CITY OF MUSKEGON

CITY COMMISSION MEETING

January 27, 2026 @ 5:30 PM

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 HEARINGS:**
  - **A.** **Establishment of a Commercial Redevelopment District - 1937 Lakeshore Dr.** Economic Development
  - **B.** **Issuance of a Commercial Facilities Exemption Certificate - 1937 Lakeshore Dr, Lakeside Development Properties, LLC** Economic Development
  - **C.** **Issuance of an Obsolete Property Certificate — 1185 Third St.** Economic Development
- ☐ **FEDERAL/STATE/COUNTY OFFICIALS UPDATE:**
- ☐ **PUBLIC COMMENT ON AGENDA ITEMS:**
- ☐ **CONSENT AGENDA:**
  - **A.** **Approval of Minutes** City Clerk
  - **B.** **DPW Union Contract** Manager's Office
  - **C.** **Lakeshore Drive Reconstruction MDOT Agreement** Public Works
  - **D.** **Pedestrian Warning System on Port City Blvd** DPW- Engineering
  - **E.** **1183 Pine Street HOME rehab project** Community & Neighborhood Services

F. **Security Software for Computers and Users** Information Technology

G. **Workforce Housing Restrictive Covenant - Ledeboer Family** Economic Development

H. **Resolution for Housing Tax Exemption - Ledeboer Family** Economic Development

I. **Workforce Housing Restrictive Covenant - HAPCE LLC** Economic Development

J. **Resolution for Housing Tax Exemption - HAPCE LLC** Economic Development

K. **Workforce Housing Restrictive Covenant - Sue Ann Properties, LLC** Economic Development

L. **Resolution for Housing Tax Exemption - Sue Ann Properties LLC** Economic Development

M. **Workforce Housing Restrictive Covenant - Brinks and Arnoldink Properties, LLC** Economic Development

N. **Resolution for Housing Tax Exemption - Brinks and Arnoldink Properties, LLC** Economic Development

O. **Approve CRC Recommendations** City Clerk

☐ **UNFINISHED BUSINESS:**

☐ **NEW BUSINESS:**

☐ **ANY OTHER BUSINESS:**

☐ **GENERAL PUBLIC COMMENT:**

► 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. ►Limit of 3 minutes to address the Commission.

☐ **CLOSED SESSION:**

☐ **ADJOURNMENT:**

AMERICAN DISABILITY ACT POLICY FOR ACCESS TO OPEN MEETINGS OF THE CITY OF MUSKEGON AND ANY OF ITS COMMITTEES OR SUBCOMMITTEES

To give comment on a live-streamed meeting the city will provide a call-in telephone number to the public to be able to call and give comment. For a public meeting that is not live-streamed, and which a citizen would like to watch and give comment, they

must contact the City Clerk's Office with at least a two-business day notice. The participant will then receive a zoom link which will allow them to watch live and give comment. Contact information is below. For more details, please visit: www.shorelinecity.com
The City of Muskegon will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities who want to attend the meeting with twenty-four (24) hours' notice to the City of Muskegon. Individuals with disabilities requiring auxiliary aids or services should contact the City of Muskegon by writing or by calling the following:

Ann Marie Meisch, MMC. City Clerk. 933 Terrace St. Muskegon, MI 49440. (231)724-6705. clerk@shorelinecity.com

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Establishment of a Commercial Redevelopment District - 1937 Lakeshore Dr.
Submitted by: Isabela Gonzalez, Development Analyst	**Department:** Economic Development

Brief Summary:
Pursuant to Public Act 255 of 1978, as amended, Lakeside Development Properties, LLC has requested the establishment of a Commercial Redevelopment District.

Detailed Summary & Background:
Lakeside Development Properties, LLC has requested the establishment of a Commercial Redevelopment District for 1937 Lakeshore Dr. (former Harbor Theater). Creating the district will enable the property owner to apply for a Commercial Facilities Exemption certificate. If approved, the certificate will freeze the taxable value of the building and exempt the new real property investment from local property taxes for the duration of the exemption.

The proposed redevelopment of 1937 Lakeshore Drive will convert the first floor into commercial suites, with the upper floors used for residential housing.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: N/A	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): N/A	**Budget Amendment Needed:** Yes ☐ No ☐ N/A ■

Recommended Motion:
I move to close the public hearing and approve the establishment of the Commercial Redevelopment District for 1937 Lakeshore Dr. and authorize the Mayor and City Clerk to sign the attached resolution.

Approvals: Immediate Division Head ■	**Name the Policy/Ordinance Followed:** Public Act 255 of 1978, as amended

Information Technology		
Other Division Heads		
Communication		
Legal Review		

LAKESIDE DEVELOPMENT PROPERTIES, LLC

November 17, 2025

Lakeshore Development Properties, LLC
3597 Henry Street Suite 200
Muskegon, MI 49441
231-780-1200

Muskegon City Clerk's Office
933 Terrace Street
Muskegon, MI 49440

RE: Application for Commercial Facilities Exemption Certificate
1937 Lakeshore Drive Muskegon, MI 49441

To Whom It May Concern:

We are writing to formally apply for the Commercial Facilities Exemption Certificate for the property located at **1937 Lakeshore Drive Muskegon, Michigan** and the project planned at this location.

The project involves the redevelopment of the former Harbor Theater property into a mixed-use building consisting of residential condominium units and retail space. The redevelopment aligns with the City's goals of reinvestment, neighborhood revitalization, and increasing housing opportunities within the community. Establishing the exemption for this parcel will support the economic feasibility of the project and encourage continued investment in the Lakeside neighborhood.

Please let us know if any additional documentation, forms, site plans, or application materials are required at this time. We are prepared to provide all necessary information to move this request forward.

Thank you for your time and consideration. We look forward to working with the City on this redevelopment effort.

Sincerely,

Joe Bourdon

Joseph W. Bourdon
Lakeside Development Properties, LLC

Mailing Address:
c/o Randers E&C, Property Manager
3597 Henry Street Suite 200
Norton Shores, MI 49441

PH: 231-780-1200
FX: 231-780-0211
randers@randers.com

Resolution No. _____

RESOLUTION APPROVING THE ESTABLISHMENT OF A COMMERCIAL REDEVELOPMENT DISTRICT
1937 Lakeshore Dr.

WHEREAS, pursuant to PA 255 of 1978, the City of Muskegon has the authority to establish “Commercial Redevelopment Districts” within the City of Muskegon at request of a commercial business enterprise or on its own initiative; and

WHEREAS, Lakeside Development Properties, LLC is requesting the establishment of the Commercial Redevelopment District for an area in the vicinity of 1937 Lakeshore Dr. located in the City of Muskegon hereinafter described; and

WHEREAS, the City Commission of the City of Muskegon determined that the district meets the requirements set forth in section 5 of PA 255 of 1978; and

WHEREAS, written notice has been given by certified mail to all owners of real property located within the proposed district as required by section 5(3) of PA 255 of 1978; and

WHEREAS, on January 13, 2026 a public hearing was held and all residents and taxpayers of the City of Muskegon were afforded an opportunity to be heard thereon; and

WHEREAS, the City of Muskegon deems it to be in the public interest of the City of Muskegon to establish the Commercial Redevelopment District as proposed;

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Muskegon that the following described parcel(s) of land situated in the City of Muskegon, County of Muskegon, and State of Michigan, to wit:

THE SOUTHWESTERLY 55 FEET OF LOT 2 AND THE NORTHEASTERLY 22 FEET OF LOT 3 OF BLOCK 627 OF THE REVISED PLAT (OF 1903) OF THE CITY OF MUSKEGON, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 3 OF PLATS, PAGE 71.

Adopted this 13th Day of January 2026

AYES:

NAYS:

ABSENT:

BY: _____
Ken Johnson, Mayor

ATTEST: _____
Ann Meisch, Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on January 13, 2026.

_____

Ann Meisch, Clerk

LAKESHORE
TORRENT
1950
165.50'
77
1927
132
66.83
77
1937
123.75
44
1945
66
1953
66
1965
66
123.75
627
198

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Issuance of a Commercial Facilities Exemption Certificate - 1937 Lakeshore Dr, Lakeside Development Properties, LLC
Submitted by: Isabela Gonzalez, Development Analyst	**Department:** Economic Development

Brief Summary:
Pursuant to Public Act 255 of 1978, as amended, Lakeside Development Properties, LLC has requested the issuance of a Commercial Facilities Exemption Certificate. The certificate will freeze the taxable value of the building and exempt new real property investment from local taxes.

Detailed Summary & Background:
Lakeside Development Properties, LLC plans to rehabilitate the 17,586 sq ft former Harbor Theater into a mixed-use development, beginning in April 2026. This project represents a $3,665,733 investment and is expected to host commercial/office suites on the first floor, followed by two floors of multiple condominiums ranging from 1-3 bedrooms and 1-2 baths.

A public hearing for the establishment of the Commercial Redevelopment District is scheduled for January 27th 2026.

The internal tax committee has reviewed the application and, based on its findings and calculations, recommends approval of the attached resolution for a term of eight (8) years for real property. The applicant has submitted all required documentation.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: N/A	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): N/A	**Budget Amendment Needed:** Yes ☐ No ☐ N/A ■

Recommended Motion:
I move to close the public hearing and approve the issuance of a Commercial Facilities Exemption Certificate for Lakeside Development Properties, LLC and authorize the Mayor and City Clerk to sign the attached resolution.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:
Public Act 255 of 1978, as amended

LAKESIDE DEVELOPMENT PROPERTIES, LLC

RECEIVED
RECEIVED

DEC 18 2025
CITY OF MUSKEGON
DEVELOPMENT SERVICES
CITY OF MUSKEGON
DEVELOPMENT SERVICES

LETTER OF TRANSMITTAL

TO: City of Muskegon Clerk's Office
933 Terrace Street
Muskegon, MI 49440

DATE: 12/18/2025 JOB NO: 12513
ATTN:
RE: CFE Certificate - Harbor Theater Condos & Retail

YOU ARE RECEIVING:

- ☒ Attached / Enclosed
- ☐ Copy of
- ☐ Purchase or Change Order(s)
- ☐ Other:
- ☐ Drawings / Plans / Prints
- ☐ Shop Drawings
- ☐ Specifications / Samples

COPIES	DATE	# OF PAGES	DESCRIPTION
1	11/17/2025	1	Application for Commercial Facilities Exemption Certificate – Cover Letter
1	12/18/2025	2	Application for Commercial Facilities Exemption Certificate
1	11/17/2025	1	CFE Application Supporting Documentation / Information
1	12/18/2025	1	Estimated Construction Cost

THESE ARE TRANSMITTED as checked below:

- ☒ For approval
- ☐ For your use
- ☐ For distribution
- ☒ For review and certificate
- ☐ As requested
- ☒ Other: Resubmitted

1937 Lakeshore Drive Muskegon, MI 49441
ORIGINAL SUBMISSION: 11/19/2025
RESUBMITTED WITH CORRECTIONS: 12/18/2025

By: Joseph W. Bourdon
Joseph W. Bourdon, P.E.
Managing Member

If enclosures are not as noted, kindly notify us at once

Mailing Address:
c/o Randers E&C, Property Manager
3597 Henry Street Suite 200
Norton Shores, MI 49441

PH: 231-780-1200
FX: 231-780-0211
randers@randers.com

Michigan Department of Treasury
4757 (Rev. 12-20)

STATE USE ONLY		
Application Number	Date Received	LUCI Code

RECEIVED

Application for Commercial Facilities Exemption Certificate

Issued under authority of Public Act 255 of 1978, as amended.

DEC 18 2025

Read the instructions page before completing the application. **This application must be filed after a Commercial Redevelopment District is established.** The original application and required documents are filed with the clerk of the Local Governmental Unit (LGU).

CITY OF MUSKEGON DEVELOPMENT SERVICES

PART 1: OWNER / APPLICANT INFORMATION (applicant must complete all fields)

Applicant (Company) Name		NAICS or SIC Code	
Lakeside Development Properties, LLC			
Facility's Street Address	**City**	**State**	**ZIP Code**
1937 Lakeshore Drive	Muskegon	MI	49441
Name of City, Township or Village (taxing authority)	**County**	**School District Where Facility is Located**	
Muskegon	Muskegon	Muskegon Public Schools	
☒ City ☐ Township ☐ Village			
Date of Rehabilitation Commencement (mm/dd/yyyy)	**Planned Date of Rehabilitation Completion (mm/dd/yyyy)**		
12/14/25 ~~01/04/2026~~	12/31/2026		
Estimated Cost of Rehabilitation	**Number of Years Exemption Requested (1-12)**		
$3,665,733	12		

Expected Project Outcomes (check all that apply)

- ☒ Increase Commercial Activity
- ☒ Retain Employment
- ☒ Revitalize Urban Areas
- ☒ Create Employment
- ☒ Prevent Loss of Employment
- ☒ Increase Number of Residents in Facility's Community

No. of perm. jobs to be created due to facility's rehab.	No. of perm. jobs to be retained due to facility's rehab.	Number of construction jobs to be created during rehabilitation
TBD	TBD	TBD

Each year, the State Treasurer may approve 25 additional reductions of half the state education tax for a period not to exceed six years.

