERN COMPLETELY, ACCORDING TO THIS TRAFFIC CONTROL PLAN.
- 2. THE CONTRACTOR SHALL MAINTAIN ACCESS TO BUSINESSES, RESIDENCES, AND CROSS STREETS AS DIRECTED BY THE ENGINEER. CONTRACTOR MAY USE AGGREGATE OR HMA MILLINGS. NO ADDITIONAL PAYMENT WILL BE MADE FOR MAINTAINING TRAFFIC.
- 3. WESTERN IS THE HEART OF MUSKEGON'S DOWNTOWN. CONTRACTOR CAN EXPECT A LARGE AMOUNT OF PEDESTRIANS WITHIN THE CONSTRUCTION AREA. ENGINEER WILL BE INSPECTING PEDESTRIANS BARRICADES REGULARLY FOR SAFETY.

PROPOSED QUANTITIES SIGN, TYPE B, TEMPORARY				
SIGN	DESCRIPTION	QUANTIT Y	AREA (SFT)	TOTAL AREA (SFT)
R11-2	ROAD CLOSED	0	16	0
R11-4	ROAD CLOSED TO THRU TR	5	16	80
W20-3	ROAD CLOSED AHEAD	3	16	48
W21-4	ROAD WORK AHEAD	3	16	48
R3-2	NO LEFT TURN	0	4	0
R3-1	NO RIGHT TURN	0	4	0
R5-1a	WRONG WAY	0	6	0
R6-1 RT	ONE WAY (RIGHT)	0	3	0
R8-3	NO PARKING SYMBOL	0	1	0
R9-8	PEDESTRIAN CROSSWALK	0	4.5	0
R9-9	SIDEWALK CLOSED	4	2	8
R9-10	SIDEWALK CLOSED, USE OTHER S	0	3	0
R9-11	SIDEWALK CLOSED, CROSS HERE	3	2	6
			TOTAL:	190



QUANTITIES THIS SHEET		
DESCRIPTION	QUANTITY	UNIT
MAINTENANCE GRAVEL, LM	0	CYD
MINOR TRAFFIC CONTROL DEVICES	1	LS
BARRICADE, TYPE III, HIGH INTENSITY, DOUBLE SIDED, LIGHTED, FURN	5	EA
BARRICADE, TYPE III, HIGH INTENSITY, DOUBLE SIDED, LIGHTED, OPER	5	EA
CHANNELIZING DEVICE, 42 INCH, FURN	0	EA
CHANNELIZING DEVICE, 42 INCH, OPER	0	EA
PLASTIC DRUM, FLUORESCENT, FURN	20	EA
PLASTIC DRUM, FLUORESCENT, OPER	20	EA
SIGN, TYPE B, TEMP, PRISMATIC, FURN	190	SFT
SIGN, TYPE B, TEMP, PRISMATIC, OPER	190	SFT
SIGN, TYPE B, TEMP, PRISMATIC, SPECIAL, FURN	0	SFT
SIGN, TYPE B, TEMP, PRISMATIC, SPECIAL, OPER	0	SFT
TRAFFIC REGULATOR CONTROL	0	LS
PEDESTRIAN TYPE II BARRICADE, TEMP	10	EA
PEDESTRIAN TYPE II CHANNELIZER, TEMP	800	FT
PEDESTRIAN PATH, TEMP	0	FT
PEDESTRIAN RAMP, TEMP	0	EA
PEDESTRIAN BARRIER WITH FENCE, TEMP	0	FT
BUS STOP, TEMP	0	EA

NOTES:

Date:

Revisions:

Drawn: J.B.
Date: 10/2021

Checked:
Date:

TRAFFIC CONTROL
PLAN

WESTERN SIDEWALK
IMPROVEMENTS

CITY OF MUSKEGON
OFFICE OF THE CITY ENGINEER

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: HMV Brownfield Repayment
Submitted By: Frank Peterson	Department: City Manager
Brief Summary: Staff is seeking approval of the repayment schedule for the Hartshorn Marina Village Brownfield project.	
Detailed Summary. In 2020 the City Commission authorized this issuance of up to \$8 Million in general obligation bonds for a number of municipal projects. One of the projects included was the infrastructure for Hartshorn Marina Village. The \$600,000 expense was to be repaid via Brownfield tax capture. The Brownfield is approximately two years behind schedule as the developers have dealt with various environmental issues. This delay has left the Brownfield Fund with inadequate cashflow to cover the debt payments today, and we expect that will be the case for the next 1-2 years as well. The Finance Department has reviewed the obligations and is recommending that the General Fund assume the debt obligation and make the payments. In return, the General Fund will retain the tax capture to reimburse itself with interest over the life of the Brownfield. We have attached an amortization schedule. Note that the \$600,000 original principal has already incurred interest for one year, resulting in a starting balance above \$600,000.	
Amount Requested: N/A	Amount Budgeted: N/A
Fund(s) or Account(s):	Fund(s) or Account(s): N/A
Recommended Motion: Authorize the repayment schedule to reimburse the General Fund \$600,000 plus 5% interest from the Brownfield Fund.	

Hartshorn Marina Village

Compounding Period: Annual

Nominal Annual Rate: 5.000%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	09/21/2020	600,000.00	1		
2	Payment	09/21/2021	0.00	1		
3	Payment	09/21/2022	0.00	1		
4	Payment	09/21/2023	56,588.83	18	Annual	09/21/2040

TValue Amortization Schedule - Normal, 365 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	09/21/2020				600,000.00
2020 Totals		0.00	0.00	0.00	
1	09/21/2021	0.00	30,000.00	-30,000.00	630,000.00
2021 Totals		0.00	30,000.00	-30,000.00	
2	09/21/2022	0.00	31,500.00	-31,500.00	661,500.00
2022 Totals		0.00	31,500.00	-31,500.00	
3	09/21/2023	56,588.83	33,075.00	23,513.83	637,986.17
2023 Totals		56,588.83	33,075.00	23,513.83	
4	09/21/2024	56,588.83	31,899.31	24,689.52	613,296.65
2024 Totals		56,588.83	31,899.31	24,689.52	
5	09/21/2025	56,588.83	30,664.83	25,924.00	587,372.65
2025 Totals		56,588.83	30,664.83	25,924.00	
6	09/21/2026	56,588.83	29,368.63	27,220.20	560,152.45
2026 Totals		56,588.83	29,368.63	27,220.20	
7	09/21/2027	56,588.83	28,007.62	28,581.21	531,571.24
2027 Totals		56,588.83	28,007.62	28,581.21	
8	09/21/2028	56,588.83	26,578.56	30,010.27	501,560.97
2028 Totals		56,588.83	26,578.56	30,010.27	
9	09/21/2029	56,588.83	25,078.05	31,510.78	470,050.19

Hartshorn Marina Village

	Date	Payment	Interest	Principal	Balance
2029 Totals		56,588.83	25,078.05	31,510.78	
10	09/21/2030	56,588.83	23,502.51	33,086.32	436,963.87
2030 Totals		56,588.83	23,502.51	33,086.32	
11	09/21/2031	56,588.83	21,848.19	34,740.64	402,223.23
2031 Totals		56,588.83	21,848.19	34,740.64	
12	09/21/2032	56,588.83	20,111.16	36,477.67	365,745.56
2032 Totals		56,588.83	20,111.16	36,477.67	
13	09/21/2033	56,588.83	18,287.28	38,301.55	327,444.01
2033 Totals		56,588.83	18,287.28	38,301.55	
14	09/21/2034	56,588.83	16,372.20	40,216.63	287,227.38
2034 Totals		56,588.83	16,372.20	40,216.63	
15	09/21/2035	56,588.83	14,361.37	42,227.46	244,999.92
2035 Totals		56,588.83	14,361.37	42,227.46	
16	09/21/2036	56,588.83	12,250.00	44,338.83	200,661.09
2036 Totals		56,588.83	12,250.00	44,338.83	
17	09/21/2037	56,588.83	10,033.05	46,555.78	154,105.31
2037 Totals		56,588.83	10,033.05	46,555.78	
18	09/21/2038	56,588.83	7,705.27	48,883.56	105,221.75
2038 Totals		56,588.83	7,705.27	48,883.56	
19	09/21/2039	56,588.83	5,261.09	51,327.74	53,894.01
2039 Totals		56,588.83	5,261.09	51,327.74	
20	09/21/2040	56,588.83	2,694.82	53,894.01	0.00
2040 Totals		56,588.83	2,694.82	53,894.01	
Grand Totals		1,018,598.94	418,598.94	600,000.00	

Last interest amount increased by 0.12 due to rounding.

Hartshorn Marina Village

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
5.000%	\$418,598.94	\$600,000.00	\$1,018,598.94



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Deficit Elimination Plan – BRA – Hartshorn Village
Submitted By: Kenneth Grant	Department: Finance
Brief Summary: To approve the Deficit Elimination plan and resolution for the Brownfield Redevelopment Authority (combined) and direct staff to submit plan to the State of Michigan	
Detailed Summary: At June 30, 2021 the Brownfield Redevelopment Authority (combined) had a \$567,040 deficit. Act 275 of Public Acts of 1980 requires the City to formulate a deficit elimination plan and submit it to the Michigan Department of Treasury. The deficit elimination plan and resolution for the Brownfield Redevelopment Authority are attached.	
Amount Requested:	Amount Budgeted:
Fund(s) or Account(s):	Fund(s) or Account(s):
Recommended Motion: To approve the deficit elimination resolution for the Brownfield Redevelopment Authority Fund.	
Check if the following Departments need to approve the item first: Police Dept. ☐ Fire Dept. ☐ IT Dept. ☐ For City Clerk Use Only: Commission Action:	

DEFICIT ELIMINATION PLAN

City of Muskegon

State ID Number 61-2020

Brownfield Redevelopment Authority (Hartshorn Village)

February 22, 2022

At June 30, 2021 the City of Muskegon's Brownfield Redevelopment Authority (combined) had a deficit of \$567,040. Last year the Hartshorn Village Brownfield received \$600,000 from the General Fund to cover the initial costs of the infrastructure. The \$600,000 came from our 2020 Capital Improvement Bond. The General Fund is set up to pay off the bond debt. However, the Hartshorn Village Brownfield must pay back the \$600,000 plus interest to the General Fund.

The \$600,000 City expenses will be the first repaid via Brownfield tax capture. The official Brownfield Repayment allows us to move the \$600,000 from a current liability to a long-term liability (advances from primary government).

CITY OF MUSKEGON BROWNFIELD REDEVLOPMENT AUTHORITIES		
	FY2020-21	CORRECTED FY2021-22
ASSETS		
Cash and Investments	\$ 105,942	100,000
Total Assets	\$ 105,942	\$ 100,000
LIABILITIES		
Accounts Payable	\$ 20,550	\$ 20,000
Accrued Liabilities		
Due to primary government	\$ 652,132	\$ 50,000
Advances from primary government	\$ 593,307	\$ 1,110,000
Total Liabilities	\$ 1,265,989	\$ 1,180,000
FUND BALANCES (DEFICIT)		
Unassigned	\$ (1,160,047)	\$ (1,080,000)
Total Liabilities and fund balances	\$ 105,942	\$ 100,000

**CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN**

RESOLUTION NO. _____

WHEREAS City of Muskegon's Brownfield Redevelopment Authority (combined) had a \$567,040 deficit balance June 30, 2021; and

WHEREAS, Act 275 of the Public Acts of 1980 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury:

NOW THEREFORE, IT IS RESOLVED that the City Commission of the City of Muskegon adopts the following as the City of Muskegon's Brownfield Redevelopment Authority (combined) Deficit Elimination Plan.

CITY OF MUSKEGON BROWNFIELD REDEVELOPMENT AUTHORITIES		
	FY2020-21	CORRECTED FY2021-22
ASSETS		
Cash and Investments	\$ 105,942	100,000
Total Assets	\$ 105,942	\$ 100,000
LIABILITIES		
Accounts Payable	\$ 20,550	\$ 20,000
Accrued Liabilities		
Due to primary government	\$ 652,132	\$ 50,000
Advances from primary government	\$ 593,307	\$ 1,110,000
Total Liabilities	\$ 1,265,989	\$ 1,180,000
FUND BALANCES (DEFICIT)		
Unassigned	\$ (1,160,047)	\$ (1,080,000)
Total Liabilities and fund balances	\$ 105,942	\$ 100,000

Adopted this _____ day of February 2022

By: _____

Ken Johnson
Its Mayor

By: _____

Ann Marie Meisch, MMC
Its Clerk

CERTIFICATION

This resolution was adopted at a regular meeting of the City commission, held on February 22, 2022. The meeting was properly held and noticed pursuant to Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1967.

CITY OF MUSKEGON

By: _____
Ann Marie Meisch, MMC
City Clerk



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Development Agreement Williams Construction
Submitted By: Jake Eckholm	Department: Dev. Svcs/Economic Dev.
Brief Summary: Staff is seeking approval of the attached development agreement.	
Detailed Summary. Williams Construction was selected as one of four contractors for the ARPA-funded infill housing program. The goal of the program is to continue in-filling vacant lots in our core neighborhoods while ensuring the housing units are offered in a more-affordable manner. There is not crystal-clear guidance from the US Treasury related to required level of affordability, but we expect that a portion of the homes will be designated to families with incomes between 60% and 80% of AMI. The City will maintain ownership of the infill sites throughout the construction process, and will control the sale process. The City Commission will vote on each formal sale at the time of the sale – similarly to the Midtown Square projects. This will allow the City Commission more discretion in determining the depth of the affordability component of the program. The most notable change from the model agreement previously presented to the City Commission in 2021 is the anticipated cost per house. We have raised the maximum to \$235,000 to address increases in materials. Access to housing at all levels of affordability is difficult now. We are in a prime position to lead the county in new housing, and I recommend that we do so. Note that the addresses are not included. There are hundreds of addresses to select from, but many were acquired via the tax foreclosure process and have title issues to address. Staff feels comfortable working with the builder to identify the most-appropriate building sites that have clear title.	
Amount Requested: \$750,000	Amount Budgeted: N/A
Fund(s) or Account(s): State/Federal Grants	Fund(s) or Account(s): N/A
Recommended Motion: Approve the agreement and authorize the City Manager to sign.	