☒ Check this box if you wish to be considered for this exclusion.

PART 2: APPLICATION DOCUMENTS

Prepare and attach the following items:

- ☒ General description of the facility (year built, original use, most recent use, number of stories, square footage)
- ☒ General description of the facility's proposed use
- ☒ General description of the nature and extent of the restoration, replacement, or construction to be undertaken
- ☒ Legal description of the facility
- ☒ Descriptive list of the fixed building equipment that will be a part of the facility
- ☒ Time schedule for undertaking and completing the facility's restoration, replacement or construction
- ☒ Statement of the economic advantages expected from receiving the exemption

PART 3: APPLICANT CERTIFICATION

Name of Authorized Company Officer (no authorized agents)	Telephone Number		
Joseph W. Bourdon	(231) 780-1200		
Fax Number	**E-mail Address**		
(231) 780-0211	randers@randers.com		
Mailing Address	**City**	**State**	**ZIP Code**
3597 Henry Street Suite 200	Muskegon	MI	49441

I certify that, to the best of my knowledge, the information contained herein and in the attachments is truly descriptive of the property for which this application is being submitted. Further, I am familiar with the provisions of Public Act 255 of 1978, as amended, and to the best of my knowledge the company has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local governmental unit and the issuance of a Commercial Facilities Exemption Certificate by the State Tax Commission.

I further certify that this application relates to a program, when completed, will constitute a facility, as defined by Public Act 255 of 1978, as amended.

Signature of Authorized Company Officer (no authorized agents)	Title	Date
Joseph W. Bourdon	Co-Owner, Managing Member	12/18/2025

Continue on Page 2

PART 4: LGU ASSESSOR CERTIFICATION

Provide the Taxable Value and State Equalized Value of the Commercial Property.

	Taxable Value (excluding land)	State Equalized Value (SEV) (excluding land)
Building		

The property to be covered by this exemption may not be included on any other specific tax roll while receiving the Commercial Facilities Exemption. For example, property on the Eligible Tax Reverted Property (Land Bank) specific tax roll cannot be granted a Commercial Facilities Exemption that would also put the same property on the Commercial Facilities specific tax roll.

☐ By checking this box I certify that, if approved, the property to be covered by this exemption will be on the Commercial Facilities Exemption specific tax roll and not on any other specific tax roll.

Name of Assessor (first and last name)	Telephone Number		
Fax Number	E-mail Address		
Mailing Address	City	State	ZIP Code

I certify that, to the best of my knowledge, the information contained in Part 4 of this application is complete and accurate.

Assessor's Signature	Date

PART 5: LGU ACTION / CERTIFICATION (LGU Clerk must complete Part 5)

Action Taken By LGU:

☐ Exemption approved for _____ years, ending December 30, _____ (not to exceed 12 years)

☐ Exemption Denied

Date District Established (attach resolution for district)	Local Unit Classification Identification (LUCI) Code	School Code

Name of Clerk (first and last name)	Telephone Number		
Fax Number	E-mail Address		
Mailing Address	City	State	ZIP Code
LGU Contact Person for Additional Information	LGU Contact Person Telephone Number	Fax Number	

I certify that, to the best of my knowledge, the information contained in this application and attachments is complete and accurate.

Clerk's Signature	Date

If you have questions, need additional information or sample documents, call 517-335-7491 or visit **www.michigan.gov/propertytaxexemptions**.

LAKESIDE DEVELOPMENT PROPERTIES, LLC

November 17, 2025

Lakeshore Development Properties, LLC
3597 Henry Street Suite 200
Muskegon, MI 49441
231-780-1200

Muskegon City Clerk's Office
933 Terrace Street
Muskegon, MI 49440

RE: Application for Commercial Facilities Exemption Certificate
1937 Lakeshore Drive Muskegon, MI 49441

To Whom It May Concern:

We are writing to formally apply for the Commercial Facilities Exemption Certificate for the property located at **1937 Lakeshore Drive Muskegon, Michigan** and the project planned at this location.

The project involves the redevelopment of the former Harbor Theater property into a mixed-use building consisting of residential condominium units and retail space. The redevelopment aligns with the City's goals of reinvestment, neighborhood revitalization, and increasing housing opportunities within the community. Establishing the exemption for this parcel will support the economic feasibility of the project and encourage continued investment in the Lakeside neighborhood.

Please let us know if any additional documentation, forms, site plans, or application materials are required at this time. We are prepared to provide all necessary information to move this request forward.

Thank you for your time and consideration. We look forward to working with the City on this redevelopment effort.

Sincerely,

Joe Bourdon

Joseph W. Bourdon
Lakeside Development Properties, LLC

Mailing Address:
c/o Randers E&C, Property Manager
3597 Henry Street Suite 200
Norton Shores, MI 49441

PH: 231-780-1200
FX: 231-780-0211
randers@randers.com

LAKESIDE DEVELOPMENT PROPERTIES, LLC

November 17, 2025

Form 4757
Application for Commercial Facilities Exemption Certificate

SUPPORTING DOCUMENTATION / INFORMATION

General Description of Facility:
Year Built: 1921
Original Use: Theater
Most Recent Use: Movie theater
# of Stories: 2 AG, 1 BG
SF: 17,586

General Description of Proposed Use: A mixed-use development comprised of condominiums and retail

General Description of Nature and Extent of Construction: Transforming an abandoned theater into a mixed-use development of condominium housing and commercial office and/or retail. Its' current design, subject to final design and city planning, is set to have a parking garage, commercial on first level, followed by two floors (for three total floors AG) of multiple condominiums ranging from 1-3 bedrooms and 1-2 baths, with elevator, owner storage, and shared common spaces such as and including a community patio

Legal Description of Facility: The Southwesterly 55 feet of Lot 2 AND the Northeasterly 22 feet of Lot 3 of Block 627 of the Revised Plat (of 1903) of the City of Muskegon, according to the plat thereof as recorded in Liber 3 of Plats, page 71, Muskegon County Records.

Commonly known as: 1937 Lakeshore Drive, Muskegon, MI 49441

Parcel #: 24-205-627-0002-00

Descriptive List of Fixed Building Equipment a Part of Facility: The building itself and all its components and equipment such as but not limited to foundations, walls and floors, fire protection systems, elevators, HVAC systems, electrical systems including interior and exterior lighting, carpentry and attached casework, window treatments, subject to change

Time Schedule for Undertaking and Completing Construction: 01/01/2026 – 12/31/2026

Statement of Economic Advantages Expected from Receiving Exemption: We intend our facility to promote economic growth on both the residential and commercial level. The advantage of this exemption will allow funds to be put back into facility and therefore, its buyers or lessees. It will provide opportunity, encourage construction, and be a key component to the investment. The completion of this project will increase property value and local revenues, and all exemptions, funds, capital investments will be used towards the betterment of the City and its' community through development

Mailing Address:
c/o Randers E&C, Property Manager
3597 Henry Street Suite 200
Norton Shores, MI 49441

PH: 231-780-1200
FX: 231-780-0211
randers@randers.com

Randers ENGINEERS & CONSTRUCTORS

12513

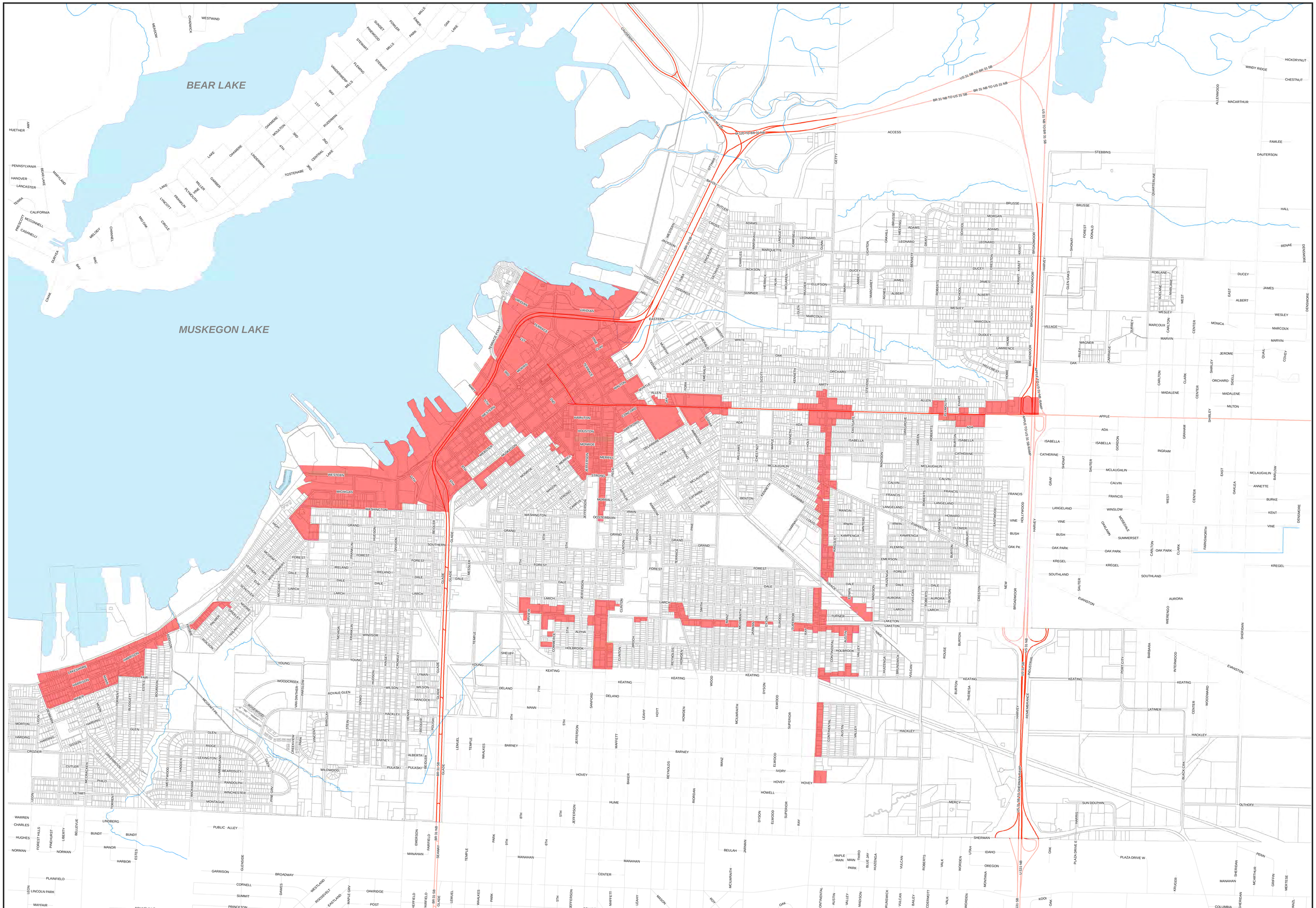
Lakeside Development Properties, LLC
c/o Randers E&C, Inc.

ESTIMATED CONSTRUCTION COST

Property Address: 1937 Lakeshore Drive Muskegon, MI 49441 12/18/2025

01 – GENERAL CONDITIONS	$89,050.00
02 – SITEWORK	
Patio	$48,750.00
Demo	$149,166.00
03 – CONCRETE	$187,160.00
04 – MASONRY	$247,000.00
05 – METALS	$207,387.00
Stairs	$11,154.00
Balconies	$58,500.00
06 – CARPENTRY	
Lumber	$204,010.00
Drywall	$117,561.00
Cabinets	$188,500.00
Labor	$377,000.00
07 – THERMAL & MOISTURE	
Roofing	$130,000.00
Insulation	$47,036.00
08 – DOORS & WINDOWS	
Windows / Balcony Doors	$137,025.00
Entry Doors	$11,211.00
Exterior	$9,360.00
Interior	$21,970.00
Hardware	$3,042.00
Store Front	$18,720.00
Store Front Glass	$26,000.00
09 – FINISHES	
LVP	$65,975.00
Carpet	$33,800.00
Painting	$117,561.00
10 – SPECIALTIES	
Grab Bars	$1,560.00
14 – CONVEYING SYSTEMS	
Elevator	$195,000.00
15 – MECHANICAL	
Fire Suppression	$111,800.00
Plumbing	$253,500.00
HVAC	$350,930.00
16 – ELECTRICAL & LIGHTING	$246,005.00
ESTIMATED CONSTRUCTION COST – GRAND TOTAL	**$3,665,733.00**

3597 Henry Street Suite 200 Norton Shores, Michigan 49441 | P: 231-780-1200 | F: 231-780-0211
randers@randers.com | www.randers.com


BEAR LAKE
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PINEWOOD
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EMMET
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VANDERMEULEN
FLEMING
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MOULTON
LINDERMAN
TOSTENABE
LAKE
MILLER
GARBER
FLYNN
FRANKLIN
LYNCOTT
HUETHER
AMY
PENNSYLVANIA
BEAR LAKE
MARYLAND
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PRESCOTT
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CIRCLE
CAGEWAY
BROADWAY
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BYRON
BUTLER
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WESTERN
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BRUSH
CAMPBELL
EATON
OCTAVIA
GEORGE
HALL
GRISWOLD
ADAMS
MARSHALL
LANGLEY
LEONARD
GLEN
CHARLES
MARQUETTE
JACKSON
SUMMER
HERRICK
ALVA
MCLAREN
WALKER
ELLIPSON
GLEN
MARCOUX
EASTERN
VIRGINIA
VIRIDIAN
TERRACE POINT
KENRIDGE
1ST
PINE
RUSH
2ND
MORRIS
TERRACE
3RD
MARION
WESTERN
MICHIGAN
WASHINGTON
GRAND
HUDSON
DIVISION
FRANKLIN
FOREST
IRELAND
DALE
DAVIS
LARCH
MCKINLEY
MONTGOMERY
WINTER
RAM
SCHNEIDER
MOORE
SHERIDAN
HENRY
HOUSTON
MONROE
MERRILL
JEFFERSON
STRONG
MORSELL
OOSTERBAAN
IRWIN
CATHERINE
MCLAUGHLIN
CATAWBA
BALKEMA
BENTON
KENNETH
HILL
HARMAN
LOVEL
MANGIN
KAMPENGA
KINSEY
WINTERS
EVANSTON
CARPENTER
HOWARD
FLOWER
AMBER
FLEMING
EMERSON
BURTON
FRANCIS
LANGELAND
CALVIN
EASTWOOD
VINE
BUSH
OAK PK
HOLLYWOOD
HARVEY
BRUSSE
MORGAN
MEEKING
OAKHILL
LEONARD
OAKLEY
SOUTH
ADAMS
KRAFT
RICHMOOR
BENNETT
LIGHTON
DUCEY
OAKSTON
JAMES
ALBERT
ROBERTS
SCHOOL
WESLEY
MARCOUX
DUDLEY
LAWRENCE
HOME
HILLCREST
OAK
BROADMOOR
GLEN OAKS
VILLAGE
WAGNER
RILEY
CARRIAGE
SURREY
STEBBINS
FOREST
DONALD
SHONART
QUARTERLINE
ROBLANE
SKELANE
MARILANE
WEST
EAST
DENSMORE
RENAE
HICKORYNUT
WINDY RIDGE
CHESTNUT
ALLENWOOD
MACARTHUR
FAMLEE
DAUTERSON
HALL
DUCEY
JAMES
ALBERT
WESLEY
MARCOUX
MARVIN
MONICA
CENTER
CARLTON
JEROME
QUAIL
COVEY
SHIRLEY
ORCHARD
SIDELL
MADALENE
CLARK
MILTON
APPLE
ADA
ISABELLA
GORDON
INGRAM
GRAHAM
CATHERINE
SHONART
SAUTER
MCLAUGHLIN
CALVIN
FRANCIS
LANGELAND
WINSLOW
MOSSDALE
OAKLAWN
SUMMERSET
BUSH
OAK PARK
KREGEL
SOUTHLAND
EVANSTON
AURORA
WEHRINGO
CRESTON
NEW
LAKETON
TURNER
HOLBROOK
CONTINENTAL
AUSTIN
VALLEY
HUIZENGA
BRUNSWICK
VULCAN
ROUSE
BURTON
THERESA
PORT CITY
BARBARA
INTERWOOD
SHERIDAN
EVANSTON
INDUSTRIAL
RIVERSIDE
KEATING
WOOD
DYSON
ELWOOD
SUPERIOR
SANFORD
DELANO
7TH
MANN
9TH
8TH
6TH
5TH
4TH
LEAHY
HOYT
HOWDEN
MCILWRAITH
JEFFERSON
MAFFETT
BAKER
REYNOLDS
MANZ
RIORDAN
IVORY
HOVEY
HOWELL
HUME
MERCY
SUN DOLPHIN
OLTHOFF
HARRIS
PLAZA DRIVE E
PLAZA DRIVE W
SHERMAN
IDAHO
OREGON
MONTANA
WORDEN
WALK
ROBERTS
BLUE JAY
HUIZENGA
VULCAN
MAPLE
MAIN
THIRD
PARK
OAK
KOOI
YARMOUTH
COLUMBIA
MANAHAN
BEULAH
JARMAN
CENTER
MCILWRAITH
MASON
ROY
MAFFETT
LEAHY
JEFFERSON
5TH
6TH
7TH
8TH
9TH
PARK
WAALKES
LEMUEL
TEMPLE
ALBERTA
BARNEY
PULASKI
HACKLEY
WILDWOOD
RIDGEWOOD
CREEKVIEW
PARK
VINCENT
BARCLAY
STERN
HENRY
REDLAND
GLEN
RIDGE
LEXINGTON
CUMBERLAND
BEARSSLEY
RANDOLPH
WINCHESTER
MONTAGUE
WESTWOOD
HADDEN
WICKHAM
MCCRACKEN
PHILO
LETART
LEON
O'BRIEN
PINE GRV
CROZIER
CUTLER
GREENWOOD
MORTON
HARDING
SIXTH
BOURDON
ESTES
BLODGETT
FAIR
PARSLOW
VAN ENTHER
WOODCREEK
ROYALE GLEN
YOUNG
WILSON
LYMAN
HANCOCK
HACKLEY
SHELBY
TEMPLE
WINDSOR
FRANKLIN
NYVADA
KINSEY
CROWLEY
HUDSON
DOUD
GLADE
OAKDALE
HARRISON
WINER
HOUSTON
HARRISON
WARNER
SHERIDAN
MOORE
SHERIDAN
RIVERSIDE
FRANKLIN
WARNER
RAM
SCHNEIDER
MCKINLEY
MONTGOMERY
WINTER
DALE
FOREST
IRELAND
GRAND
HUDSON
DIVISION
FRANKLIN
WASHINGTON
MICHIGAN
WESTERN
1ST
PINE
RUSH
2ND
MORRIS
TERRACE
3RD
MARION
VIRIDIAN
KENRIDGE
EASTERN
VIRGINIA
TERRACE POINT
CHAK
BAY
MAC
DUERTEA
CASANELLI
PRESCOTT
MCCONNELL
MILOJAN
CIRCLE
MELSEY
CHANNEL
LYNCOTT
FRANKLIN
FLYNN
MILLER
GARBER
LAKE
OAKMERE
LINDERMAN
TOSTENABE
MOULTON
3RD
4TH
CENTRAL
LAKE
1ST
RUDDIMAN
2ND
RAY
VANDERMEULEN
FLEMING
STEWART
MILLS
SUNSET
PINEWOOD
FOWLER
PARK
EMMET
OAK
LAKE
WESTWIND
MEADOW
CHADWICK
HUETHER
AMY
PENNSYLVANIA
BEAR LAKE
MARYLAND
HANOVER
LANCASTER
TERRA
CALIFORNIA
PRESCOTT
MCCONNELL
CASANELLI
DUERTEA
BAY
MAC
CHAK
MELSEY
CHANNEL
MILOJAN
CIRCLE
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FLYNN
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OAKMERE
LINDERMAN
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MOULTON
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VANDERMEULEN
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MILLS
SUNSET
PINEWOOD
FOWLER
PARK
EMMET
OAK
LAKE
WESTWIND
MEADOW
CHADWICK

Name of Business

Cognate	Value	Cognate	Value
PA 198		**PA 210, 255, 146**	
Taxable Value	0-5	**Taxable Value**	**5**
Job Creation	0-3	**Location**	**2**
Resident Hiring	0-2	**New Business**	**1**
		Resident Owned/Managed	**0**
TOTAL	0-10	**TOTAL**	**8**

PA 255 Tax Abatement Scoring Guide

1-5 Points: 4 Year Abatement

6-8 Points: 8 Year Abatement

9-10 Points: 12 Year Abatement

PA 146 Tax Abatement Scoring Guide

1-5 Points: 4 Years frozen taxable values

6-8 Points: 8 Years frozen taxable values

9-10 Points: 12 Years frozen taxable values

PA 210 Tax Abatement Scoring Guide

1-5 Points: 3 Years frozen taxable values

6-8 Points: 6 Years frozen taxable values

9-10 Points: 10 Years frozen taxable values

COMMERCIAL REHABILITATION TAX ABATEMENT (PUBLIC ACT 210) COMMERCIAL REDEVELOPMENT DISTRICT ABATEMENT (PUBLIC ACT 255) OBSOLETE PROPERTY REHABILITATION ACT (PUBLIC ACT 146)

TAXABLE VALUE: The City will consider the estimated additional tax base that the development will generate based on plan review, assessor's analysis and permit fees. 1 point awarded for $150,000 to $249,999 in taxable value, 2 points awarded for $250,000 to $499,999, 3 points awarded for $500,000 to $749,999, and 4 points awarded for $750,000 to $999,999, and 5 points for taxable value creation over $1,000,000. Any development creating a taxable value over $5,000,000 will recommended to receive the full abatement.

LOCATION: An additional two points will be awarded to a development if it is proposed in one of the City's identified Commercial or Residential Redevelopment Areas (map attached).

NEW BUSINESS: An additional point will be awarded if the development is being proposed by a commercial entity or housing developer that is new to the City of Muskegon.

RESIDENT Owned / Managed: An additional point will be awarded if the proposed business or development is owned or managed by a resident.

CITY OF MUSKEGON

933 TERRACE
MUSKEGON, MI 49440
United States
WWW.MUSKEGON-MI.GOV

Receipt: 0101019043 Dec/04/2025

Cashier: WENDY.WEBSTER

Received Of: RANDERS ENGINEERING CONTRACTORS
3597 HEBRY ST
MUSKEGON, MI 49441

Desc: PA 255 1937 LAKESHORE

Planning

The sum of: $1,500.00

19-10	NEZ APPLICATION FEE				1,500.00
	TAX ABATEMENT APPLICATION FEES	101-000-640		1,500.00	
				Total	1,500.00
	TENDERED:	CHECK PAYMENT	1170		1,500.00

NOTES PA 255 1937 LAKESHORE

Resolution No._____

MUSKEGON CITY COMMISSION

RESOLUTION APPROVING APPLICATION FOR ISSUANCE OF A COMMERICAL FACILITIES EXEMPTION CERTIFICATE
Lakeside Development Properties, LLC

WHEREAS, the City of Muskegon legally established the Commercial Redevelopment District _____ on January 27, 2026, after a public hearing held on January 27, 2026; and

WHEREAS, the state equalized value of the property proposed to be exempt plus the aggregate state equalized value of property previously exempt and currently in force under Public Act 255 of 1978 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total state equalized value of the City of Muskegon; and

WHEREAS, the application was approved at a public hearing as provided by section 6(2) of Public Act 255 of 1978 on January 27, 2026; and

WHEREAS, Lakeside Development Properties, LLC is not delinquent in any taxes related to the facility; and

WHEREAS, the application is for commercial property as defined in section 3(3) of Public Act 255 of 1978; and

WHEREAS, the applicant Lakeside Development Properties, LLC has provided answers to all required questions under Section 6(1) of PA 255 of 1978 to the City of Muskegon; and

WHEREAS, the City of Muskegon requires that the construction, restoration or replacement of the facility shall be completed by January 31, 2027; and

WHEREAS, the Commercial Facilities Exemption Certificate is granted for a period of eight (8) years and no extension will be allowed; and

WHEREAS, the commencement of the construction, restoration or replacement of the facility did not occur more than 45 days prior to the filing of the application for exemption; and

WHEREAS, the commencement of the construction, restoration or replacement of the facility did not occur prior to the establishment of the Commercial Redevelopment District; and

WHEREAS, the application relates to a construction, restoration or replacement program which when completed constitutes a new, replacement or restored facility within the

meaning of Public Act 255 of 1978 and that is situated within a Commercial Redevelopment District established under Public Act 255 of 1978; and

WHEREAS, completion of the facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment and retain employment in which the facility is situated; and

WHEREAS, the restoration includes improvements aggregating 10% or more of the true cash value of the property at commencement of the restoration as provided by section 4(6) of Public Act 255 of 1978.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Muskegon

Be and hereby is granted a Commercial Facilities Exemption for the real property, excluding land, located in Commercial Redevelopment District _____ at 1937 Lakeshore Dr. for a period of eight (8) years, beginning December 31, 2026, and ending December 31, 2034 pursuant to the provisions of PA 255 of 1978, as amended.