WEST UBAN PROPERTIES ARP INFILL HOUSING DEVELOPMENT AGREEMENT

RESIDENTIAL CONSTRUCTION AGREEMENT

This ARP InFill Housing Development Agreement (the "Agreement") is between the City of Muskegon, of 933 Terrace Street, Muskegon, MI 49441 ("Owner") and Williams Construction, a Michigan Sole Proprietorship, whose address is 1482 Morgan Street, Muskegon, Michigan 49442 (Builder").

Background

Builder and Owner agree that Builder shall construct 6 single family residences (the "Residences") for Owner on the terms and conditions set forth in this Agreement and in the general conditions attached as Exhibit A ("General Conditions"). Builder will be paid by Owner from funds obtained by Owner pursuant to the American Rescue Plan ("ARP Funds"). As such, there are limitations on potential Buyers of the residences exist and will be more formally declared by the federal government in the future.

The parties agree as follows:

1. **Building Site.** Owner owns the building sites located in the City of Muskegon and described on Exhibit B (the "Properties"). Owner has agreed to hire Builder to build the Residences on the Properties.
2. **The Residence.** Builder and City staff shall agree, in writing, as to the materials, floor plan design, and all cost impacting details, and the construction cost for each of the Properties attached as Exhibit B. Each Property shall have a not to exceed construction cost of \$235,000. Allowances provided for certain items, such as carpeting, light fixtures, window treatments, etc., and shall be set forth in the above referenced document. for **The Price may change in the event Builder and Owner agree to change orders, modifications or extras as defined below.** Builder shall build the Residences in accordance with the mutually agreed to plans and specifications. Any features of the Residence that are not explicitly described in the Plans shall be determined in the sole discretion of Builder. For example, unless specifically set forth on the Plans, the location of all electrical outlets shall be as determined by Builder.
3. **Price.** The price for constructing the Residences as determined in Paragraph 2 above shall be paid one half by Owner and one half by Builder. As to Owner's obligations, Owner shall establish the "ARP In Fill Housing Fund – Williams " ("Fund") and deposit \$750,000 into that Fund. All monies owed by Owner to Builder pursuant to this Agreement shall be paid from the Fund. Owner shall have no obligation to pay any monies to Builder pursuant to this Agreement from any other source of funds. Upon termination of this Agreement or construction of all Residences provided for pursuant this Agreement, all monies left in the Fund shall revert to the Owner.

In the event the actual cost of any allowance exceeds the estimated amount ("Additional Allowance Amount"), Owner shall pay the Additional Allowance Amount within 30 days of Builder's invoice. No Additional Allowance Amount shall be billed through Builder without the express prior written consent of Builder.

4. **Costs Included.** The Price shall include the cost of the building permits and materials purchased and installed in the Residences. Owner shall waive or pay for all water and sewer connection fees and Builder shall be responsible for all other fees, specifically including mechanical, plumbing, electrical and any other construction and building permit fees.

5. **Payment of the Price.** Builder shall be responsible for 50% of the purchase price for each residence. As to the remaining 50% of the purchase price Owner shall pay in accordance with the following schedule ("Payment Schedule"):

- a. Foundation installed..... 25% of the Owner's portion of the Price
- b. Roof sheeting installed.....35% of the Owner's portion of the Price
- c. Plaster or drywall installed..... 30% of the Owner's portion of the Price
- d. Substantial completion/certificate of occupancy.....Balance due in full

6. **Modifications/Extras.** No modifications to the Plans ("Modifications") or requests for additional construction ("Extras") the cost of which exceeds \$200 shall be binding upon either party, unless the Modifications and/or Extras are set forth on a written change order that is signed by Builder and City Manager for Owner ("Change Order"). The Change Order must provide a detailed description of the Modifications and/or Extras and the cost or credit to be charged. In those instances where a Change Order increases or decreases the Price by more than \$200 ("Adjusted Price"), the Adjusted Price shall be paid according to the remaining portion of the Payment Schedule.

7. **Minor Modifications.** Builder and Owner may from time to time agree on minor modifications, the cost for which is less than \$200 ("Minor Modifications"). Minor Modifications may be made either in writing or by a verbal agreement between Builder and City Manager for Owner. The cost or credit for Minor Modifications shall be added to or credited against the Price and paid according to the remaining portion of the Payment Schedule.

8. **Possession.** Owner shall be entitled to possession of the Residence upon payment of the Price or Adjusted Price in full. Upon payment in full, Builder shall deliver to Owner a completed sworn statement and a full unconditional waiver of lien. Payment of the Price or Adjusted Price by Owner shall constitute the acceptance of the Residence and a waiver of all known claims of Owner against Builder.

9. **Failure to Pay.** If Owner fails to make a payment within 30 days from the date due, Builder may, upon written notice to Owner, terminate this Agreement and recover from Owner the Owner's portion of the Price if the Residence is complete or, if the Residence is not complete, the 50% of the fair market value for all work performed by Builder and any laborer or sub-contractor of Builder and 50% of the actual cost of all materials provided and for any loss sustained by Builder in connection with the construction of the Residence, including, but not limited to, lost profits in connection. Notwithstanding the foregoing, Builder, in the event Owner

fails to make the required payments, reserves the right to complete the Residence and Owner shall pay 50% of the Price in full.

10. **Estimated Completion Date.** Builder shall commence construction of the Residences within 60 days from the date this Agreement is fully executed. ("Commencement Date"). Builder shall endeavor to complete the Residences within 365 days of the Commencement Date ("Completion Date"). Provided, that both the Commencement Date and the Completion Date may be extended as a result of circumstances beyond the control of Builder, including, but not limited to, delays caused by suppliers or subcontractors, delays for utility hook-ups, Acts of God, labor disputes, governmental inspections, regulations, or permit processes, material back orders, Owner requests for Change Orders, fire, injury or disability to Builder or weather.

11. **Sale of Properties.** Owner is using ARP funds for its portion of the construction costs. As such, Owner shall comply with all applicable rules implementing the ARP program, in particular all Buyers shall have income levels under 120% of the Area Median Income (AMI) for Muskegon County, as defined by the Michigan State Housing Development Authority ("MSHDA"). Owner shall be responsible for verifying Buyer's eligibility and income to ensure Buyer's qualifications to participate as a Buyer.

Owner shall maintain ownership of the Properties described in Exhibit B during the construction and marketing period. Once Builder has been reimbursed its portion of the Construction costs of a Property, City may sell the Property free and clear of any obligations imposed by this Agreement.

12. **Sale Proceeds.** Upon sale of a Property to the extent that Builder has not already been reimbursed its cost of construction, Builder shall be reimbursed its cost of construction. Owner may use the balance of the proceeds for any purpose or deposit in the City of Muskegon Public Improvement Fund or any other fund so specified by the Muskegon City Commission.

13. **General Conditions.** This Agreement is subject to and includes all of the General Conditions attached to this Agreement as Exhibit A and Warranty attached to this Agreement as Exhibit C.

Builder - _____

Dated: _____, _____

Owner -

Dated: _____, _____

Dated: _____, _____

EXHIBIT A

GENERAL CONDITIONS

1. **Evidence of Credit.** Builder's obligation to commence construction of the Residences is expressly conditioned on Owner depositing \$750,000 into the ARP In-Fill Housing Fund – Williams Construction ("Credit Evidence"). Payments required by the Payment Schedule shall be made by Owner directly to Builder within five days after presentation of a proper partial unconditional waiver of lien, request for payment, and sworn statements before making payments at each stage of completion as required above. Builder shall not under any circumstances be required to waive any future lien rights that it may have by reason of work and/or materials thereafter furnished.

2. **Builder's Warranties.** Refer to attached Exhibit C "Limited Warranty."

3. **Owner's Warranties.** Owner covenants and warrants that the Property is owned by Owner in fee simple, free and clear of all liens. Owner shall locate the exact location of the Residence on the Property. All corners of the Property and the Residence shall be clearly marked with surveyor stakes. Owner covenants and agrees that such location is in compliance with all applicable federal, state and local rules and regulations, including, but not limited to, building restrictions, set-back requirements, sand dune and wetland laws, and regulations and zoning ordinances.

4. **License.** Builder is a residential builder and a residential maintenance and alteration contractor and is required to be licensed under article 24 of Act 299 of the Public Acts of 1980, as amended, being sections 339.2401 to 399.2412 of the Michigan Compiled Laws. An electrician is required to be licensed under Act No. 217 of the Public Acts of 1956, as amended, being sections 338.881 to 338.892 of the Michigan Compiled Laws. A Plumber is required to be licensed under Act No. 266 of the Public Acts of 1929, as amended being sections 338.901 to 338.917 of the Michigan Compiled Laws. Builder is licensed by the State of Michigan as a licensed Michigan Contractor and maintains its license in good standing. Builder's License and ID numbers are _____ and _____, respectively.

5. **Laws, Ordinances and Regulations.** In connection with the construction of the Residence, Builder shall meet and comply with all applicable laws, ordinances, and regulations.

6. **Notice of Commencement.** Owner shall deliver a Notice of Commencement in accordance with the Michigan Construction Lien Act within ten days of this Agreement.

7. **Diligent Pursuit.** Builder shall diligently pursue its obligations under this Agreement. If Owner believes that Builder has failed to comply with this paragraph, it shall provide Builder not less than 15 days written notice of such non-compliance, a list of Owner's specific complaints, and a reasonable time within which Builder shall cure any such reasonable complaints. Until Owner fully complies with the notice provisions set forth in this paragraph, Owner may not replace Builder with any other party to complete construction and may not deduct from the Price any amount paid by Owner to complete construction in accordance with the Plans.

8. **Insurance.** Builder shall carry public liability insurance with coverage limits not less than \$300,000 single-limit coverage and worker's compensation insurance in an amount not less than the statutory minimum. Such policies shall name Owner and their mortgagee as additional named insured. Builder shall provide Owner with evidence of such insurance upon request. Owner and Builder waive all

rights against each other for damages caused by fire or other perils to the extent covered by insurance provided under this paragraph.

9. Miscellaneous.

a. Applicable Law. This Agreement is executed in, shall be governed by, and construed and interpreted in accordance with the laws of the State of Michigan.

b. Entire Agreement. This writing shall constitute the entire Agreement, and shall supersede any other Agreements, written or oral, that may have been made or entered into by the parties with respect to the subject matter hereof and shall not be modified or amended, except in a subsequent writing signed by the party against whom enforcement thereof is sought.

c. Binding Effect. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, successors, and assigns.

d. Full Execution. This Agreement requires the signature of both parties. Until fully executed on a single copy or in counterparts, this Agreement is of no binding force or effect, and if not fully executed, this Agreement is void.

e. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which together shall constitute one and the same instrument. This Agreement shall become binding upon the parties when one or more counterparts, individually or taken together, shall bear the signatures of all parties.

f. Non-Waiver. No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of such provision on any other occasion or a waiver by such party of any other provision of the Agreement.

g. Severability. Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be impaired or affected.

h. No Discrimination. Discrimination on the basis of religion, race, creed, color, national origin, age, sex, marital status, or handicapped condition by either party in respect to the construction of the Residence is prohibited.

i. Assignment or Delegation. Neither Builder nor Owner may assign all or any part of this Agreement. Provided, that Builder may delegate all or any part of its obligations to perform the services under this Agreement, to any persons or entities that Builder, in its sole discretion, deems appropriate, including sub-contractors. Such delegation shall be at the sole expense of Builder unless otherwise provided.

j. Notices. All required or permitted written notices shall be deemed effective and duly given when: (i) personally delivered; (ii) sent by telephone facsimile; (iii) one day after depositing in the custody of a nationally recognized receipted overnight delivery service; or (iv) two days after posting in the U.S. first class, registered or certified mail, postage prepaid, to the recipient party at the address as set forth at the outset of this Agreement, or to such other address

as the recipient party shall have furnished to the sender in accordance with the requirements for the giving of notice.

k. Pronouns. For convenience, Owner has been referred to this Agreement sometimes in the singular and at other times in the plural.

Builder -

Dated: _____, _____

Owner -

Dated: _____, _____

Dated: _____, _____

EXHIBIT B

Property Addresses, Plans and Specifications, and Construction Cost

EXHIBIT C

LIMITED WARRANTY

These are additional terms to the New Home Construction Agreement between the undersigned Buyer and Owner. At the time of closing, Owner shall enjoy a limited warranty on the New Home which contains the following terms:

LIMITED WARRANTY

NOTE: CONSEQUENTIAL AND INCIDENTAL DAMAGES ARE EXCLUDED AND THERE ARE LIMITATIONS IN THE DURATION OF IMPLIED WARRANTIES.