Adopted this 27th Day of January 2026.

AYES:

NAYS:

Absent:

BY: _____
Ken Johnson, Mayor

ATTEST: _____
Ann Meisch, Clerk

CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Muskegon City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on January 27, 2026.

_____
Ann Meisch, Clerk

Harbor Theater Condominiums & Retail

1937 Lakeshore Drive, Muskegon, Michigan

Project Data:

Project Description:
The Harbor Theater located at 1937 Lakeshore Dr., Muskegon, Michigan is being renovated into retail on the partial first floor street side and with covered parking garage in the back, condominiums on the second and third floors. The building is masonry exterior walls with wood framing & engineered floor & roof joist. Entire building is fire suppressed.
Zoning:
Location: 1937 Lakeshore Dr., Muskegon, Michigan

Zoned: B-2 Convenience Comparison Business

Permitted Uses: Retail Business & Residential
Planned Use: Retail Business & Residential

Parking Required
None Required in the City of Muskegon
Off Street Loading Space
None required in the City of Muskegon
Site Lighting
No new site lighting. All lighting will be on the building.
Site Signage - TBD by owner

Code Compliance:

Code - Michigan Building Code 2021
- ICC/ANSI A117.1 - 2017
- Michigan Plumbing Code 2021
- Michigan Mechanical Code 2021
- National Electric 2023
- Int'l Fire Code 2024

Use Group Classification (Section 302.1) - R-2 Multi-family Apartments
- B Business - S-2 Storage
Fire Separation (Table 508.4) - 1 hour required between M or B & R
No separation required between residential units
Fire Resistance Rating (Table 602) Distance to Adjacent Buildings
From 0' to 30' = 1 hour rating, over 30' = 0 hour rating
Corridor Fire Resistance Rating (Table 1020.1)
With sprinkled system - 0.5 hour
Construction Type (Section 602.1) - 3B Unprotected Combustible
Rated Building Elements (Section 601) - Ext. Brg. Walls 2 Hr.
All other elements - no rating required
Parking Garage, II-A
Gross Building Area - 18,477 square feet
Allowed by Code (table 506.2) - 48,000 sq. ft.
Stories above grade - 3 allowable by code (table 504.4) -4
Allowed by Code (table 506.2) - 4 story 75' height
Automatic Sprinkler System (section 903.2.9)
Provided throughout building
Portable Fire Extinguishers (section 903)
Minimum rated extinguisher - 2-A
Maximum floor area per extinguisher - 1,500 sf
Maximum travel distance to extinguisher - 75'
Occupancy Load (table 1004.1.2)
Business 100 sq. ft. / person (1,437 sq. ft/100) = 13 occupants
Residential - 200 sq. ft./person; (12,318 sq. ft./200) = 61 persons
Parking Garage - 200 sq. ft./person; (4,500 sq. ft./200) = 22 persons
Number of Exits (Table 1006.2.1)
Business - max. 49 occupants, 100' travel distance = 1 exit
R-2 - max. 10 occupants, 125' travel distance = 1 exit 1st floor units
Number of Exits (table 1006.3.2(1))
Greater than 4 dwelling units on 2nd floor requires 2 exits
Exit Travel Distance (table 1017.2)
B - Business - 300' sprinkled
R-2 - Residential - 250' sprinkled
Sound transmission: Dwelling Unit Separation (1207.2 & 1207.3)
Air borne sound STC 50 minimum (45 if field tested)
Structure borne sound Class IIC 50 minimum (45 if field tested)
Provide NFPA -13R 1999 fire sprinkler system throughout R-2 units and NFPA 13 in commercial areas
Accessibility Units:
Ground floor units - Type B Accessible (same as HUD Adaptable unit for fair housing)
Seismic Design Category A

Plumbing Fixtures: Mercantile per 403.1

Water Closets -	1 per 500 male & female
	Separate toilets not req'd. if occupancy 15 or fewer
Lavatories -	1 per 750
Drinking Fountains -	1 per 1,000
Service Sink -	1 required

Building Design Loads & Specifications:

Ground Snow Load - 60 psf per figure 1608.2
Ultimate Design Wind Speed: Risk Category (Table 1604.5)
(figure 1609.3(1) - Risk Category 2 = 115 mph

Roof Live Loads:	
Ground Snow Load	60 psf
Balanced Roof Snow Load	52.0 psf
Unbalanced Snow Load	64.6 psf
Roof Dead Load:	
Engineered Rood Trusses	
Structure	12.0 psf
Mechanical & Electrical	1.5 psf
Insulation	2.3 psf
Ceiling	2.1 psf
Total Roof Dead Load	17.9 psf
Floor Live Load (table 1607.1):	
Balconies (exterior)	100 psf
Residential Living Areas	40 psf
Residential Corridors & Stairs	100 psf
Floor Dead Load:	
Structure	10.0 psf
Mechanical & Electrical	1.5 psf
Insulation	2.3 psf
Ceiling	2.1 psf
Total Load	15.9 psf
Slab on Grade	NA
Roof Wind Load: (1608.2)	
Positive Pressure	10.0 psf
Positive Pressure - Edge	10.0 psf
Negative Pressure	16.2 psf
Negative Pressure - Edges	17.4 psf
Wall Wind Load: (1608.2)	
Positive Pressure	10.0 psf
Positive Pressure - Edge	10.0 psf
Negative Pressure	10.0 psf
Negative Pressure - Edge	10.0 psf

Flame Spread & Smoke Development:

Walls & Ceiling -	Smoke Dev. 450 Max. per ASTM E-84
	Flame Spread 200 Max. per ASTM E-84
Insulation -	Smoke Dev. 450 Max. per ASTM E-84
	Flame Spread 25 Max. per ASTM E-84
Roof Covering -	Class B Min. per ASTM E-108 or UL-790
Fire Separation Wall -	None required due to fully sprinkled building.
Exterior Walls -	No fire rating required w/ 30' min. to lot lines or other structures per tables 601 and 602.
Exterior Wall Openings -	45% Maximum opening per table 704.8 with 10' to 15' setback from property line.

Draft Stop - Attic & Floor:

secured to the face of the roof truss and extending from ceiling to roof decking. Place draft stops at intervals of 3,000 sq. ft. max.

secured to the face of the floor truss and extending from ceiling below to floor above. Place floor space draft stops at intervals of 1,000 sq. ft. max.

Fire Extinguishers:

sign above designating fire extinguisher location in accordance with the International Fire Code.

Sprinkler System:
Furnish all labor and materials to install a complete NFPA 13 sprinkler system and alarm system in the first floor commercial and NFPA 13R sprinkler system in the first, second, & third floor residential apartments. This system must also comply with all local requirements, including, but not limited to, monitoring stations.

Signage:

Tactile exit signs shall be placed adjacent to each exit discharge.

Emergency Lighting:
Emergency lighting shall be properly positioned to provide an average of 1 foot-candle (11 lux) and a minimum of 0.1 foot-candle (1 lux) measured along the path of egress at floor level.

Attic Access:
Place attic access doors in ceiling within each of the spaces created by the draft

above the door.

Soil Classification:
Soil Classification: SM Silty Sand per AGS pg. 144
Soil Load Pressure: 2,000 psf. per MBC 1804.2

Soil Specification:
Fill material under footings, floors, sidewalks and drives shall be Class II Clean and Fill.
Fill sand and backfill soil shall be compacted in place to 95% of maximum density.
Allowable soil bearing is 2,000 psf. minimum.

Damp Proofing Specification:

of footing.
Coat all exterior foundation walls below grade with 6 mil waterproofing mastic. Coat mastic continuously over top of footing and cover foundation wall to grade level.

Rough Carpentry:
All structural lumber must have a minimum modulus of elasticity of 1,540,000.
Species may be #2 Douglas Fir, #2 Southern Pine, #2 Western Hemlock or #2 Larch.

Joist hangers, nails and fasteners must be of size and design for the specific application where used.
All wood joists, posts, studs and plywood in contact with masonry, concrete or soil are pressure treated, Wolmanize or equal.
All fasteners into treated lumber must be hot dipped galvanized or stainless steel per MBC 2304.9.5.
All engineered truss and joist drawings must be provided by the manufacturer's registered design professional's seal and submitted to the architect for approval prior to installation per MBC 2303.4.1.
Each end of roof trusses and roof joists will be held to wall plate with one, Simpson Strong-Tie H1 on wood or one H16 on masonry walls with moisture barrier between wood and masonry.
Column base and column cap is designated on the drawings. Secure with specified nails or bolts in all nailing holes provided in column base and column cap.

Concrete Specifications:
Concrete strength for all foundations shall be 3,000 psi at 28 days.
Concrete strength for all floors and flat work shall be 4,000 psi at 28 days.
All concrete shall have a maximum slump of 4 inches.
All exterior concrete shall have limestone aggregate, 6% air entrainment and be broom finished after troweling.
All sidewalks and floors to be 4 inches thick.

All driveways to be 6 inches thick.

Reinforcing Specification:
Concrete -
All reinforcing rod shall be grade 60 steel.
All strip footings shall be reinforced with 2-#5 rebar continuously.

See drawings for reinforcement of footings carrying concentrated loads.

#10/#10 WWF

Masonry -.
All masonry shall be CMU reinforced with truss or ladder type places horizontally

from footing reinforcing to wall top cap reinforcing. Place #5 bars vertical in grout filled cores at all corners and both sides of door and window openings. Top course of

Masonry Lintels -

Control & Expansion Joints:
Place control joints in concrete masonry walls in accordance with NCMA TEK 10-2B; 1-1/2 times the wall height or 25 feet, whichever is smaller.
Place expansion joints in brick masonry walls in accordance with BIA Tech. Notes

Anchors:
Roof trusses anchored to top wall plates with one Simpson Strong-Tie H2.5A or H1 each truss end.
All anchors and fasteners into treated lumber must be hot dipped galvanized or stainless steel.

Finishes:

Cleanable nonabsorbent materials. Floor finish shall have a non-slip surface.
All floors without carpeting will have non-slip surfaces per MBC 1003.4

Hardware:
All door hardware shall be accessible lever style design.
Exterior exit doors shall be provided with panic hardware operating with a maximum operating force of 15 pounds. The actuating portion of the releasing device shall extend a minimum of 50% of the door width. MBC 1008.1.9
Front entry doors in Businesses will be full glazed. Back exit door will be a solid door without glazing.

Special Testing:
Compaction testing of the sand fill in the raised floor areas of the original theater's sloped floor.

Sheet Index:

G-1	Cover Sheet, Project Data
SD-1	Site Plan
A-1	1st Floor Plan
A-2	2nd Floor Plan
A-3	3rd Floor Plan
A-4	Roof Plan
A-5	Proposed Elevation Plans
A-6	Proposed Elevation Plans
A-7	Finish Schedule
A-8	Upgraded Finish Schedule
D-1	1st Floor Demolition Plan
D-2	2nd Floor Demolition Plan
P-1	Plumbing Schedule
P-2	1st Floor Plumbing Plan
P-3	2nd Floor Plumbing Plan
P-4	3rd Floor Plumbing Plan
P-5	Roof Plumbing Plan
M-1	HVAC Schedule & Legend
M-2	1st Floor HVAC Plan
M-3	2nd Floor HVAC Plan
M-4	3rd Floor HVAC Plan
E-1	1st Floor Power Plan
E-2	1st Floor Lighting Plan
E-3	2nd Floor Power Plan
E-4	2nd Floor Lighting Plan
E-5	3rd Floor Power Plan
E-6	3rd Floor Lighting Plan
S-1	1st Floor Structural Plan
S-2	2nd Floor Structural Plan
S-3	3rd Floor Structural Plan

LOCATION MAP
SCALE: NTS

By	Date	Description	Rev.

Drawn —
Checked —
Scale NTS
Date —
Rev. By —
Rev. Date 1/21/26

HARBOR THEATER CONDOMINIUMS & RETAIL
1937 LAKESHORE DR.
MUSKEGON, MICHIGAN 49441

GENERAL INFORMATION

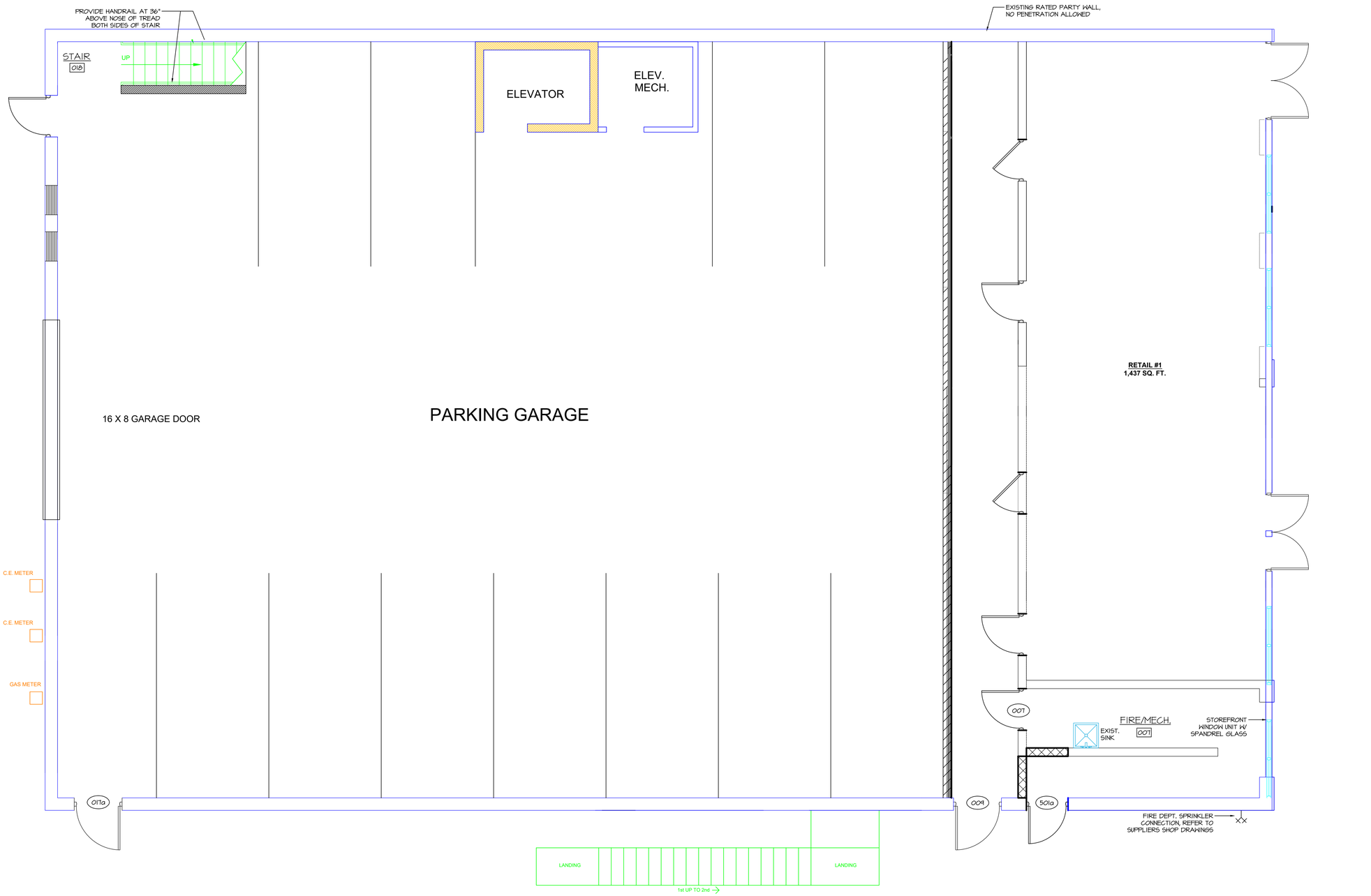
Randers EC
Design
Development
Construction
ENGINEERS & CONSTRUCTORS, INC.
3597 Henry Street Suite 200 • Muskegon, Michigan 49441 • Tel (231) 780-1200 • Fax (231) 780-0211
www.ronders.com

OWNER APPROVAL
Date By

Job 12513

File Name 12513G01

Sheet G-1



1ST FLOOR PLAN
SCALE: 1/4" = 1'-0"

NOTICE:
CONTRACTOR RESPONSIBLE TO VERIFY ALL DIMENSIONS AND EXISTING CONDITIONS PRIOR TO BEGINNING CONSTRUCTION.

PLAN LEGEND:

- EXISTING WALL OR FIXTURE TO BE REMOVED
- EXISTING WALL TO REMAIN
- NEW WD. STUD WALL, REFER TO SHEETS A3.1 & A4.1
- NEW 8" C.M.U. WALL, REFER TO SHEETS A3.1 & A4.1

KEYNOTES

By	Date	Description	Rev.

Drawn —— Checked ——
Scale 1/4"=1'-0"
Date ——
Rev. By ——
Rev. Date 1/21/26

HARBOR THEATER CONDOMINIUMS & RETAIL
1937 LAKESHORE DR.
MUSKEGON, MI 49441

1ST FLOOR PLAN

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ENGINEERS & CONSTRUCTORS, INC.
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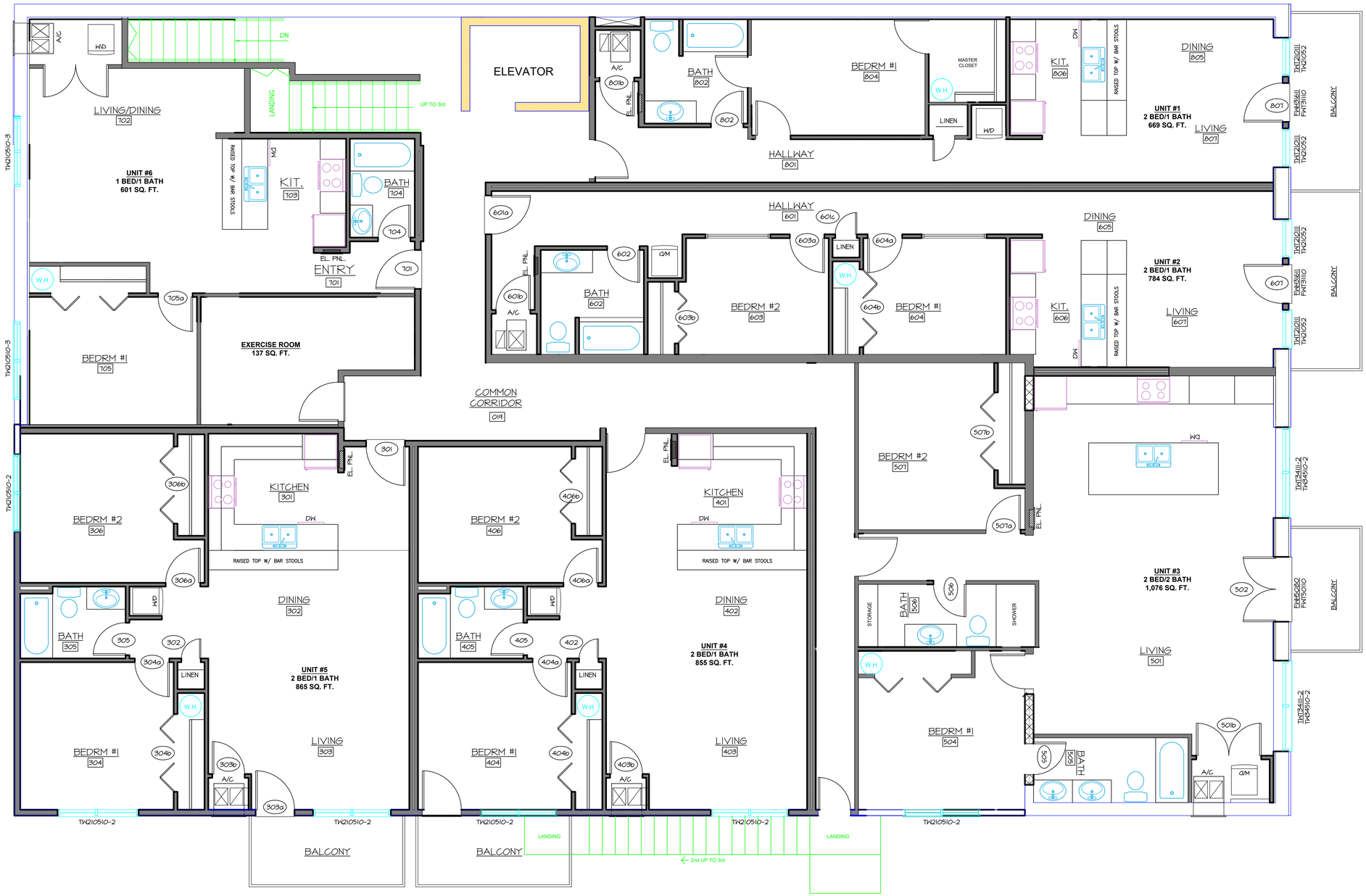
Date By

Job 12513

File Name 12513A01

Sheet A-1



2ND FLOOR PLAN
SCALE: 1/4" = 1'-0"

NOTICE:
CONTRACTOR RESPONSIBLE TO VERIFY ALL DIMENSIONS AND EXISTING CONDITIONS PRIOR TO BEGINNING CONSTRUCTION.

PLAN LEGEND:

- EXISTING WALL OR FIXTURE TO BE REMOVED
- EXISTING WALL TO REMAIN
- NEW WD. STUD WALL, REFER TO SHEETS A3.1 & A4.1
- NEW 8" C.M.U. WALL, REFER TO SHEETS A3.1 & A4.1

KEYNOTES

By	Date	Description	Rev.

Drawn —— Checked —— Scale 1/4"=1'-0"
Date —— Rev. By —— Rev. Date 1/21/26

HARBOR THEATER CONDOMINIUMS & RETAIL
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2ND FLOOR PLAN

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Date By

Job 12513

File Name 12513A02

Sheet A-2

3RD FLOOR PLAN

SCALE: 1/4" = 1'-0"

NOTICE:
CONTRACTOR RESPONSIBLE TO VERIFY ALL DIMENSIONS AND EXISTING CONDITIONS PRIOR TO BEGINNING CONSTRUCTION.

PLAN LEGEND:

- EXISTING WALL OR FIXTURE TO BE REMOVED
- EXISTING WALL TO REMAIN
- NEW WD. STUD WALL, REFER TO SHEETS A3.1 & A4.1
- NEW 8" C.M.U. WALL, REFER TO SHEETS A3.1 & A4.1

KEYNOTES

By	Date	Description	Rev.

Drawn —— Checked —— Scale 1/4"=1'-0"
Date —— Rev. By —— Rev. Date 1/21/26

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3RD FLOOR PLAN

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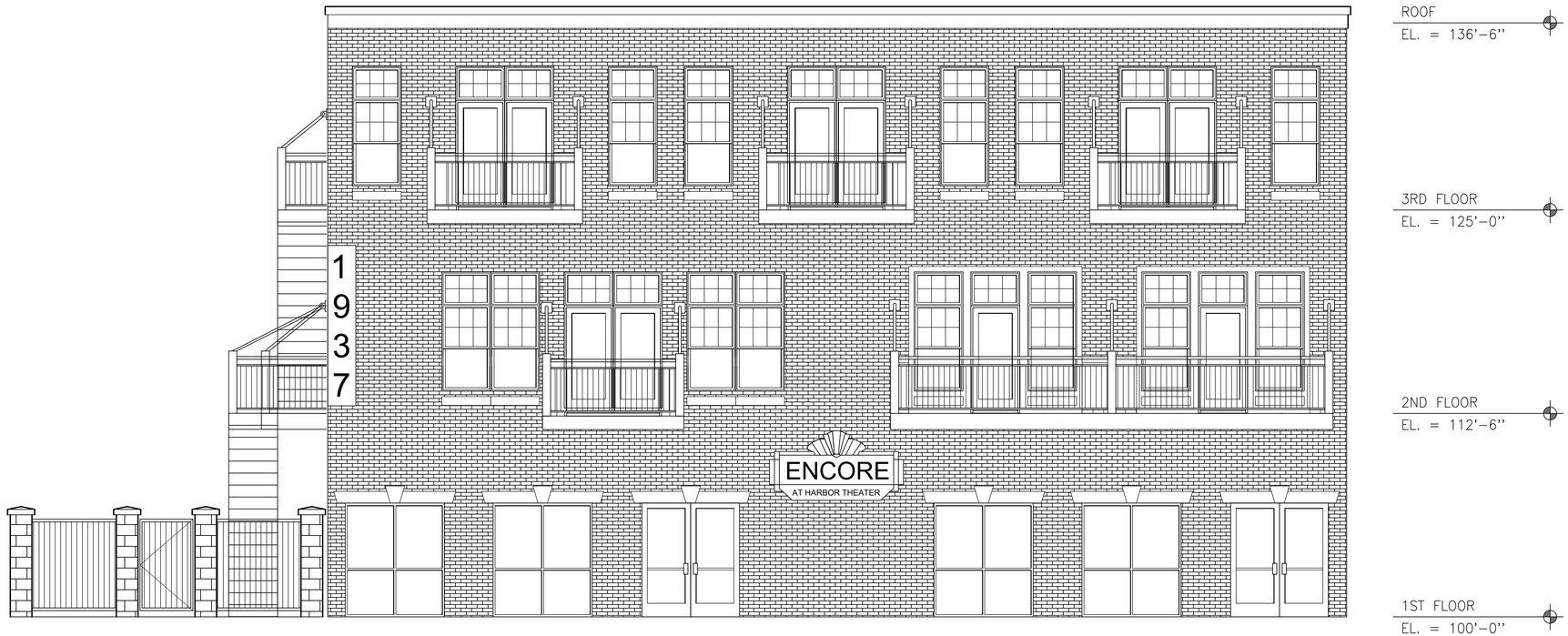
Job 12513

File Name 12513A03

Sheet A-3



PROPOSED FRONT ELEVATION AS VIEWED FROM LAKESHORE DRIVE

SCALE: 1/4" = 1'-0"

KEYNOTES

	By
	Date
	Description
	Rev.