1. **Term.** The terms of the various coverages of this warranty begin on the date of closing or the date of the Certificate of Occupancy issued by the Building Department, whichever comes first.
2. **Coverage.** Builder warrants that all construction related to the New Home has been in substantial conformity with the plans and specifications and change orders for the New Home under the New Home Construction Agreement. Within one (1) year from the date of certificate of occupancy, Builder will repair or replace, at the Builder's option, any latent defects in material or workmanship of the New Home. All workmanship and materials shall satisfy the standards of construction described in the current version of *The Residential Construction Performance Guidelines -- For Professional Builders and Remodelers*, published by the National Association of Home Builders (the "Guidelines"). A latent defect is defined as one which was not apparent/ascertainable at the time of occupancy. The owner agrees to accept a reasonable match in any repair or replacement in the event the original item is no longer available. If any latent defects in material or workmanship results in water, mold, insect or animal infestation, or damage from any other agent, Builder's responsibility will be limited to repairing or replacing the portions of the dwelling which allowed water, mold, insects, animals, or other agents to enter or occupy the New Home. Builder is not responsible for any damages caused by water, mold, insect or animal infestation, or damage by some other agent, that may be associated with defects in our construction, to include but not be limited to property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, and adverse health effects, or any other effects.
3. **Manufacturers' Warranties.** Builder assigns and passes through to Owner, to the extent they are assignable, the manufacturers' warranties on all appliances and equipment. The following are examples of such appliances and equipment, though not every home includes all of these items and some homes may include appliances or equipment not in this list: refrigerator, range, space heater, washing machine, dishwasher, garbage disposal, ventilating, attic fan, and air conditioner.
4. **Exclusions from Coverage.** WE DO NOT ASSUME RESPONSIBILITY FOR ANY OF THE FOLLOWING, ALL OF WHICH ARE EXCLUDED FROM THE COVERAGE OF THIS LIMITED WARRANTY:
 - (a) Consequential or incidental damages, including but not limited to claims asserting a diminution in the value of the dwelling, or damages arising from the presence of insect or animal infestation, mold, or other biological agents in or about the dwelling.
 - (b) Defects in appliances and equipment that are covered by manufacturers' warranties. (We have assigned these manufacturers' warranties to you, to the extent they are assignable, and you should follow the procedures in these warranties if defects appear in these items.)
 - (c) Damage resulting from fires, floods, storms, electrical malfunctions, accidents, acts of God; or damages from alterations, misuse or abuse of the covered items by any person; or damage resulting from the owner's failure to observe any operating instructions furnished by the builder at the time of

installation; or damage resulting from a malfunction of telephone, gas company, power company, or water company equipment or lines.

(d) Damage due to ordinary wear and tear, abusive use, or lack of proper maintenance of your home, or animals/pets.

(e) Defects that are the results of characteristics common to the materials used, such as (but not limited to) warping and deflection of wood, fading, chalking, and checking of paint due to sunlight; cracks due to drying and curing of concrete, stucco, plaster, bricks, and masonry; drying, shrinking and cracking of caulking and weather-stripping.

(f) Defects in items purchased or installed by you or anyone else except us or, if requested by us, our subcontractors.

(g) Work done by you or anyone else except us or, if requested by us, our subcontractors.

(h) Conditions resulting from condensation on, or expansion or contraction of, materials.

(i) Paint applied over newly plastered interior walls.

5. No Other Warranties. This Limited Warranty is the only express warranty given by Builder. Implied warranties, including but not limited to warranties of merchantability, fitness for a particular purpose, habitability, and good workmanship are expressly excluded, or to the extent not excludable by law, limited to the warranty period set forth above. This Limited Warranty gives you specific legal rights, and you may also have other rights.

6. Claims Procedure. If a defect appears that you think is covered by this Limited Warranty, you must write a letter describing it to our office and email it to us. You must tell us in your letter what times during the day you will be at home, so that we can schedule service calls appropriately. If delay will cause extra damage (e.g., if a pipe has burst) telephone us. Only emergency reports will be taken by phone.

7. Repairs. Upon receipt of your written report of a defect, if the defective item is covered by this warranty, we will repair or replace it at no charge to you within 60 days (longer if weather conditions, labor problems, or material shortages cause delays). The work will be done by us or subcontractors chosen by us. The choice between repair or replacement is ours.

8. Not Transferable. This Limited Warranty is extended to you only if you are the first purchaser of the home. When the first purchaser sells the home or moves out of it, this Limited Warranty automatically terminates. It is not transferable to subsequent purchasers of the home.

9. This is the Only Warranty Given by Builder. Owner acknowledges that he/she/they has/have thoroughly examined the property to be conveyed and relies solely on his judgment in signing this Limited Warranty, and that there are no guarantees, warranties, understandings, or representations made by Builder, or any representatives of Builder, that are not set forth in this document.

BUILDER

OWNER

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Development Agreement LRS Enterprises
Submitted By: Jake Eckholm	Department: Dev. Svcs/Economic Dev.
Brief Summary: Staff is seeking approval of the attached development agreement.	
Detailed Summary. LRS Enterprises was selected as one of four contractors for the ARPA-funded infill housing program. The goal of the program is to continue in-filling vacant lots in our core neighborhoods while ensuring the housing units are offered in a more-affordable manner. There is not crystal-clear guidance from the US Treasury related to required level of affordability, but we expect that a portion of the homes will be designated to families with incomes between 60% and 80% of AMI. The City will maintain ownership of the infill sites throughout the construction process, and will control the sale process. The City Commission will vote on each formal sale at the time of the sale – similarly to the Midtown Square projects. This will allow the City Commission more discretion in determining the depth of the affordability component of the program. The most notable change from the model agreement previously presented to the City Commission in 2021 is the anticipated cost per house. We have raised the maximum to \$235,000 to address increases in materials. Access to housing at all levels of affordability is difficult now. We are in a prime position to lead the county in new housing, and I recommend that we do so. Note that the addresses are not included. There are hundreds of addresses to select from, but many were acquired via the tax foreclosure process and have title issues to address. Staff feels comfortable working with the builder to identify the most-appropriate building sites that have clear title.	
Amount Requested: \$750,000	Amount Budgeted: N/A
Fund(s) or Account(s): State/Federal Grants	Fund(s) or Account(s): N/A
Recommended Motion: Approve the agreement and authorize the City Manager to sign.	

LRS ENTERPRISES ARP INFILL HOUSING DEVELOPMENT AGREEMENT
RESIDENTIAL CONSTRUCTION AGREEMENT

This ARP InFill Housing Development Agreement (the "Agreement") is between the City of Muskegon, of 933 Terrace Street, Muskegon, MI 49441 ("Owner") and LRS Enterprises, a Michigan Limited Liability Company, whose address is 525 South Dangel Road, Muskegon, Michigan 49442 (Builder").

Background

Builder and Owner agree that Builder shall construct 6 single family residences (the "Residences") for Owner on the terms and conditions set forth in this Agreement and in the general conditions attached as Exhibit A ("General Conditions"). Builder will be paid by Owner from funds obtained by Owner pursuant to the American Rescue Plan ("ARP Funds"). As such, there are limitations on potential Buyers of the residences exist and will be more formally declared by the federal government in the future.

The parties agree as follows:

1. **Building Site.** Owner owns the building sites located in the City of Muskegon and described on Exhibit B (the "Properties"). Owner has agreed to hire Builder to build the Residences on the Properties.
2. **The Residence.** Builder and City staff shall agree, in writing, as to the materials, floor plan design, and all cost impacting details, and the construction cost for each of the Properties attached as Exhibit B. Each Property shall have a not to exceed construction cost of \$235,000. Allowances provided for certain items, such as carpeting, light fixtures, window treatments, etc., and shall be set forth in the above referenced document. for **The Price may change in the event Builder and Owner agree to change orders, modifications or extras as defined below.** Builder shall build the Residences in accordance with the mutually agreed to plans and specifications. Any features of the Residence that are not explicitly described in the Plans shall be determined in the sole discretion of Builder. For example, unless specifically set forth on the Plans, the location of all electrical outlets shall be as determined by Builder.
3. **Price.** The price for constructing the Residences as determined in Paragraph 2 above shall be paid one half by Owner and one half by Builder. As to Owner's obligations, Owner shall establish the "ARP In Fill Housing Fund – LRS " ("Fund") and deposit \$750,000 into that Fund. All monies owed by Owner to Builder pursuant to this Agreement shall be paid from the Fund. Owner shall have no obligation to pay any monies to Builder pursuant to this Agreement from any other source of funds. Upon termination of this Agreement or construction of all Residences provided for pursuant this Agreement, all monies left in the Fund shall revert to the Owner.

In the event the actual cost of any allowance exceeds the estimated amount ("Additional Allowance Amount"), Owner shall pay the Additional Allowance Amount within 30 days of Builder's invoice. No Additional Allowance Amount shall be billed through Builder without the express prior written consent of Builder.

4. **Costs Included.** The Price shall include the cost of the building permits and materials purchased and installed in the Residences. Owner shall waive or pay for all water and sewer connection fees and Builder shall be responsible for all other fees, specifically including mechanical, plumbing, electrical and any other construction and building permit fees.

5. **Payment of the Price.** Builder shall be responsible for 50% of the purchase price for each residence. As to the remaining 50% of the purchase price Owner shall pay in accordance with the following schedule ("Payment Schedule"):

- a. Foundation installed..... 25% of the Owner's portion of the Price
- b. Roof sheeting installed.....35% of the Owner's portion of the Price
- c. Plaster or drywall installed..... 30% of the Owner's portion of the Price
- d. Substantial completion/certificate of occupancy.....Balance due in full

6. **Modifications/Extras.** No modifications to the Plans ("Modifications") or requests for additional construction ("Extras") the cost of which exceeds \$200 shall be binding upon either party, unless the Modifications and/or Extras are set forth on a written change order that is signed by Builder and City Manager for Owner ("Change Order"). The Change Order must provide a detailed description of the Modifications and/or Extras and the cost or credit to be charged. In those instances where a Change Order increases or decreases the Price by more than \$200 ("Adjusted Price"), the Adjusted Price shall be paid according to the remaining portion of the Payment Schedule.

7. **Minor Modifications.** Builder and Owner may from time to time agree on minor modifications, the cost for which is less than \$200 ("Minor Modifications"). Minor Modifications may be made either in writing or by a verbal agreement between Builder and City Manager for Owner. The cost or credit for Minor Modifications shall be added to or credited against the Price and paid according to the remaining portion of the Payment Schedule.

8. **Possession.** Owner shall be entitled to possession of the Residence upon payment of the Price or Adjusted Price in full. Upon payment in full, Builder shall deliver to Owner a completed sworn statement and a full unconditional waiver of lien. Payment of the Price or Adjusted Price by Owner shall constitute the acceptance of the Residence and a waiver of all known claims of Owner against Builder.

9. **Failure to Pay.** If Owner fails to make a payment within 30 days from the date due, Builder may, upon written notice to Owner, terminate this Agreement and recover from Owner the Owner's portion of the Price if the Residence is complete or, if the Residence is not complete, the 50% of the fair market value for all work performed by Builder and any laborer or sub-contractor of Builder and 50% of the actual cost of all materials provided and for any loss sustained by Builder in connection with the construction of the Residence, including, but not limited to, lost profits in connection. Notwithstanding the foregoing, Builder, in the event Owner

fails to make the required payments, reserves the right to complete the Residence and Owner shall pay 50% of the Price in full.

10. **Estimated Completion Date.** Builder shall commence construction of the Residences within 60 days from the date this Agreement is fully executed. ("Commencement Date"). Builder shall endeavor to complete the Residences within 365 days of the Commencement Date ("Completion Date"). Provided, that both the Commencement Date and the Completion Date may be extended as a result of circumstances beyond the control of Builder, including, but not limited to, delays caused by suppliers or subcontractors, delays for utility hook-ups, Acts of God, labor disputes, governmental inspections, regulations, or permit processes, material back orders, Owner requests for Change Orders, fire, injury or disability to Builder or weather.

11. **Sale of Properties.** Owner is using ARP funds for its portion of the construction costs. As such, Owner shall comply with all applicable rules implementing the ARP program, in particular all Buyers shall have income levels under 120% of the Area Median Income (AMI) for Muskegon County, as defined by the Michigan State Housing Development Authority ("MSHDA"). Owner shall be responsible for verifying Buyer's eligibility and income to ensure Buyer's qualifications to participate as a Buyer.

Owner shall maintain ownership of the Properties described in Exhibit B during the construction and marketing period. Once Builder has been reimbursed its portion of the Construction costs of a Property, City may sell the Property free and clear of any obligations imposed by this Agreement.

12. **Sale Proceeds.** Upon sale of a Property to the extent that Builder has not already been reimbursed its cost of construction, Builder shall be reimbursed its cost of construction. Owner may use the balance of the proceeds for any purpose or deposit in the City of Muskegon Public Improvement Fund or any other fund so specified by the Muskegon City Commission.

13. **General Conditions.** This Agreement is subject to and includes all of the General Conditions attached to this Agreement as Exhibit A and Warranty attached to this Agreement as Exhibit C.

Builder - _____

Dated: _____, _____

Owner -

Dated: _____, _____

Dated: _____, _____

EXHIBIT A

GENERAL CONDITIONS

1. **Evidence of Credit.** Builder's obligation to commence construction of the Residences is expressly conditioned on Owner depositing \$750,000 into the ARP In-Fill Housing Fund – LRS Construction ("Credit Evidence"). Payments required by the Payment Schedule shall be made by Owner directly to Builder within five days after presentation of a proper partial unconditional waiver of lien, request for payment, and sworn statements before making payments at each stage of completion as required above. Builder shall not under any circumstances be required to waive any future lien rights that it may have by reason of work and/or materials thereafter furnished.

2. **Builder's Warranties.** Refer to attached Exhibit C "Limited Warranty."

3. **Owner's Warranties.** Owner covenants and warrants that the Property is owned by Owner in fee simple, free and clear of all liens. Owner shall locate the exact location of the Residence on the Property. All corners of the Property and the Residence shall be clearly marked with surveyor stakes. Owner covenants and agrees that such location is in compliance with all applicable federal, state and local rules and regulations, including, but not limited to, building restrictions, set-back requirements, sand dune and wetland laws, and regulations and zoning ordinances.

4. **License.** Builder is a residential builder and a residential maintenance and alteration contractor and is required to be licensed under article 24 of Act 299 of the Public Acts of 1980, as amended, being sections 339.2401 to 399.2412 of the Michigan Compiled Laws. An electrician is required to be licensed under Act No. 217 of the Public Acts of 1956, as amended, being sections 338.881 to 338.892 of the Michigan Compiled Laws. A Plumber is required to be licensed under Act No. 266 of the Public Acts of 1929, as amended being sections 338.901 to 338.917 of the Michigan Compiled Laws. Builder is licensed by the State of Michigan as a licensed Michigan Contractor and maintains its license in good standing. Builder's License and ID numbers are _____ and _____, respectively.

5. **Laws, Ordinances and Regulations.** In connection with the construction of the Residence, Builder shall meet and comply with all applicable laws, ordinances, and regulations.

6. **Notice of Commencement.** Owner shall deliver a Notice of Commencement in accordance with the Michigan Construction Lien Act within ten days of this Agreement.

7. **Diligent Pursuit.** Builder shall diligently pursue its obligations under this Agreement. If Owner believes that Builder has failed to comply with this paragraph, it shall provide Builder not less than 15 days written notice of such non-compliance, a list of Owner's specific complaints, and a reasonable time within which Builder shall cure any such reasonable complaints. Until Owner fully complies with the notice provisions set forth in this paragraph, Owner may not replace Builder with any other party to complete construction and may not deduct from the Price any amount paid by Owner to complete construction in accordance with the Plans.

8. **Insurance.** Builder shall carry public liability insurance with coverage limits not less than \$300,000 single-limit coverage and worker's compensation insurance in an amount not less than the statutory minimum. Such policies shall name Owner and their mortgagee as additional named insured. Builder shall provide Owner with evidence of such insurance upon request. Owner and Builder waive all

rights against each other for damages caused by fire or other perils to the extent covered by insurance provided under this paragraph.

9. Miscellaneous.

a. Applicable Law. This Agreement is executed in, shall be governed by, and construed and interpreted in accordance with the laws of the State of Michigan.

b. Entire Agreement. This writing shall constitute the entire Agreement, and shall supersede any other Agreements, written or oral, that may have been made or entered into by the parties with respect to the subject matter hereof and shall not be modified or amended, except in a subsequent writing signed by the party against whom enforcement thereof is sought.

c. Binding Effect. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, successors, and assigns.

d. Full Execution. This Agreement requires the signature of both parties. Until fully executed on a single copy or in counterparts, this Agreement is of no binding force or effect, and if not fully executed, this Agreement is void.

e. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which together shall constitute one and the same instrument. This Agreement shall become binding upon the parties when one or more counterparts, individually or taken together, shall bear the signatures of all parties.

f. Non-Waiver. No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of such provision on any other occasion or a waiver by such party of any other provision of the Agreement.

g. Severability. Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be impaired or affected.

h. No Discrimination. Discrimination on the basis of religion, race, creed, color, national origin, age, sex, marital status, or handicapped condition by either party in respect to the construction of the Residence is prohibited.

i. Assignment or Delegation. Neither Builder nor Owner may assign all or any part of this Agreement. Provided, that Builder may delegate all or any part of its obligations to perform the services under this Agreement, to any persons or entities that Builder, in its sole discretion, deems appropriate, including sub-contractors. Such delegation shall be at the sole expense of Builder unless otherwise provided.

j. Notices. All required or permitted written notices shall be deemed effective and duly given when: (i) personally delivered; (ii) sent by telephone facsimile; (iii) one day after depositing in the custody of a nationally recognized receipted overnight delivery service; or (iv) two days after posting in the U.S. first class, registered or certified mail, postage prepaid, to the recipient party at the address as set forth at the outset of this Agreement, or to such other address

as the recipient party shall have furnished to the sender in accordance with the requirements for the giving of notice.

k. Pronouns. For convenience, Owner has been referred to this Agreement sometimes in the singular and at other times in the plural.

Builder -

Dated: _____, _____

Owner -

Dated: _____, _____

Dated: _____, _____

EXHIBIT B

Property Addresses, Plans and Specifications, and Construction Cost

EXHIBIT C

LIMITED WARRANTY

These are additional terms to the New Home Construction Agreement between the undersigned Buyer and Owner. At the time of closing, Owner shall enjoy a limited warranty on the New Home which contains the following terms:

LIMITED WARRANTY

NOTE: CONSEQUENTIAL AND INCIDENTAL DAMAGES ARE EXCLUDED AND THERE ARE LIMITATIONS IN THE DURATION OF IMPLIED WARRANTIES.

1. **Term.** The terms of the various coverages of this warranty begin on the date of closing or the date of the Certificate of Occupancy issued by the Building Department, whichever comes first.

2. **Coverage.** Builder warrants that all construction related to the New Home has been in substantial conformity with the plans and specifications and change orders for the New Home under the New Home Construction Agreement. Within one (1) year from the date of certificate of occupancy, Builder will repair or replace, at the Builder's option, any latent defects in material or workmanship of the New Home. All workmanship and materials shall satisfy the standards of construction described in the current version of *The Residential Construction Performance Guidelines -- For Professional Builders and Remodelers*, published by the National Association of Home Builders (the "Guidelines"). A latent defect is defined as one which was not apparent/ascertainable at the time of occupancy. The owner agrees to accept a reasonable match in any repair or replacement in the event the original item is no longer available. If any latent defects in material or workmanship results in water, mold, insect or animal infestation, or damage from any other agent, Builder's responsibility will be limited to repairing or replacing the portions of the dwelling which allowed water, mold, insects, animals, or other agents to enter or occupy the New Home. Builder is not responsible for any damages caused by water, mold, insect or animal infestation, or damage by some other agent, that may be associated with defects in our construction, to include but not be limited to property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, and adverse health effects, or any other effects.

3. **Manufacturers' Warranties.** Builder assigns and passes through to Owner, to the extent they are assignable, the manufacturers' warranties on all appliances and equipment. The following are examples of such appliances and equipment, though not every home includes all of these items and some homes may include appliances or equipment not in this list: refrigerator, range, space heater, washing machine, dishwasher, garbage disposal, ventilating, attic fan, and air conditioner.

4. **Exclusions from Coverage.** WE DO NOT ASSUME RESPONSIBILITY FOR ANY OF THE FOLLOWING, ALL OF WHICH ARE EXCLUDED FROM THE COVERAGE OF THIS LIMITED WARRANTY:

(a) Consequential or incidental damages, including but not limited to claims asserting a diminution in the value of the dwelling, or damages arising from the presence of insect or animal infestation, mold, or other biological agents in or about the dwelling.

(b) Defects in appliances and equipment that are covered by manufacturers' warranties. (We have assigned these manufacturers' warranties to you, to the extent they are assignable, and you should follow the procedures in these warranties if defects appear in these items.)

(c) Damage resulting from fires, floods, storms, electrical malfunctions, accidents, acts of God; or damages from alterations, misuse or abuse of the covered items by any person; or damage resulting from the owner's failure to observe any operating instructions furnished by the builder at the time of

installation; or damage resulting from a malfunction of telephone, gas company, power company, or water company equipment or lines.

(d) Damage due to ordinary wear and tear, abusive use, or lack of proper maintenance of your home, or animals/pets.

(e) Defects that are the results of characteristics common to the materials used, such as (but not limited to) warping and deflection of wood, fading, chalking, and checking of paint due to sunlight; cracks due to drying and curing of concrete, stucco, plaster, bricks, and masonry; drying, shrinking and cracking of caulking and weather-stripping.

(f) Defects in items purchased or installed by you or anyone else except us or, if requested by us, our subcontractors.

(g) Work done by you or anyone else except us or, if requested by us, our subcontractors.

(h) Conditions resulting from condensation on, or expansion or contraction of, materials.

(i) Paint applied over newly plastered interior walls.

5. No Other Warranties. This Limited Warranty is the only express warranty given by Builder. Implied warranties, including but not limited to warranties of merchantability, fitness for a particular purpose, habitability, and good workmanship are expressly excluded, or to the extent not excludable by law, limited to the warranty period set forth above. This Limited Warranty gives you specific legal rights, and you may also have other rights.

6. Claims Procedure. If a defect appears that you think is covered by this Limited Warranty, you must write a letter describing it to our office and email it to us. You must tell us in your letter what times during the day you will be at home, so that we can schedule service calls appropriately. If delay will cause extra damage (e.g., if a pipe has burst) telephone us. Only emergency reports will be taken by phone.

7. Repairs. Upon receipt of your written report of a defect, if the defective item is covered by this warranty, we will repair or replace it at no charge to you within 60 days (longer if weather conditions, labor problems, or material shortages cause delays). The work will be done by us or subcontractors chosen by us. The choice between repair or replacement is ours.

8. Not Transferable. This Limited Warranty is extended to you only if you are the first purchaser of the home. When the first purchaser sells the home or moves out of it, this Limited Warranty automatically terminates. It is not transferable to subsequent purchasers of the home.

9. This is the Only Warranty Given by Builder. Owner acknowledges that he/she/they has/have thoroughly examined the property to be conveyed and relies solely on his judgment in signing this Limited Warranty, and that there are no guarantees, warranties, understandings, or representations made by Builder, or any representatives of Builder, that are not set forth in this document.

BUILDER

OWNER

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Development Agreement Kramer Builders
Submitted By: Jake Eckholm	Department: Dev. Svcs/Economic Dev.
Brief Summary: Staff is seeking approval of the attached development agreement.	
Detailed Summary. Kramer Builders was selected as one of four contractors for the ARPA-funded infill housing program. The goal of the program is to continue in-filling vacant lots in our core neighborhoods while ensuring the housing units are offered in a more-affordable manner. There is not crystal-clear guidance from the US Treasury related to required level of affordability, but we expect that a portion of the homes will be designated to families with incomes between 60% and 80% of AMI. The City will maintain ownership of the infill sites throughout the construction process, and will control the sale process. The City Commission will vote on each formal sale at the time of the sale – similarly to the Midtown Square projects. This will allow the City Commission more discretion in determining the depth of the affordability component of the program. The most notable change from the model agreement previously presented to the City Commission in 2021 is the anticipated cost per house. We have raised the maximum to \$235,000 to address increases in materials. Access to housing at all levels of affordability is difficult now. We are in a prime position to lead the county in new housing, and I recommend that we do so. Note that the addresses are not included. There are hundreds of addresses to select from, but many were acquired via the tax foreclosure process and have title issues to address. Staff feels comfortable working with the builder to identify the most-appropriate building sites that have clear title.	
Amount Requested: \$470,000	Amount Budgeted: N/A
Fund(s) or Account(s): State/Federal Grants	Fund(s) or Account(s): N/A
Recommended Motion: Approve the agreement and authorize the City Manager to sign.	

KRAMER ARP INFILL HOUSING DEVELOPMENT AGREEMENT

RESIDENTIAL CONSTRUCTION AGREEMENT

This ARP InFill Housing Development Agreement (the "Agreement") is between the City of Muskegon, of 933 Terrace Street, Muskegon, MI 49441 ("Owner") and Kramer Builders, a Michigan Sole Proprietorship, whose address is 18173 1048th Ave, Spring Lake, MI 49456 (Builder").

Background

Builder and Owner agree that Builder shall construct 4 single family residences (the "Residences") for Owner on the terms and conditions set forth in this Agreement and in the general conditions attached as Exhibit A ("General Conditions"). Builder will be paid by Owner from funds obtained by Owner pursuant to the American Rescue Plan ("ARP Funds"). As such, there are limitations on potential Buyers of the residences exist and will be more formally declared by the federal government in the future.

The parties agree as follows:

1. **Building Site.** Owner owns the building sites located in the City of Muskegon and described on Exhibit B (the "Properties"). Owner has agreed to hire Builder to build the Residences on the Properties.
2. **The Residence.** Builder and City staff shall agree, in writing, as to the materials, floor plan design, and all cost impacting details, and the construction cost for each of the Properties attached as Exhibit B. Each Property shall have a not to exceed construction cost of \$235,000. Allowances provided for certain items, such as carpeting, light fixtures, window treatments, etc., and shall be set forth in the above referenced document. for **The Price may change in the event Builder and Owner agree to change orders, modifications or extras as defined below.** Builder shall build the Residences in accordance with the mutually agreed to plans and specifications. Any features of the Residence that are not explicitly described in the Plans shall be determined in the sole discretion of Builder. For example, unless specifically set forth on the Plans, the location of all electrical outlets shall be as determined by Builder.
3. **Price.** The price for constructing the Residences as determined in Paragraph 2 above shall be paid one half by Owner and one half by Builder. As to Owner's obligations, Owner shall establish the "ARP In Fill Housing Fund – Kramer " ("Fund") and deposit \$470,000 into that Fund. All monies owed by Owner to Builder pursuant to this Agreement shall be paid from the Fund. Owner shall have no obligation to pay any monies to Builder pursuant to this Agreement from any other source of funds. Upon termination of this Agreement or construction of all Residences provided for pursuant this Agreement, all monies left in the Fund shall revert to the Owner.

In the event the actual cost of any allowance exceeds the estimated amount ("Additional Allowance Amount"), Owner shall pay the Additional Allowance Amount within 30 days of Builder's invoice. No Additional Allowance Amount shall be billed through Builder without the express prior written consent of Builder.