Drawn —
Checked —
Scale 1/4"=1'-0"
Date —
Rev. By —
Rev. Date 1/21/26

HARBOR THEATER CONDOMINIUMS & RETAIL
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PROPOSED ELEVATION PLAN

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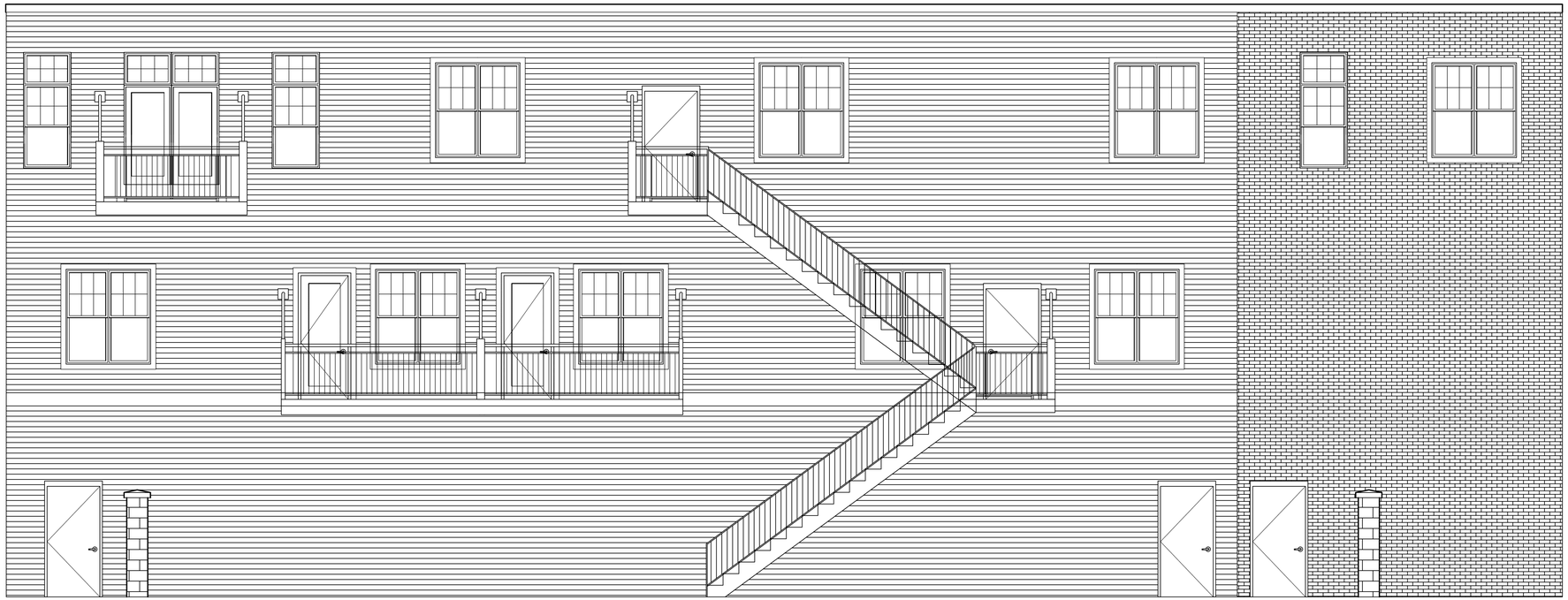
Job 12513

File Name 12513A05

Sheet A-5



ROOF
EL. = 136'-6"

3RD FLOOR
EL. = 125'-0"

2ND FLOOR
EL. = 112'-6"

1ST FLOOR
EL. = 100'-0"

PROPOSED SIDE ELEVATION

AS VIEWED FROM COURTYARD

SCALE: 1/4" = 1'-0"

ROOF
EL. = 136'-6"

3RD FLOOR
EL. = 125'-0"

2ND FLOOR
EL. = 112'-6"

1ST FLOOR
EL. = 100'-0"

PROPOSED REAR ELEVATION

AS VIEWED FROM ALLEY

SCALE: 1/4" = 1'-0"

KEYNOTES

By	Date	Description	Rev.

Drawn —— Checked —— Scale 1/4"=1'-0"
Date —— Rev. By —— Rev. Date 1/21/26

HARBOR THEATER CONDOMINIUMS & RETAIL
1937 LAKESHORE DR.
MUSKEGON, MI 49441

PROPOSED ELEVATION PLAN

Randers EC
Design
Development
Construction
ENGINEERS & CONSTRUCTORS, INC.
3597 Henry Street Suite 200 • Muskegon, Michigan 49441 • Tel (231) 780-1200 • Fax (231) 780-0211
www.randers.com

OWNER APPROVAL
Date By

Job 12513

File Name 12513A06

Sheet A-6

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Issuance of an Obsolete Property Certificate — 1185 Third St.
Submitted by: Jocelyn Hines, Development Analyst	**Department:** Economic Development

Brief Summary:
Pursuant to Public Act 146 of the Michigan Public Acts of 2000, as amended, 1185 Third St. LLC has requested the issuance of an Obsolete Property Certifcate at 1185 Third St. to support further development.

Detailed Summary & Background:
1185 Third St. LLC has requested issuance of an Obsolete Property Rehabilitation Certificate for the property located at 1185 Third Street. If approved, the property's taxable value would be frozen at the pre-rehabilitation level for the duration of the certificate. The Obsolete Property Rehabilitation District for this site was established by the City Commission on October 22, 2002.

The applicant proposes to rehabilitate a long-vacant commercial building in the downtown. The project represents an estimated investment of $4,925,000 and includes significant upgrades to mechanical, electrical, and plumbing systems, structural improvements, and exterior and façade enhancements. Upon completion, the building will be used as an office and research and development facility. The prospective tenant is expected to retain approximately 80 full-time positions at this location, supporting continued employment within the City.

The City's Internal Tax Committee has reviewed the application and all required supporting documentation. Based on its analysis and calculations, the Committee recommends approval of the attached resolution granting a twelve (12)-year Obsolete Property Rehabilitation Certificate.

Goal/Action Item:
2027 Goal 1: Destination Community & Quality of Life - Reduction of blighted commercial properties

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: N/A	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): N/A	**Budget Amendment Needed:** Yes ☐ No ☐ N/A ■

Recommended Motion:

I move to close the public hearing and approve the attached resoution for the issuance of an Obsolete Property Certificate for 1185 Third St. and authorize the City Clerk and Mayor to sign.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:

Public Act 146 of the Michigan Public Acts of 2000, as amended

Michigan Department of Treasury
3674 (Rev. 12-04)

Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by P.A. 146 of 2000. Filing of this form is voluntary. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

INSTRUCTIONS: File the original and one copy of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and the Resolution. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b)General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption.

Applicant (Company) Name (applicant must be the OWNER of the facility) 1185 Third Street LLC		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP code) 1593 Jefferson Street, Muskegon, MI 49441		
Location of obsolete facility (No. and street, P.O. Box, City, State, ZIP Code) 1185 Third Street, Muskegon, MI 49441		
City, Township, Village Muskegon	County Muskegon	
Date of Commencement of Rehabilitation 2/1/26	Planned date of Completion of Rehabilitation 8/30/26	School District where facility is located (include school code) MI-61010
Estimated Cost of Rehabilitation $4,925,000.00	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet

Expected project likelihood (check all that apply):

- [x] Increase Commercial activity
- [x] Retain employment
- [x] Revitalize urban areas
- [x] Create employment
- [x] Prevent a loss of employment
- [ ] Increase number of residents in the community in which the facility is situated

Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment 80

The State Treasurer may exclude from the specific tax up to 1/2 of the mills levied for local school operating purposes and for the State Education Tax. Check the following box if you wish to be considered for this exclusion. [x]

APPLICANT'S CERTIFICATION

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by P.A. 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by P.A. 146 of 2000 and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of P.A. 146 of 2000, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Company Officer name (no authorized agents) Frank Peterson	Telephone Number (231) 788-8086	Fax Number
Mailing Address 1593 Jefferson Street, Muskegon, MI 49441		Email Address frank@fjpeterson.com
Signature Frank Peterson		Title Member

LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

Clerk must also complete Parts 1-3 on Page 2.

Signature	Date application received

FOR STATE TAX COMMISSION USE

Application Number	Date Received

LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application. All sections must be completed in order to process.

PART 1: ACTION TAKEN

Action Date:_____

☐ Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)

☐ Denied

PART 2: RESOLUTIONS (All boxes must be checked prior to submitting this form.)

☐ A statement that the local unit is a Qualified Local Governmental Unit.

☐ A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of P.A. 146 of 2000.

☐ A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under P.A. 146 of 2000 and under P.A. 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.

☐ A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.

☐ A statement that the application was approved at a public hearing as provided by section 4(2) of P.A. 146 of 2000 including the date of the hearing.

☐ A statement that the applicant is not delinquent in any taxes related to the facility.

☐ If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operating of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.

☐ A statement that all of the items described on line 9 of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.

☐ A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.

☐ A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.

☐ A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of P.A. 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under P.A. 146 of 2000 to establish such a district.

☐ A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.

☐ A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of P.A. 146 of 2000.

☐ A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.

PART 3: ASSESSOR RECOMMENDATIONS

Current Taxable Value and State Equalized Value of obsolete properties

	Taxable Value	State Equalized Value (SEV)
Land	25,000	25,000
Buildings	54,504	103,100
Buildings on Leased Land	—	—
Other Personal Property	—	—
Year of Values	2025	2025
Name of Local Government Body: City of Muskegon		Date of Action on application: 1/13/2026

CLERK CERTIFICATION

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by P.A. 146 of 2000 may be in jeopardy.

Clerk Signature	Date	Telephone Number	Fax Number
Clerk's Mailing Address	**City & State**	**ZIP Code**	

Mail completed Application and copy of Resolution to:
State Tax Commission
Michigan Department of Treasury
P.O. Box 30471
Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408 or 373-3302.

OPRA Exemption Application Narrative

1185 Third Street, Muskegon, MI 49441
61-24-205-379-0011-00

Project Overview

The proposed project involves the substantial rehabilitation of a **long-vacant commercial property located at 1185 Third Street in downtown Muskegon**. The building has remained underutilized for an extended period due to outdated building systems, functional inefficiencies, and its inability to support modern commercial operations without significant capital investment.

The applicant proposes to invest **$4,925,000** into the rehabilitation of the existing structure to reposition it as a productive employment center. Upon completion, the building will be mixed use, with utilization of approximately **75% office space and 25% research and development space**, supporting a modern, technology-enabled business environment consistent with the City of Muskegon's downtown revitalization and economic development objectives.

Description of the Obsolete Facility

The subject property qualifies as an **obsolete property** as defined under the Obsolete Property Rehabilitation Act. The building exhibits **functional obsolescence** due to outdated mechanical, electrical, and plumbing systems; inefficient floor layouts; and building components that no longer meet current market or operational standards. These deficiencies have rendered the property uncompetitive for contemporary office or research uses without comprehensive rehabilitation.