4. **Costs Included.** The Price shall include the cost of the building permits and materials purchased and installed in the Residences. Owner shall waive or pay for all water and sewer connection fees and Builder shall be responsible for all other fees, specifically including mechanical, plumbing, electrical and any other construction and building permit fees.

5. **Payment of the Price.** Builder shall be responsible for 50% of the purchase price for each residence. As to the remaining 50% of the purchase price Owner shall pay in accordance with the following schedule ("Payment Schedule"):

- a. Foundation installed..... 25% of the Owner's portion of the Price
- b. Roof sheeting installed.....35% of the Owner's portion of the Price
- c. Plaster or drywall installed..... 30% of the Owner's portion of the Price
- d. Substantial completion/certificate of occupancy.....Balance due in full

6. **Modifications/Extras.** No modifications to the Plans ("Modifications") or requests for additional construction ("Extras") the cost of which exceeds \$200 shall be binding upon either party, unless the Modifications and/or Extras are set forth on a written change order that is signed by Builder and City Manager for Owner ("Change Order"). The Change Order must provide a detailed description of the Modifications and/or Extras and the cost or credit to be charged. In those instances where a Change Order increases or decreases the Price by more than \$200 ("Adjusted Price"), the Adjusted Price shall be paid according to the remaining portion of the Payment Schedule.

7. **Minor Modifications.** Builder and Owner may from time to time agree on minor modifications, the cost for which is less than \$200 ("Minor Modifications"). Minor Modifications may be made either in writing or by a verbal agreement between Builder and City Manager for Owner. The cost or credit for Minor Modifications shall be added to or credited against the Price and paid according to the remaining portion of the Payment Schedule.

8. **Possession.** Owner shall be entitled to possession of the Residence upon payment of the Price or Adjusted Price in full. Upon payment in full, Builder shall deliver to Owner a completed sworn statement and a full unconditional waiver of lien. Payment of the Price or Adjusted Price by Owner shall constitute the acceptance of the Residence and a waiver of all known claims of Owner against Builder.

9. **Failure to Pay.** If Owner fails to make a payment within 30 days from the date due, Builder may, upon written notice to Owner, terminate this Agreement and recover from Owner the Owner's portion of the Price if the Residence is complete or, if the Residence is not complete, the 50% of the fair market value for all work performed by Builder and any laborer or sub-contractor of Builder and 50% of the actual cost of all materials provided and for any loss sustained by Builder in connection with the construction of the Residence, including, but not limited to, lost profits in connection. Notwithstanding the foregoing, Builder, in the event Owner

fails to make the required payments, reserves the right to complete the Residence and Owner shall pay 50% of the Price in full.

10. **Estimated Completion Date.** Builder shall commence construction of the Residences within 60 days from the date this Agreement is fully executed. ("Commencement Date"). Builder shall endeavor to complete the Residences within 365 days of the Commencement Date ("Completion Date"). Provided, that both the Commencement Date and the Completion Date may be extended as a result of circumstances beyond the control of Builder, including, but not limited to, delays caused by suppliers or subcontractors, delays for utility hook-ups, Acts of God, labor disputes, governmental inspections, regulations, or permit processes, material back orders, Owner requests for Change Orders, fire, injury or disability to Builder or weather.

11. **Sale of Properties.** Owner is using ARP funds for its portion of the construction costs. As such, Owner shall comply with all applicable rules implementing the ARP program, in particular all Buyers shall have income levels under 120% of the Area Median Income (AMI) for Muskegon County, as defined by the Michigan State Housing Development Authority ("MSHDA"). Owner shall be responsible for verifying Buyer's eligibility and income to ensure Buyer's qualifications to participate as a Buyer.

Owner shall maintain ownership of the Properties described in Exhibit B during the construction and marketing period. Once Builder has been reimbursed its portion of the Construction costs of a Property, City may sell the Property free and clear of any obligations imposed by this Agreement.

12. **Sale Proceeds.** Upon sale of a Property to the extent that Builder has not already been reimbursed its cost of construction, Builder shall be reimbursed its cost of construction. Owner may use the balance of the proceeds for any purpose or deposit in the City of Muskegon Public Improvement Fund or any other fund so specified by the Muskegon City Commission.

13. **General Conditions.** This Agreement is subject to and includes all of the General Conditions attached to this Agreement as Exhibit A and Warranty attached to this Agreement as Exhibit C.

Builder - _____

Dated: _____, _____

Owner -

Dated: _____, _____

Dated: _____, _____

EXHIBIT A

GENERAL CONDITIONS

1. **Evidence of Credit.** Builder's obligation to commence construction of the Residences is expressly conditioned on Owner depositing \$470,000 into the ARP In-Fill Housing Fund – Kramer Construction ("Credit Evidence"). Payments required by the Payment Schedule shall be made by Owner directly to Builder within five days after presentation of a proper partial unconditional waiver of lien, request for payment, and sworn statements before making payments at each stage of completion as required above. Builder shall not under any circumstances be required to waive any future lien rights that it may have by reason of work and/or materials thereafter furnished.

2. **Builder's Warranties.** Refer to attached Exhibit C "Limited Warranty."

3. **Owner's Warranties.** Owner covenants and warrants that the Property is owned by Owner in fee simple, free and clear of all liens. Owner shall locate the exact location of the Residence on the Property. All corners of the Property and the Residence shall be clearly marked with surveyor stakes. Owner covenants and agrees that such location is in compliance with all applicable federal, state and local rules and regulations, including, but not limited to, building restrictions, set-back requirements, sand dune and wetland laws, and regulations and zoning ordinances.

4. **License.** Builder is a residential builder and a residential maintenance and alteration contractor and is required to be licensed under article 24 of Act 299 of the Public Acts of 1980, as amended, being sections 339.2401 to 399.2412 of the Michigan Compiled Laws. An electrician is required to be licensed under Act No. 217 of the Public Acts of 1956, as amended, being sections 338.881 to 338.892 of the Michigan Compiled Laws. A Plumber is required to be licensed under Act No. 266 of the Public Acts of 1929, as amended being sections 338.901 to 338.917 of the Michigan Compiled Laws. Builder is licensed by the State of Michigan as a licensed Michigan Contractor and maintains its license in good standing. Builder's License and ID numbers are _____ and _____, respectively.

5. **Laws, Ordinances and Regulations.** In connection with the construction of the Residence, Builder shall meet and comply with all applicable laws, ordinances, and regulations.

6. **Notice of Commencement.** Owner shall deliver a Notice of Commencement in accordance with the Michigan Construction Lien Act within ten days of this Agreement.

7. **Diligent Pursuit.** Builder shall diligently pursue its obligations under this Agreement. If Owner believes that Builder has failed to comply with this paragraph, it shall provide Builder not less than 15 days written notice of such non-compliance, a list of Owner's specific complaints, and a reasonable time within which Builder shall cure any such reasonable complaints. Until Owner fully complies with the notice provisions set forth in this paragraph, Owner may not replace Builder with any other party to complete construction and may not deduct from the Price any amount paid by Owner to complete construction in accordance with the Plans.

8. **Insurance.** Builder shall carry public liability insurance with coverage limits not less than \$300,000 single-limit coverage and worker's compensation insurance in an amount not less than the statutory minimum. Such policies shall name Owner and their mortgagee as additional named insured. Builder shall provide Owner with evidence of such insurance upon request. Owner and Builder waive all

rights against each other for damages caused by fire or other perils to the extent covered by insurance provided under this paragraph.

9. Miscellaneous.

a. Applicable Law. This Agreement is executed in, shall be governed by, and construed and interpreted in accordance with the laws of the State of Michigan.

b. Entire Agreement. This writing shall constitute the entire Agreement, and shall supersede any other Agreements, written or oral, that may have been made or entered into by the parties with respect to the subject matter hereof and shall not be modified or amended, except in a subsequent writing signed by the party against whom enforcement thereof is sought.

c. Binding Effect. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, successors, and assigns.

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f. Non-Waiver. No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of such provision on any other occasion or a waiver by such party of any other provision of the Agreement.

g. Severability. Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be impaired or affected.

h. No Discrimination. Discrimination on the basis of religion, race, creed, color, national origin, age, sex, marital status, or handicapped condition by either party in respect to the construction of the Residence is prohibited.

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j. Notices. All required or permitted written notices shall be deemed effective and duly given when: (i) personally delivered; (ii) sent by telephone facsimile; (iii) one day after depositing in the custody of a nationally recognized receipted overnight delivery service; or (iv) two days after posting in the U.S. first class, registered or certified mail, postage prepaid, to the recipient party at the address as set forth at the outset of this Agreement, or to such other address

as the recipient party shall have furnished to the sender in accordance with the requirements for the giving of notice.

k. Pronouns. For convenience, Owner has been referred to this Agreement sometimes in the singular and at other times in the plural.

Builder -

Dated: _____, _____

Owner -

Dated: _____, _____

Dated: _____, _____

EXHIBIT B

Property Addresses, Plans and Specifications, and Construction Cost

EXHIBIT C

LIMITED WARRANTY

These are additional terms to the New Home Construction Agreement between the undersigned Buyer and Owner. At the time of closing, Owner shall enjoy a limited warranty on the New Home which contains the following terms:

LIMITED WARRANTY

NOTE: CONSEQUENTIAL AND INCIDENTAL DAMAGES ARE EXCLUDED AND THERE ARE LIMITATIONS IN THE DURATION OF IMPLIED WARRANTIES.

1. **Term.** The terms of the various coverages of this warranty begin on the date of closing or the date of the Certificate of Occupancy issued by the Building Department, whichever comes first.
2. **Coverage.** Builder warrants that all construction related to the New Home has been in substantial conformity with the plans and specifications and change orders for the New Home under the New Home Construction Agreement. Within one (1) year from the date of certificate of occupancy, Builder will repair or replace, at the Builder's option, any latent defects in material or workmanship of the New Home. All workmanship and materials shall satisfy the standards of construction described in the current version of *The Residential Construction Performance Guidelines -- For Professional Builders and Remodelers*, published by the National Association of Home Builders (the "Guidelines"). A latent defect is defined as one which was not apparent/ascertainable at the time of occupancy. The owner agrees to accept a reasonable match in any repair or replacement in the event the original item is no longer available. If any latent defects in material or workmanship results in water, mold, insect or animal infestation, or damage from any other agent, Builder's responsibility will be limited to repairing or replacing the portions of the dwelling which allowed water, mold, insects, animals, or other agents to enter or occupy the New Home. Builder is not responsible for any damages caused by water, mold, insect or animal infestation, or damage by some other agent, that may be associated with defects in our construction, to include but not be limited to property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, and adverse health effects, or any other effects.
3. **Manufacturers' Warranties.** Builder assigns and passes through to Owner, to the extent they are assignable, the manufacturers' warranties on all appliances and equipment. The following are examples of such appliances and equipment, though not every home includes all of these items and some homes may include appliances or equipment not in this list: refrigerator, range, space heater, washing machine, dishwasher, garbage disposal, ventilating, attic fan, and air conditioner.
4. **Exclusions from Coverage.** WE DO NOT ASSUME RESPONSIBILITY FOR ANY OF THE FOLLOWING, ALL OF WHICH ARE EXCLUDED FROM THE COVERAGE OF THIS LIMITED WARRANTY:
 - (a) Consequential or incidental damages, including but not limited to claims asserting a diminution in the value of the dwelling, or damages arising from the presence of insect or animal infestation, mold, or other biological agents in or about the dwelling.
 - (b) Defects in appliances and equipment that are covered by manufacturers' warranties. (We have assigned these manufacturers' warranties to you, to the extent they are assignable, and you should follow the procedures in these warranties if defects appear in these items.)
 - (c) Damage resulting from fires, floods, storms, electrical malfunctions, accidents, acts of God; or damages from alterations, misuse or abuse of the covered items by any person; or damage resulting from the owner's failure to observe any operating instructions furnished by the builder at the time of

installation; or damage resulting from a malfunction of telephone, gas company, power company, or water company equipment or lines.

(d) Damage due to ordinary wear and tear, abusive use, or lack of proper maintenance of your home, or animals/pets.

(e) Defects that are the results of characteristics common to the materials used, such as (but not limited to) warping and deflection of wood, fading, chalking, and checking of paint due to sunlight; cracks due to drying and curing of concrete, stucco, plaster, bricks, and masonry; drying, shrinking and cracking of caulking and weather-stripping.

(f) Defects in items purchased or installed by you or anyone else except us or, if requested by us, our subcontractors.

(g) Work done by you or anyone else except us or, if requested by us, our subcontractors.

(h) Conditions resulting from condensation on, or expansion or contraction of, materials.

(i) Paint applied over newly plastered interior walls.

5. No Other Warranties. This Limited Warranty is the only express warranty given by Builder. Implied warranties, including but not limited to warranties of merchantability, fitness for a particular purpose, habitability, and good workmanship are expressly excluded, or to the extent not excludable by law, limited to the warranty period set forth above. This Limited Warranty gives you specific legal rights, and you may also have other rights.

6. Claims Procedure. If a defect appears that you think is covered by this Limited Warranty, you must write a letter describing it to our office and email it to us. You must tell us in your letter what times during the day you will be at home, so that we can schedule service calls appropriately. If delay will cause extra damage (e.g., if a pipe has burst) telephone us. Only emergency reports will be taken by phone.

7. Repairs. Upon receipt of your written report of a defect, if the defective item is covered by this warranty, we will repair or replace it at no charge to you within 60 days (longer if weather conditions, labor problems, or material shortages cause delays). The work will be done by us or subcontractors chosen by us. The choice between repair or replacement is ours.

8. Not Transferable. This Limited Warranty is extended to you only if you are the first purchaser of the home. When the first purchaser sells the home or moves out of it, this Limited Warranty automatically terminates. It is not transferable to subsequent purchasers of the home.