Absent this proposed investment, the property is unlikely to attract private reinvestment and would remain vacant or underperforming, detracting from the vitality and economic productivity of downtown Muskegon.

Description of Proposed Rehabilitation

The proposed rehabilitation will include extensive improvements to both the interior and exterior of the building, including but not limited to:

- Replacement and modernization of **mechanical, electrical, and plumbing systems** to support office and R&D operations.

- **Interior reconfiguration and build-out** to accommodate flexible office layouts and specialized research and development space.
- **Structural and code-related upgrades** to ensure long-term viability and compliance with current standards.
- **Accessibility upgrades** to ensure compliance with the Americans with Disabilities Act (ADA) and promote universal access.
- **Exterior and facade improvements**, enhancing the building's appearance and contribution to the downtown streetscape, including replacement of the roofing system, repair of degraded masonry, and replacement of all doors and windows.
- Installation of modern technology infrastructure necessary for office and research uses.

The total investment of $4,925,000 represents a substantial reinvestment that exceeds the minimum statutory threshold and materially extends the useful life of the structure.

Economic Impact and Employment Benefits

The project will result in the **retention of 80 full-time jobs**, all of which will be **new to downtown Muskegon** as a result of the relocation of operations from another city. These jobs represent a meaningful infusion of daytime employment into the downtown core, increasing foot traffic, supporting surrounding businesses, and strengthening the local economy. Additionally, it is expected that the rehabilitation work will support an additional 20 temporary construction jobs.

The project will:

- Establish a long-term employment base in a currently vacant structure.
- Introduce a large employer to the downtown that can support downtown initiatives and events.
- Increase downtown economic activity through office and R&D uses.
- Support Muskegon's goals of attracting knowledge-based and innovation-oriented employment.
- Prevent further deterioration of a key downtown property, creating a better connection between the traditional downtown district and the Midtown district along Third Street.
- Add approximately $8,400,000 in new payroll to the city.

Community and Fiscal Benefits

Beyond job retention, the rehabilitation of 1185 Third Street will deliver broader community benefits, including:

- **Revitalization of a vacant downtown building**, eliminating blight and underutilization.
- Reinforcement of downtown Muskegon as a destination for professional and research-oriented uses.
- Long-term expansion of the local tax base following the conclusion of the OPRA exemption period.
- Encouragement of additional private investment in surrounding properties.

The project aligns with OPRA's intent to stimulate redevelopment that would not otherwise occur due to financial feasibility challenges associated with rehabilitating obsolete buildings.

6. Necessity of the OPRA Exemption

The applicant asserts that **the project is not economically feasible without the OPRA exemption**. The cost of rehabilitating an obsolete structure for modern office and R&D use presents a significant financial burden that exceeds the cost of new construction in non-urban locations. The OPRA exemption is a critical tool in closing this feasibility gap and enabling reinvestment in Muskegon's downtown.

Considering the combined acquisition and redevelopment costs exceeding $5,500,000, the 21,000 square foot facility will cost the tenant nearly $27 per square foot in NNN lease costs. The unexempted taxes could add an additional $6.00-$7.00 per square foot in annual costs – leaving the property uncompetitive when compared to other available properties in West Michigan.

Project Schedule and Compliance

Rehabilitation is expected to commence immediately following the creation of the OPRA district, and continue following the approval of the OPRA certificate and completion of all required local and state approvals. The applicant will comply with all reporting, assessment, and operational requirements set forth under the Obsolete Property Rehabilitation Act and City of Muskegon policies.

General OPRA Compliance Statements

Applicant attests to the following:

1. The Applicant is not delinquent on any taxes or fees related to the facility.

2. The Applicant did not begin rehabilitation work prior to the creation of the Obsolete Property Rehabilitation District.

3. The completed project will result in a rehabilitated property within an Obsolete Property Rehabilitation District.

4. The rehabilitation of the facility would not be undertaken without the Applicant's receipt of the exemption certificate

Conclusion

The proposed rehabilitation of 1185 Third Street meets the statutory requirements and public purpose of the Obsolete Property Rehabilitation Act. The project transforms a long-vacant, functionally obsolete property into a productive office and research facility, retains 80 jobs new to downtown Muskegon, and advances the City's economic development and revitalization goals. Approval of the OPRA exemption is respectfully requested to enable this significant private investment and long-term community benefit.

1148 THIRD STREET
DEVELOPMENT BUDGET (updated 1.15.26)

Estimated Development Costs	Pre-Closing	Post-Closing	Total	
Acquisition Cost				
Property Acquisition Costs	$10,000	$515,000	$525,000	
Title Insurance (see bank fees)	$0	$0	$0	
Misc. Closing Costs/Fees/Contingencies	$0	$50,000	$50,000	
Total Acquisition Costs	$10,000	$565,000	$575,000	12%
Hard Costs				
Roof	$270,000	$0	$270,000	
Masonry + Concrete	$50,000	$160,000	$210,000	
Doors + Windows	$0	$313,000	$313,000	
Elevator	$0	$145,000	$145,000	
MEP Package	$0	$1,289,000	$1,289,000	
Flooring	$0	$71,000	$71,000	
Paint	$0	$47,000	$47,000	
Specialties	$0	$40,000	$40,000	
Steel	$0	$25,000	$25,000	
General Trades	$0	$400,000	$400,000	
Site Work (parking lot)	$0	$100,000	$100,000	
Demo +Environmental Abatement	$0	$190,000	$190,000	
Total Hard Costs	$320,000	$2,780,000	$3,100,000	63%
Soft Costs				
GC COSTS (10% Hard Costs)	$120,000	$200,000	$320,000	
PROJECT MGMT (5% Hard Costs)	$0	$160,000	$160,000	
Developer Costs (5% Hard Costs)	$160,000	$0	$160,000	
Architect and Engineering (15% Hard Costs)	$120,000	$360,000	$480,000	
Real Estate Commissions (Yrs 1-10)	$0	$214,000	$214,000	
Surveying	$0	$6,500	$6,500	
Environmental Testing and Reporting	$25,000	$5,000	$30,000	
Legal	$2,500	$0	$2,500	
Builder's Risk Insurance During Construction	$0	$60,000	$60,000	
General Liability Insurance During Construction	$0	$5,000	$5,000	
Inspection Fees (Bank - assumes 6 inspections)	$0	$5,000	$5,000	
Loan/Bank Fees	$0	$50,000	$50,000	
Construction Interest	$0	$70,000	$70,000	
City Permits Fees and Fees	$5,000	$60,000	$65,000	
Total Soft Costs	$432,500	$1,195,500	$1,628,000	33%
Contingencies/Reserves				
Contingency		$122,000	$122,000	
Total Contingencies/Reserves	$0	$122,000	$122,000	2%
VALUE ENGINEERING	$0	-$500,000	-$500,000	-10%
Total Project Costs	**$762,500**	**$4,162,500**	**$4,925,000**	
RESERVE FUND	**$0**	**$500,000**	**$500,000**	
TOTAL WITH RESERVES	**$762,500**	**$4,662,500**	**$5,425,000**	

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN

RESOLUTION NO. _____

A resolution approving the application for an Obsolete Property Rehabilitation Exemption Certificate by 1185 Third St. LLC

The City Commission of the City of Muskegon hereby RESOLVES:

Recitals

A. The City Commission has received an Application for an Obsolete Property Rehabilitation Exemption Certificate from 1185 Third St. LLC, to apply to the improvements located in an Obsolete Property Rehabilitation District established by previous resolution. All items described under "Instructions" (a) through (f) of the application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the City of Muskegon, the Qualified Local Government Unit, by the applicant.

B. The City of Muskegon is a qualified local governmental unit as determined by STC Bulletin No. 9 of 2000, dated July 12, 2000.

C. An Obsolete Property Rehabilitation District in which the application property is located was established after a hearing on October 22, 2002.

D. The taxable value of the property proposed to be exempt, plus the aggregate taxable value of properties already exempted under PA 146 of 2000 and under PA 198 of 1974, does not exceed five percent (5%) of the total taxable value of the City of Muskegon.

E. In the event it is determined that the said taxable values do exceed five percent (5%), the City Commission determines further that the said exceedance will not have the effect of substantially impeding the operation of the City of Muskegon or impairing the financial soundness of any affected taxing units.

F. This resolution of approval is considered by the City Commission on January 27, 2026, after a public hearing as provided in Section 4(2) of PA 146 of 2000. The hearing was held on this date.

G. The applicant, 1185 Third St. LLC, is not delinquent any taxes related to the facility.

H. The exemption to be granted by this resolution is for 12 years.

I. The City Commission finds that the property for which the Obsolete Property Rehabilitation Exemption Certificate is sought is obsolete property within the meaning of Section 2(h) of Public Act 146 of 2000 in that the property, which is commercial, is functionally obsolete. The City has received from the applicant all the items required by Section 9 of the application form, being the general description of the obsolete facility, a general description of the proposed use, a description of the general nature and extent of the rehabilitation to be undertaken, a descriptive list of fixed building equipment that will be part of the rehabilitated facility, a time schedule for undertaking and complete the rehabilitation, and statement of the economic advantages expected from the exemption.

J. Commencement of the rehabilitation has not occurred before the establishment of the district.

K. The application relates to a rehabilitation program that when completed will constitute a rehabilitated within the meaning of PA 146 of 2000 and will be situated within the Obsolete Property Rehabilitation District established by the City under PA 146 of 2000.

L. Completion of the rehabilitated facility is calculated to and will, at the time of the issuance of the Certificate, have the reasonable likelihood to increase commercial activity and create employment; it will revitalize an urban area. The rehabilitation will include improvements aggregating more than ten percent (10%) of the true cash value of the property at the commencement of the rehabilitation.

M. The City Commission determines that the applicant shall have twenty-four (24) months to complete the rehabilitation. It shall be completed by January 27, 2028, or two years after the Certificate is issued, whichever occurs later.

N. That notice pursuant to statute has been timely given to the applicant, the assessor for the City of Muskegon, representatives of the affected taxing units and the general public.

NOW, THEREFORE, THE CITY COMMISSION RESOLVES:

1. Based upon the statements set forth in, and incorporating the recitals to this resolution, the City Commission hereby approves the application filed by 1185 Third St. LLC, for an Obsolete Property Rehabilitation Exemption Certificate, to be effective for a period of 12 years;

2. BE IT FURTHER RESOLVED, that this resolution of approval relates to the property set forth in Attachment A, the legal description containing the facilities to be improved;

3. BE IT FURTHER RESOLVED, that, as further condition of this approval, the applicant shall comply with the representations and conditions set forth in the recitals above and in the application material submitted to the City.

This resolution passed.

Ayes: _____

Nays: _____

CITY OF MUSKEGON

BY: _____
Ken Johnson
Mayor

ATTEST: _____
Ann Meisch
Clerk

CERTIFICATE

This resolution was adopted at a meeting of the City Commission held on January 27, 2026. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By _____
Ann Meisch, City Clerk

ATTACHMENT A: PROPERTY DESCRIPTION

Address: 1185 Third St.

PIN#: 61-24-205-379-0011-00

Parcel Size: 0.42 Acres

Legal: CITY OF MUSKEGON REVISED PLAT OF 1903 LOTS 11-12 & NELY 3 FT LOT 10 BLK 379

Commission Meeting Date: October 22, 2002

Date: **October 9, 2002**

To: **Honorable Mayor and City Commissioners**

From: **Planning & Economic Development** CBC

RE: **Public Hearing - Request to Establish an Obsolete Property District – Third Street Between Houston and Merrill Avenues, including 1201 Third Street, and four properties on Houston Avenue**

SUMMARY OF REQUEST:

Pursuant to Public Act 146 of the Michigan Public Acts of 2000, the City Planning Department, has requested the establishment of an Obsolete Property District. The district would be located on Third Street between Houston and Merrill Avenues, including 1201 Third Street, and four properties on Houston Avenue, Muskegon, MI. This request is in conjunction with the plans for a Main Street project being planned by the Muskegon Arts & Entertainment District and Neighborhood Investment Corporation.

FINANCIAL IMPACT:

None at this time. When Obsolete Property Certificates are issued, the property taxes would be frozen for the duration of the certificate.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval of the attached resolution establishing an Obsolete Property District for properties located on Third Street between Houston and Merrill Avenues, including 1201 Third Street, as well as four properties on Houston Avenue, Muskegon, MI.

COMMITTEE RECOMMENDATION:

None

CITY OF MUSKEGON
MUSKEGON COUNTY, MICHIGAN

RESOLUTION NO. 2002-118(a)

A resolution establishing an Obsolete Property Rehabilitation District.