9. This is the Only Warranty Given by Builder. Owner acknowledges that he/she/they has/have thoroughly examined the property to be conveyed and relies solely on his judgment in signing this Limited Warranty, and that there are no guarantees, warranties, understandings, or representations made by Builder, or any representatives of Builder, that are not set forth in this document.

BUILDER

OWNER



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: 2/22/22	Title: Amendment to CenC Infill Housing Agreement (EACH Program)
Submitted By: Jake Eckholm	Department: Dev Svcs/Econ Dev.
Brief Summary: A proposed Amendment to existing Development Agreement for low/mod income infill housing	
Detailed Summary: In an attempt to further our Economic Equity efforts and to create diversity of housing price points as we build infill, we have been working for quite some time with Community EnCompass to construct and infill affordable and accessible owner occupied single family housing. Two of the three houses have been placed and we are working on identifying a third lot. Staff has come up with a strategy to substitute ARPA dollars for the HOME funds originally intended for this project, and in doing so reallocate those funds to a fourth accessible unit. The attached amendment clarifies the use of ARPA dollars rather than HOME funds, and if approved staff will work on a proposed project to install the fourth house. All units would still be in the City's Brownfield TIF and any losses at sale would be captured, and Community enCompass is still providing \$320,000 of the total \$570,000 construction costs for the original three homes, as well as down payment assistance and other potential services to income qualified buyers, below %80 AMI.	
Amount Requested: \$250,000	Amount Budgeted: N/A (ARP Funds)
Fund(s) or Account(s):	Fund(s) or Account(s):
Recommended Motion: To approve the amendment as presented and authorize the Mayor and Clerk to sign.	
For City Clerk Use Only: Commission Action:	

FIRST AMENDMENT TO RESIDENTIAL CONSTRUCTION AGREEMENT

This agreement between **City of Muskegon (“Owner”)**, and **Community enCompass (“Builder”)**, has been entered into pursuant to the following terms:

Recitals

A. Owner and Builder entered into a Residential Construction Agreement effective May 18, 2021. The Agreement provides for Owner to hire Builder to build houses on three lots owned by Owner for a total construction cost of \$570,000. While the total construction cost is correct, certain details were omitted from the Residential Construction Agreement.

B. Builder’s role has changed from being the builder to being the General Contractor and hiring a builder and all sub-contractors.

THEREFORE, THE PARTIES AGREE TO THE FOLLOWING CLARIFICATION:

1. The price to construct three houses, two at specified addresses and a third to be determined, is \$570,000. Of that amount, the Owner shall contribute \$250,000 and Builder shall contribute \$320,000. Owner shall not use any HOME funds or Community Development Block Grant (“CDBG”) funds. Owner may use General Funds or American Rescue Plan (“ARPA”) funds. Builder’s funds may be from a loan made by the Community Foundation.

2. Owner and Builder acknowledge that Builder will not perform any construction work. Builder shall act as the General Contractor and hire all work to be done by licensed contractors.

3. Owner and Builder acknowledge that Commencement Date and Completion Dates have not been met through no fault of either party. As such, the “Extension of Dates” provision is been exercised. Owner and Builder seek to complete construction in a reasonable period of time.

4. Owner and Builder contemplated that the constructed houses would be sold, including the possibility of a sale at less than the construction cost. Owner and Builder agree that upon sale of a house constructed pursuant to the Residential Construction Agreement the net proceeds would be payable to Builder, to the extent of Builder’s contribution to cover the construction costs. Once Builder is paid in full, Owner shall take all future sale proceeds. To the extent that there is a profit, Owner shall retain the profit. To the extent that Owner is not paid in full, Owner shall be entitled to recover its loss from the City of Muskegon Brownfield Authority’s In-Fill Housing Program.

5. As to all other respects, the Residential Construction Agreement shall continue in force as if restated herein.

City of Muskegon

By: _____
Ken Johnson
Its Mayor

Dated: _____, 2022

And _____
Ann Marie Meisch
Its Clerk

Community enCompass

By: _____
Its President

Dated: _____, 2022

And _____
Its Secretary

WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: 2/22/22	Title: Request for Water Utility Connection Fee Waiver
Submitted By: Jake Eckholm	Department: Dev Svcs/Econ Dev.
Brief Summary: The vacant filling station/winery building at 611 W. Clay is being redeveloped into a boutique hotel, and is requesting a waiver of their water utility connection fees	
Detailed Summary: The long vacant and half constructed site at 611 W. Clay was once supposed to be a winery and restaurant space, and has sat vacant for several years. The new owners, Jeremy Garcia of Muskegon and Bryan Hamrick of Grand Rapids have run into some cost overruns with their project due to construction materials and other factors, and are asking for the city commission to consider waiving their domestic and fire suppression utility hookup fees. Staff have attached the quote from DPW. There is currently a moratorium on any sewer connection fee waivers, and staff informed the owners of that fact so they are not requesting sewer hookup fees be waived.	
Amount Requested: \$11,800 in fee waivers	Amount Budgeted: N/A
Fund(s) or Account(s):	Fund(s) or Account(s):
Recommended Motion: To approve the request by 611 W. Clay LLC to waive domestic water and fire suppression utility connection fees for the construction project at 611 W. Clay as presented.	
For City Clerk Use Only: Commission Action:	

To whom it may concern,

Our project at 611 Clay will provide eight boutique units for travelers to visit Muskegon. This will bring revenue to local businesses in downtown Muskegon and the surrounding area. It helps revitalize the Clay corridor on the south end of downtown. We are spending nearly six hundred thousand dollars in upgrades and improvements to a vacant building. We are requesting the water connection fee be waived by the city of Muskegon that is required for the fire suppression system to make our project successful.

Warm regards,

Jeremy Garcia

611 Clay LLC

611 W. Clay

Date: 01/18/22

LOCATION OF WORK: 639 W. Clay

The Department of Public Works quotes the cost as follows for connection fees.

Install 1 ½” Domestic Water Line - \$4,500

Sewer increase due to increased water service - \$3,000

Install 4” Fire Line to the Property Line – \$7,300

Total Deposit Due: \$14,800

This quotation covers the installation of a 4” fire line, installation of an 1 ½” domestic water line and the potential increased sewer capacity needs. Water meters will be billed on first bill after installation. Payment should be made to: City of Muskegon, Water billing Dept C/O City Treasurer, 933 Terrace St. Muskegon Mi, 49440.

Wyatt Eggleton
City of Muskegon
Public Utilities Supervisor
(231)724-6988



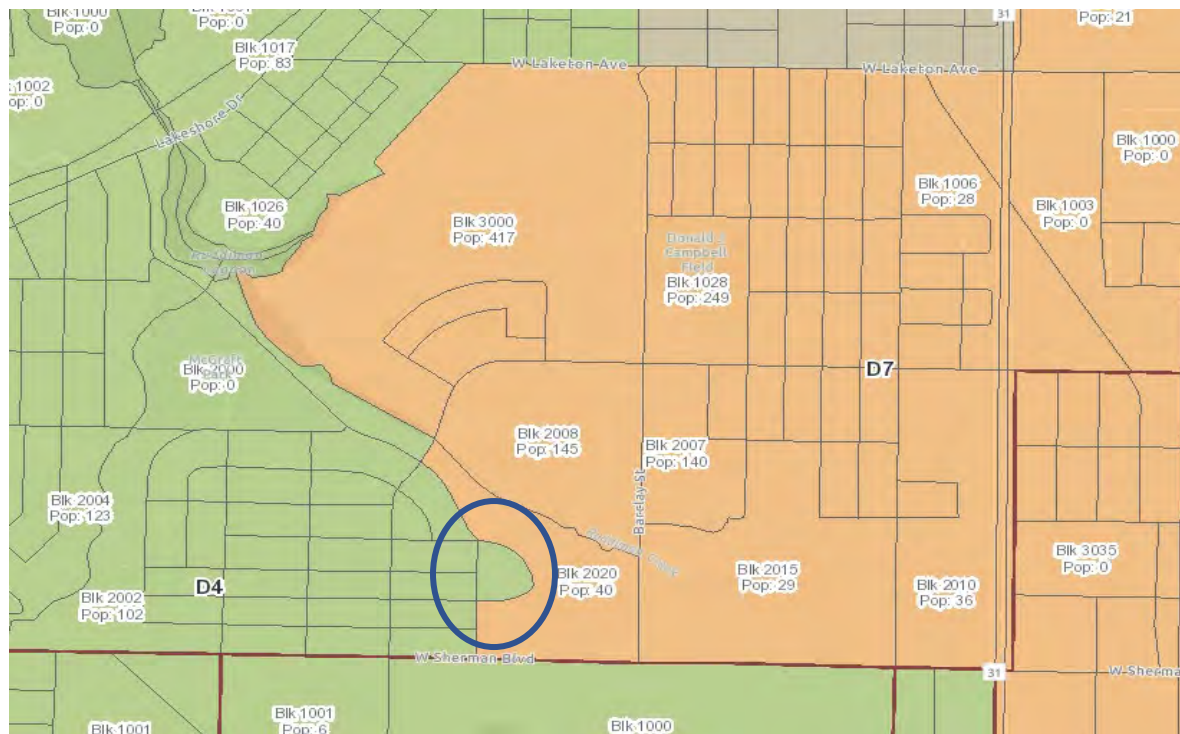
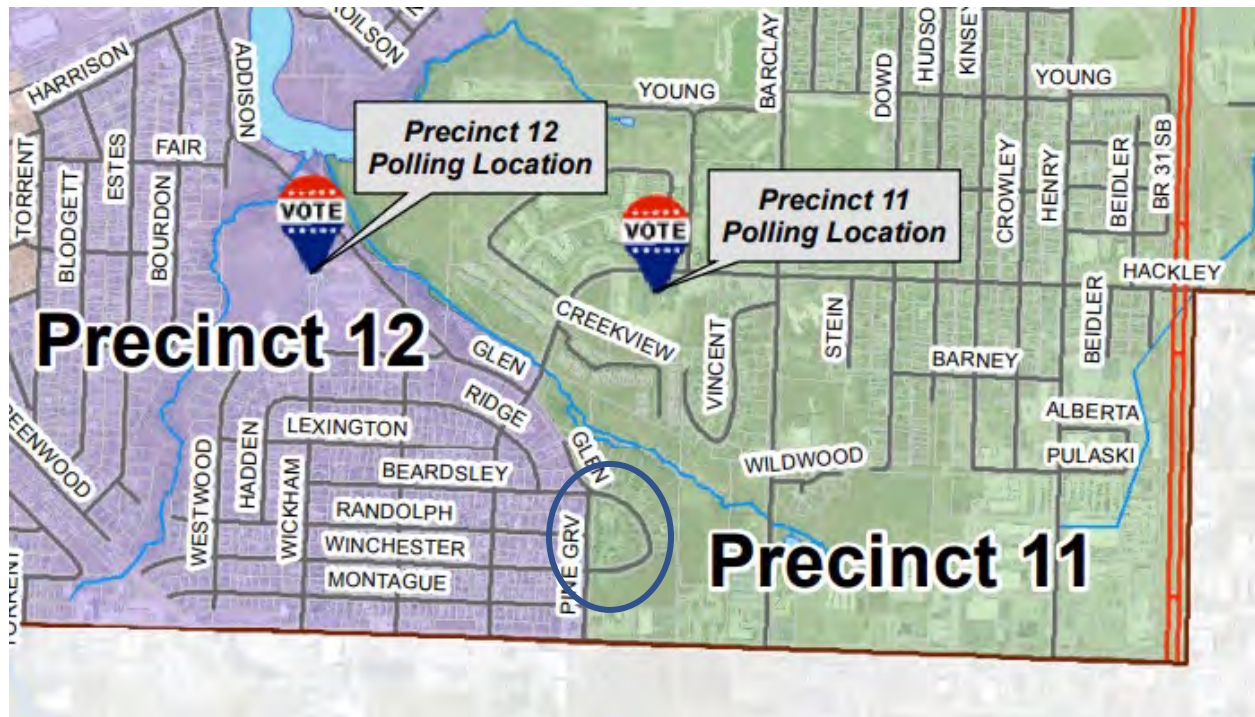
Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Precinct Boundary Changes
Submitted By: Ann Marie Meisch	Department: City Clerk
Brief Summary: The City Commission adopted a resolution allowing certain precinct boundary changes on February 8, 2022. There is an additional change that needs to be made in order to avoid a county commission district split in precinct 11. This will not impact the balancing of wards as precinct 11 and 12 are in the same ward.	
Detailed Summary: Voters in Precinct 11 that live on Pine Grove and on the odd side of Winchester will be moved to precinct 12. The County Commission boundary runs right down Winchester. Voters on the odd (West)side will be in County Commission District 4, those on the even (East) side will be in County Commission District 7. Due to the timeline for getting changes submitted to the State of Michigan, Bureau of Election, we are seeking approval of the changes so that we can submit our revisions as soon as possible. The deadline for precinct boundary changes to be submitted for the May 3, 2022 Election is March 4, 2022. We would like to have the changes made before the May Election to allow for time to send new voter ID cards to voters in the City of Muskegon. Approximately 798 total voters (721 from previous changes and 77 from this change) will be assigned to new precincts and polling places. All voters will receive new ID cards to identify changes to Precinct, Ward, Polling Place, County Commission District, State House District, State Senate District, and Congressional District numbers. Change #5 – move approximately 77 voters from Ward 4 Precinct 11 to Ward 4 Precinct 12 – to avoid a County Commission District split in precinct 11.	
Amount Requested:	Amount Budgeted:
Fund(s) or Account(s):	Fund(s) or Account(s):
Recommended Motion: To concur with the recommendation of the City of Muskegon Election Commission and adopt the resolution to alter precinct boundaries.	
For City Clerk Use Only:	

Commission Action:

Change #5 – Move voters in the ½ circle area – the west side from Ward 4, Precinct 11 to Ward 4 Precinct 12 – to avoid a County Commission District Split. There are approximately voters in this area – the ward balance is unaffected as both precincts are in Ward 4.



CITY OF MUSKEGON

RESOLUTION ALTERING PRECINCT BOUNDARIES

WHEREAS, the City of Muskegon is required to balance its Wards every ten years in conjunction with the latest census,

WHEREAS, all precinct lines within the City of Muskegon have been re-evaluated based on new district lines,

WHEREAS, City Clerk staff proposed alterations to the Election Commission,

WHEREAS, the City Election Commission approved the proposed alterations as follows:

Change #5 – Move voters in the ½ circle area – the west side from Ward 4, Precinct 11 to Ward 4 Precinct 12 – to avoid a County Commission District Split. There are approximately voters in this area – the ward balance is unaffected as both precincts are in Ward 4.

NOW THEREFORE BE IT RESOLVED that the City Commission authorize all changes as indicated to become effective with the May 3, 2022 Election.

Signed this 22nd day of February, 2022.

Ken Johnson, Mayor

Ann Marie Meisch, MMC – Clerk

Registered Voter Totals for proposed precinct boundary changes. 2/15/2022

Ward	Precinct	Current #	Ward Total	Change	New #	Ward Total			
Ward I	Precinct 1	1511		0	1511				
	Precinct 2	1619		-299	1320				
	Precinct 3	1527		0	1527				
	Precinct 4	1676	6333	0	1676	6034	-29 deviation from average		
Ward II	Precinct 5	1611		299	1910				
	Precinct 6	1729		0	1729				
	Precinct 7	2198	5538	164	2362	6001	4 deviation from average		
Ward III	Precinct 8	1568		0	1568				
	Precinct 9	2130		33	2163				
	Precinct 10	2127	5825	-164	2188				
				225		5919	86 deviation from average		
Ward IV	Precinct 11	1839		-33	1729				
				-77					
	Precinct 12	1796		-225	1648				
				77					
	Precinct 13	1505		0	1505				
	Precinct 14	1184	6324	0	1184	6066	-61 deviation from average		
		24020	24020	0	24020	6005 average			

Changes from 2/8/22 are in blue

Ward	Voters	Population	Pop %
1	7211	9243	26.59%
2	6874	8471	24.37%
3	7064	9122	26.24%
4	6911	7923	22.79%
	28060	34759	

The Voters column in the table to the left represents the number of voters including voters in the Inactive Voter File. These are voters that have been marked in the Qualified Voter File as Inactive for any number of reasons.



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Unmarked Police Vehicle Lease Plan
Submitted By: Director Jeffrey Lewis	Department: Public Safety
Brief Summary: Unmarked Police Vehicle Lease Plan with Hertz Rental Cars.	
Detailed Summary: Due to the State of Michigan discontinuing the WHEELS Program mid-year, four (4) unmarked vehicles assigned to our undercover detectives have been returned to the State of Michigan. Replacement vehicles need to be in service by 2/24/2022. Cost per replacement lease vehicle including maintenance and other flex options is approximately \$700.00 per vehicle (\$2800.00 per month). This lease program will be in place until the end of this current budget year. Fleet insurance and fuel costs will still be sustained by the City of Muskegon.	
Amount Requested: already in 2021-22 budget	Amount Budgeted: \$13,125
Fund(s) or Account(s): 101-40301-4363	Fund(s) or Account(s):
Recommended Motion: To approve the lease with Hertz Rental Car for unmarked Police Vehicles.	
Check if the following Departments need to approve the item first: Police Dept. ☒ Fire Dept. ☐ IT Dept. ☐ For City Clerk Use Only: Commission Action:	



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Amendment to the Marihuana Facilities Overlay District – 1314 E Apple Ave – 2 nd Reading
Submitted By: Mike Franzak	Department: Planning
Brief Summary: Request to amend Section 2331 of the zoning ordinance to include 1314 E Apple Ave into the Marihuana Facilities Overlay District with retail, provision centers and class B recreational grows as approved license types, by Lake Michigan Labs.	
Detailed Summary: The Planning Commission recommended approval of the request by a 6-1 vote.	
Amount Requested:	Amount Budgeted:
Fund(s) or Account(s):	Fund(s) or Account(s):
Recommended Motion: To approve the request to amend Section 2331 of the zoning ordinance to include 1314 E Apple Ave into the Marihuana Facilities Overlay District with retail, provision centers and class B recreational grows as approved license types.	

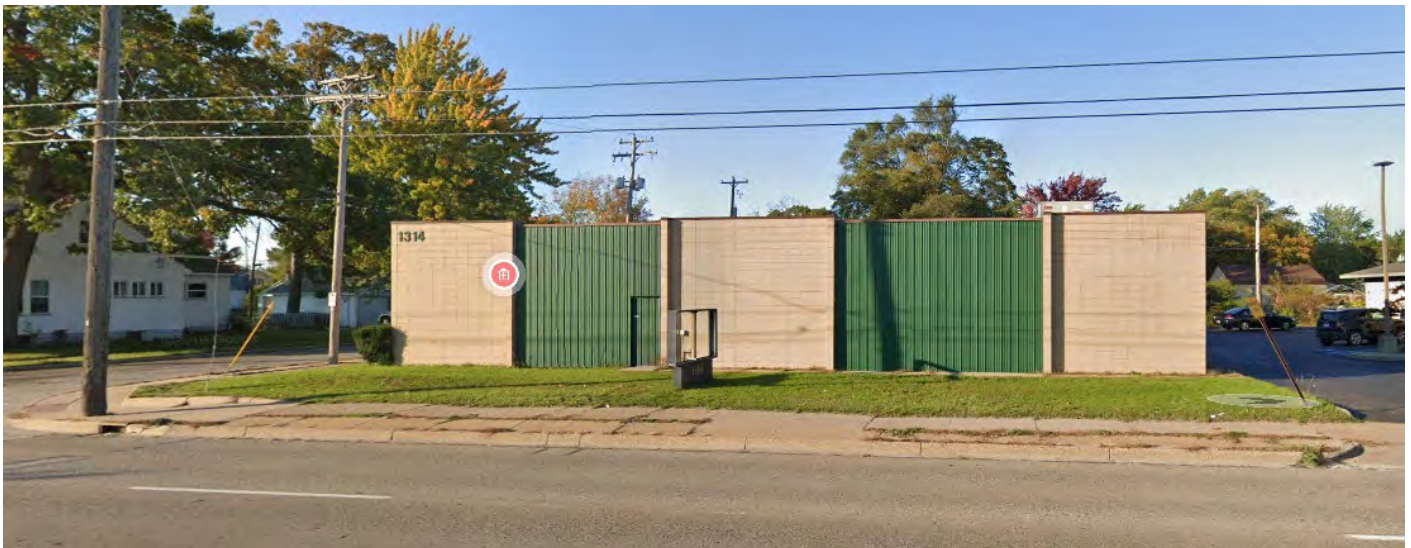
Planning Commission Excerpt

Hearing, Case 2022-01: Request to amend Section 2331 of the zoning ordinance to include 1314 E Apple Ave into the Marihuana Facilities Overlay District with retail, provision centers and class B recreational grows as approved license types, by Lake Michigan Labs.

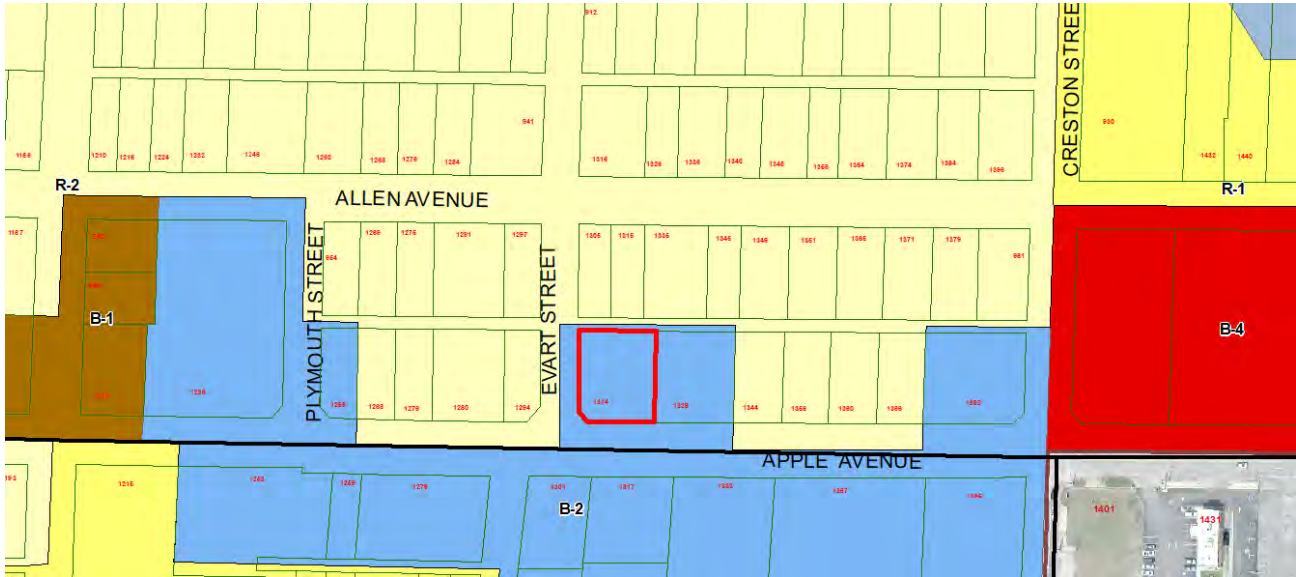
SUMMARY

1. The property is zoned B-2, Convenience & Comparison Business District.
2. This zoning designation allows the following marihuana license types with the issuance of a special use permit: microbusinesses, designated consumption establishments and class B recreational grows. Caregiver facilities are an allowed use by right.
3. The applicant is currently operating a caregiver facility at this address.
4. The applicant has requested to amend Section 2331 (marihuana facilities overlay district) of the zoning ordinance to designate 1314 E Apple Ave as an approved location that allows retail, provisioning centers and class B recreational grow license types.
5. Retail licenses allow the sale of recreational marihuana. Provisioning centers allow for the sale of marihuana to medical marihuana patients. Class B recreational grows allow the production of up to 500 plants
6. Please see the enclosed zoning ordinance excerpt of Section 2331 (marihuana facilities overlay district).
7. Notice was sent to all properties within 300 feet. At the time of this writing, staff had not received any comments from the public,

1314 E Apple Ave



Zoning Map



Aerial Map



The map displays a dense urban street grid. Key streets include Washington, Grand, Forest, and others. Numbered locations are marked with colored squares: 1 (green), 2 (blue), 3 (blue), 4 (pink), 5 (yellow), and 6 (blue). A large green outline highlights a specific area in the lower-left quadrant, and a smaller blue outline highlights a specific area in the upper-left quadrant.

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN

ORDINANCE NO. _____

An ordinance to amend Section 2331 of the zoning ordinance to expand the marihuana facilities overlay district to allow for retail, provision centers and class B recreational grows as approved license types at 1314 E Apple Ave.

THE CITY COMMISSION OF THE CITY OF MUSKEGON HEREBY ORDAINS:

1314 E Apple Ave will be added to the Marihuana Facilities Overlay District as a location allowed for retail, provision centers and class B recreational grow license types.

CITY OF MUSKEGON E 107.5 FT OF W 132.5 FT OF N 124 FT OF S 157 FT OF SE 1/4 OF SW 1/4 OF SE 1/4 SEC 21 T10N R16W EXC A TRIANGULAR PIECE IN SW COR 10 FT ON APPLE AVE & 10 FT ON EVART ST

This ordinance adopted:

Ayes: _____

Nays: _____

Adoption Date: _____

Effective Date: _____

First Reading: _____

Second Reading: _____

CITY OF MUSKEGON

By: _____
Ann Meisch, MMC, City Clerk

CERTIFICATE

The undersigned, being the duly qualified clerk of the City of Muskegon, Muskegon County, Michigan, does hereby certify that the foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Muskegon, at a regular meeting of the City Commission on the 8th day of February 2022, at which meeting a quorum was present and remained throughout, and that the original of said ordinance is on file in the records of the City of Muskegon. I further certify that the meeting was conducted and public notice was given pursuant to and in full compliance with the Michigan Zoning Enabling Act, Public Acts of Michigan No. 33 of 2006, and that minutes were kept and will be or have been made available as required thereby.

DATED: _____, 2022.

Ann Meisch, MMC

Clerk, City of Muskegon

Publish: Notice of Adoption to be published once within ten (10) days of final adoption.

CITY OF MUSKEGON
NOTICE OF ADOPTION

Please take notice that on February 8, 2022, the City Commission of the City of Muskegon adopted an ordinance to amend Section 2331 of the zoning ordinance to expand the marihuana facilities overlay district to allow for retail, provision centers and class B recreational grow types at 1314 E Apple Ave.

Copies of the ordinance may be viewed and purchased at reasonable cost at the Office of the City Clerk in the City Hall, 933 Terrace Street, Muskegon, Michigan, during regular business hours.

This ordinance amendment is effective ten days from the date of this publication.

Published _____, 2022.

CITY OF MUSKEGON

By _____

Ann Meisch, MMC

City Clerk

PUBLISH ONCE WITHIN TEN (10) DAYS OF FINAL PASSAGE.

Account No. 101-80400-5354



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: HBA Demolitions
Submitted By: Director Jeffrey Lewis	Department: Public Safety
Brief Summary: HBA approved the demolition of 2123 Henry, 507 E Apple, 743 Amity, and 867 Scott.	
Detailed Summary: This is to request that the City Commission concur with the findings of the Housing Board of Appeals that the structure located at 2123 Henry, 507 E Apple, 743 Amity, and 867 Scott, is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder or staff may issue infraction tickets to the owner, agent, or responsible party if they do not demolish the structure.	
Amount Requested: Bids	Amount Budgeted: N/A
Fund(s) or Account(s): 101-80387-5356	Fund(s) or Account(s):
Recommended Motion: To concur with the Housing Board of Appeals decision to demolish 2123 Henry, 507 E Apple, 743 Amity, and 867 Scott.	
Check if the following Departments need to approve the item first: Police Dept. ☒ Fire Dept. ☐ IT Dept. ☐ For City Clerk Use Only: Commission Action:	

EN2005460-2123 HENRY ST
CC MEETING JANUARY 25TH, 2022
TISCH PROPERTIES LLC
2107 HENRY ST
MUSKEGON, MI 49441

Information:

On 3/20/2018, during a rental inspection, staff noted the garage at this property was in extreme disrepair and causing a hazard to public safety. This was noted on the rental violation list that was provided to the owner, but no progress has been made with either repairing or removing the structure. Owner was cited multiple times since 2018 with tickets from staff regarding this garage. On 10/22/2020 staff elevated the property to a dangerous building. Owner emailed staff on 11/23/21 to request this case be removed from HBA to allow for more time to get a contractor out to look at the garage. Home has remained an uncertified rental since 2018. To date, no permits have been applied for, and owner has not provided any timeline, contractor's bids, or further expression of intent for the garage.

Owner Contact:

- Initial rental inspection violation list was noted on 3/20/2018
- Dangerous building inspection report was sent on 10/22/2020
- On 10/22/2020 a Notice and Order was sent and posted.
- On 11/15/2021 a Notice of HBA Hearing was sent and posted
- December 2nd 2021 HBA Meeting: The owner was not present.
Housing Board of Appeals declared the structure for demolition.

Staff Correspondence:

Owner has not given staff any indication of timeline for repairs or removal to begin.

Additional Information:

- SEV Value: \$26,600 (Whole property)
- Property Taxes Due: \$834.79
- Additional Invoices Owing:
 - \$240 for Rental Inspection Fees
- Staff estimates cost of removal: \$10,000

Permits obtained: None.



11.16.2021 11:27



11.16.2021 11:28



11.16.2021 11:27

**EN2004379-507 E APPLE AVE
CC MEETING JANUARY 25TH, 2022**

Brandy J Hannah
220 Smith Ave
Lansing, MI 48910

Information:

This house has been an unregistered vacant building since, at least, late 2018, when ownership was transferred to the County. The Estate of Vivian Lee owned the property for ten years prior. The interior walls, ceiling, and some flooring structure are open. Evidence of electrical upgrades, complete roof replacement, exterior doors, and window replacement without permit or inspection. It is not clear who did this work. Staff has met with owner to outline required repairs in September 2020. To date, there has been no plan of abatement or time for completion provided. Permit was issued for all building related work on 5/7/21. Permit was extended on 10/12/21 until 2/2/22. There has been multiple Special, Progress, and Advisory inspections since August 2020. Wall form inspection, Footing inspection, Rough-in, and house wrap inspection on 11/17/2021 was disapproved as multiple areas were not completed correctly, were covered up at time of inspection, and were unable to be seen during inspection. To date, no permit has been applied for in relation to the new electrical upgrades and brand-new electrical service. Work continues at property despite not correcting violations from previous inspection report. A licensed contractor is required to complete the work. No contact with owner since October HBA meeting regarding property.

Owner Contact:

- Dangerous building inspection letter was sent on 2/18/21. Not sent. Amended and sent on 3/24/2021.
- On 6/17/2020 house was posted with a Stop Work Order.
- On 8/18/2020 Notice and Order to repair or remove was sent.
- On 2/22/2021 10-Day notice of HBA Hearing was sent.
- On 8/18/2021 Notice of hearing was sent and posted.
- On 9/3/2021 a HBA Determination letter was sent out.
- On 9/20/2021 a Notice of hearing was sent and posted.
- On 11/15/2021 a Notice of hearing was sent and posted
- December 2nd 2021 HBA Meeting: The owner was not present.
Housing Board of Appeals declared the structure for demolition.

Staff Correspondence:

Owner has been in contact with staff throughout 2020 on property. Owner has engaged an architect, Michael Belt, to assist with plans. No licensed contractor has been hired, and work that has been completed since November has not been inspected. No contact with owner since October HBA meeting.

Additional Information:

- SEV Value: \$10,200
- Property Taxes Due: \$511.31
- Additional Invoices Owing:
 - \$154 for Code Enforcement
- Staff estimates cost of repairs: \$90,000

Permits obtained:

- Building Permit PB200763 for DB Repairs
 - No inspections have been approved on permit.
 - Set to expire 2/2/2022.



11.16.2021 15:24



11.16.2021 15:25





EN2104833-743 AMITY AVE
CC MEETING JANUARY 25TH, 2022
WEST LAKESHORE LLC
950 28TH ST. STE 210 A
GRAND RAPIDS, MI 49508

Information:

On February 14th, 2019, during a rental inspection, the shed at this property was noted as being in extreme disrepair and causing a notable public safety hazard. The owner and responsible party were made aware of the issues with the shed and instructed to either repair or remove the structure. On November 18th, 2021, after more than two years without any progress being made with the structure it was elevated to a dangerous building. To date, there has been no contact with the owner or responsible party regarding the shed, a timeline for repair, or their intentions with the property. Staff has cited the owner and responsible party multiple times since 2019 for the ongoing issues with the shed to no avail. As a result, this property has been an uncertified rental since 2019.

Owner Contact:

- Initial rental inspection report was generated on 2/14/2019
- Dangerous Building inspection report was sent on 10/19/2021
- On 10/19/2021 a Notice and Order was sent and posted.
- On 11/22/2021 a Notice of HBA Hearing was sent and posted.
- December 2nd 2021 HBA Meeting: The owner was not present.
Housing Board of Appeals declared the structure for demolition.

Staff Correspondence:

No contact with owner.

Additional Information:

- SEV Value: \$17,900 (Whole Property)
- Property Taxes Due: \$1,014.80
- Additional Invoices Owing: N/A
- Staff estimates cost of repairs: N/A

Permits obtained: None



10.19.2021 13:55



EN2104805-867 Scott St
CC MEETING JANUARY 25TH, 2022

Nikki R S Paige
56 E Lincoln St.
Muskegon Heights, MI 49444

Information:

On October 25th, 2019 a No Permit enforcement was opened on the property. Upon inspection, the house was gutted down to the studs and the roof was being replaced. A Stop Work Order was posted. A No Permit letter was sent on 10/25/19 with a subsequent Final Notice letter on 7/20/2020. On 10/25/2019 a permit was issued for the roof, but no inspections were ever called for, and permit has since expired. On 7/17/2020 a new fence was erected without Planning and Zoning's approval. Work on interior of home has continued to go on without permits. On 12/20/20 the home was sold by Brandy Hannah to Nikki R S Paige. On 10/13/21 additional work including replacement windows being installed was noted, and a new Stop Work Order and Do Not Occupy Order was posted as the old notices had been removed. Visible through windows that had been removed was new electrical, drywall, and kitchen facilities. Work has continued on property without permits. Property was elevated to a Dangerous Building on 10/13/2021. On 11/9/2021 staff conducted an All-Trades inspection with a representative of the owner and noted that the house had been completely remodeled without permits. Multiple health and safety issues were noted including an improperly installed water heater, gas fired appliance in a bathroom, improperly installed furnace, and various electrical issues. The majority of work was not able to be seen during the inspection due to it having been covered by drywall. To date, no permits have been issued.

Owner Contact:

- On 10/25/19 a No Permit First Letter was sent.
- On 7/20/2020 a No Permit Final Notice was sent.
- On 10/13/21 a Dangerous Building Inspection report was sent.
- On 10/15/21 a Notice and Order was sent and posted.
- On 10/20/21 a 10-Day HBA Notice of Hearing was sent and posted.
- November 4th 2021 HBA Meeting: The owner was not present at the HBA meeting, but had a representative present. Housing Board of Appeals declared the structure for demolition.

Staff Correspondence:

No contact with previous owner. Nikki Paige, current owner, has been aware of ongoing proceedings and served with all notices. No contact with owner since November HBA meeting.

Additional Information:

- SEV Value: \$11,400
- Property Taxes Due: \$539.54
- Additional Invoices Owing:
 - \$54.78 Utility Bills
 - \$75.40 Special Assessment
- Staff estimates cost of repairs: \$90,000

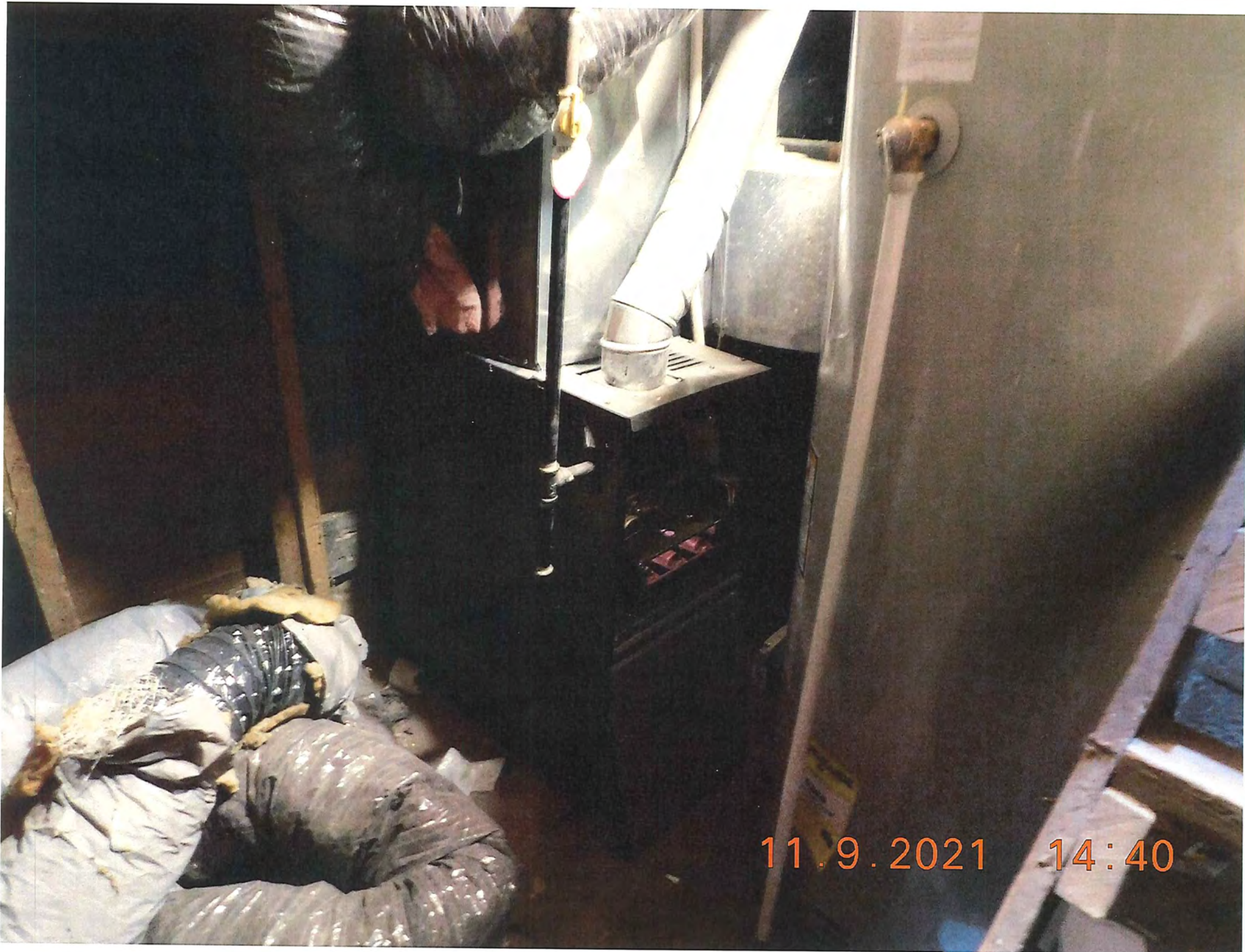
Permits obtained: None







11.9.2021 14:38



WATCH MUSKEGON

Agenda Item Review Form Muskegon City Commission

Commission Meeting Date: February 22, 2022	Title: Interim City Manager
Submitted By: Frank Peterson	Department: City Manager
Brief Summary: Appoint LeighAnn Mikesell as Interim City Manager effective April 1, 2022.	
Detailed Summary. Current City Manager has provided notice to the City Commission that he will be stepping down on April 1, 2022. Current Deputy City Manager LeighAnn Mikesell is prepared to step in as interim city manager. While serving in the interim city manager capacity, LeighAnn shall maintain her current salary and benefits plus an additional \$300 salary stipend per week. In the event the Interim City Manager serves in that capacity beyond June 30, 2022, the salary and benefits will be renegotiated.	
Amount Requested: N/A	Amount Budgeted: N/A
Fund(s) or Account(s):	Fund(s) or Account(s): N/A
Recommended Motion: Appoint LeighAnn Mikesell as Interim City Manager effective April 1, 2022.	