The City Commission of the City of Muskegon hereby RESOLVES:

Recitals

A. The City of Muskegon has been designated as a qualified local government unit for the purpose of establishing Obsolete Property Rehabilitation Districts and approving Applications for Obsolete Property Rehabilitation Exemption Certificates.

B. The area located in the land described in this resolution is known to the City Commission and is clearly characterized by the presence of obsolete commercial property, and the land and improvements are obsolete commercial property.

C. Notice has been given by certified mail to the owners of all real property within the proposed Obsolete Property Rehabilitation District and a hearing has been held offering an opportunity to all owners and any other resident or taxpayer of the City to appear and be heard. Said notice was given at least ten (10) days before the hearing.

NOW, THEREFORE, THE CITY COMMISSION RESOLVES:

1. That the property described in this resolution and proposed as an Obsolete Property Rehabilitation District is characterized by obsolete commercial property.

2. That the obsolete commercial property, the subject of this resolution, is described on the Attachment A to this resolution.

3. That the City Commission hereby establishes an Obsolete Property Rehabilitation District on the lands and parcels set forth in the attached description.

This resolution passed.

Ayes Larson, Schweifler, Shepherd, Spataro, Warmington, Buie, Gawron

Nays None

CITY OF MUSKEGON

By Gail A. Kundinger
Gail A. Kundinger, MMC
Clerk

CERTIFICATE

This resolution was adopted at a meeting of the City Commission, held on October 22, 2002. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By Gail A. Kundinger
Gail A. Kundinger, MMC
Clerk

ATTACHMENT A

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 15 EX SLY 1 FT IN WIDTH & TH W 3 FT OF LOT 14 BLK 367

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 16 BLK 367

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 1 BLK 367

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 1 AND E ½ LOT 2; LOTS 4, 5, 6, 7, AND 8 BLK 365. ALSO N 1/2 VAC MONROE AVE BTW FIRST AND THIRD STS AND VAC SECOND ST ADJ LOTS 4 AND 5 LOTS 2, 3, & 4 BLK 366 ENTIRE BLK 380 AND VAC MONROE AVE BTW THIRD & FIRST STREETS

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 1 BLK 366

CITY OF MUSKEGON REVISED PLAT OF 1903 E ½ LOT 2 BLK 367

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 1 BLK 386

CITY OF MUSKEGON REVISED PLAT OF 1903 BLK 379 LOTS 11 & 12 AND NELY 3 FT LOT 10

CITY OF MUSKEGON REVISED PLAT OF 1903 BLK 379 LOTS 1 & 2

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 11 EX THAT PART DESC AS COM AT SE COR OF LOT 11 TH NLY ALONG WLY LINE OF THIRD ST 42.80 FT FOR POB TH CONT NLY ALONG SAID WLY LINE 23.85 FT M/L TO NLY LINE OF LOT 11 TH WLY ALONG NLY LINE 98.75 FT TH SLY PAR TO WLY LINE OF THIRD ST 24.57 FT TH ELY 98.75 FT TO POB ALSO EX SWLY 8 FT OF NELY 76 FT OF SELY 43 FT FOR ALLEY BLK 367

CITY OF MUSKEGON REVISED PLAT OF 1903 PART OF LOT 11 COM AT SE COR LOT 11 TH NLY ALONG WLY LINE OF THIRD ST 42.80 FT FOR POB TH CONT NLY ALONG SAID WLY LINE 23.85 FT M/L TO NLY LINE OF LOT 11 TH WLY ALONG NLY LINE 98.75 FT TH S PAR TO WLY LINE OF THIRD ST 23.57 FT TH ELY 98.75 TO POB BLK 367

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 12 BLK 367

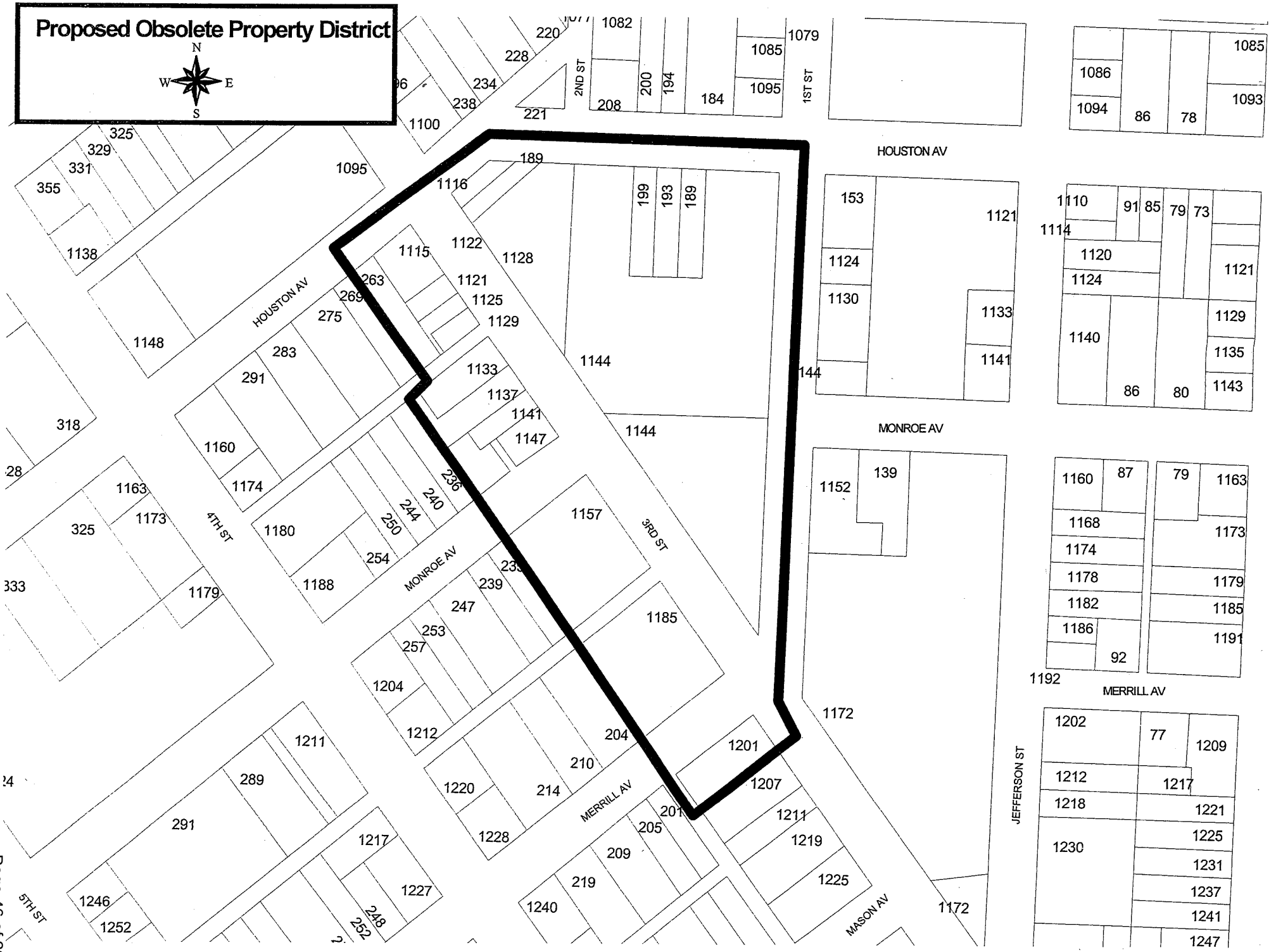
CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 13 BLK 367

CITY OF MUSKEGON REVISED PLAT OF 1903 LOT 14 EX W 3 FT TH ' OF & S 1 FT LOT 15 EX THE W 3 FT TH ' OF BLK 367

CITY OF MUSKEGON REVISED PLAT OF 1903 W ½ LOT 3 BLK 365

CITY OF MUSKEGON REVISED PLAT OF 1903 E ½ LOT 3 BLK 365

CITY OF MUSKEGON REVISED PLAT OF 1903 W ½ LOT 2 BLK 365


Proposed Obsolete Property District
N
W
E
S
HOUSTON AV
MONROE AV
MERRILL AV
4TH ST
3RD ST
2ND ST
1ST ST
5TH ST
JEFFERSON ST
MASON AV

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Approval of Minutes
Submitted by: Ann Meisch, City Clerk	**Department:** City Clerk

Brief Summary:
To approve minutes of the January 5, 2026, Organizational Meeting; January 12, 2026, Worksession Meeting; and the January 13, 2026, City Commission Meeting.

Detailed Summary & Background:

Goal/Action Item:

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:

Budgeted Item:

Yes		No		N/A	X	

Fund(s) or Account(s):

Budget Amendment Needed:

Yes		No		N/A	X	

Recommended Motion:
Approval of the minutes.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:

CITY OF MUSKEGON

ORGANIZATIONAL MEETING

January 5, 2026 @ 5:30 PM

MUSKEGON CITY COMMISSION CHAMBERS

933 TERRACE STREET, MUSKEGON, MI 49440

MINUTES

The Organizational Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Monday, January 5, 2026. Mayor Johnson opened the meeting with a moment of silence, after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL

Present: Mayor Ken Johnson, Commissioners Jay Kilgo, Destinee Keener, Willie German, Jr., Kiley Jackson, Katrina Kochin, and Rebecca St.Clair, City Manager Jonathan Seyferth, City Attorney Brennen Gorman, and City Clerk Ann Marie Meisch

HONORS, AWARDS, AND PRESENTATIONS

A. Oath of Office Ceremony - Judge Pittman City Clerk

Judge Gregory C. Pittman issued the Oath of Office to Commissioner At-Large Kiley Jackson, Commissioner At-Large Rebecca St.Clair, and Mayor Kenneth D. Johnson.

PUBLIC COMMENT ON AGENDA ITEMS

No public comments were received.

2026-01 NEW BUSINESS

A. Certification of Commissioners/Mayor Seating Manager's Office

In accordance with the Muskegon City Charter, Chapter IV Section 2 - the City Commission shall be the judge of the election and qualification of its own members.

The City Commission is being asked to certify that the Mayor and all members of the City Commission have been duly elected and meet the qualifications for the offices they will hold. The Muskegon City Charter, Chapter IV, Section 2 notes: "The City Commission shall be the judge of the election and qualification

of its own members, subject to the review of the courts."
This is not an action that the Commission has traditionally taken. However, with the amendment to the City Charter adding a 12-year lifetime term limit, this action is advisable.
Two members of the Commission have served more than 12 years, as permitted by the new charter amendment: Mayor Johnson and Commissioner German.
The City's position is that both Mayor Johnson and Commissioner German are eligible to serve the terms for which they were elected, consistent with the State of Michigan's Home Rule City Act, despite having served 12 or more years on the City Commission.
The Home Rules City Act, Section 117.1(1)d)) states: "The term of a public official shall not be shortened or extended beyond the period for which the official is elected or appointed, unless he or she resigns or is removed for cause, if the office is held for a fixed term."
As both Commissioner German and Mayor Johnson were elected to fixed terms (four years) prior to the charter amendment going into place, they are eligible to serve the whole terms for which they were elected.
Commissioner Kilgo made a formal statement of rejection for the record.

Motion by Commissioner Kilgo, second by Commissioner Keener, to move that, per Chapter IV, Section 2 of the Muskegon City Charter, the Mayor and all members of the City Commission have been duly elected, as certified by the Muskegon County Board of Canvassers, and are qualified to serve in the offices for which they were elected.

Motion by Commissioner Keener, second by Commissioner Kilgo, to call the question.

Vote on Amendment:

ROLL VOTE: Ayes: Keener, Jackson, Kochin, St.Clair, and Kilgo
Nays: German and Johnson

MOTION PASSES

Vote on Original Motion:

ROLL VOTE: Ayes: Kilgo, Keener, German, Jackson, Kochin, St.Clair, and Johnson
Nays: None

MOTION PASSES

C. Setting Commission Meetings City Clerk

To set the City Commission Meetings for 5:30 p.m. on the 2nd and 4th Tuesday of each month.

Motion by Commissioner St.Clair, second by Commissioner German, to approve the calendar as presented by the City Clerk for the 2026 meeting schedule.

ROLL VOTE: Ayes: German, Jackson, Kochin, St.Clair, Johnson, Kilgo, and Keener
Nays: None

MOTION PASSES

D. <u>Setting Worksession Meetings</u> City Clerk

To set Worksession Meetings for 5:30 p.m. on Mondays preceding the 2nd Tuesday of each month.

Motion by Commissioner Kochin, second by Commissioner Keener, to set Worksession Meetings for 5:30 p.m. on Mondays preceding the 2nd Tuesday of each month.

ROLL VOTE: Ayes: Jackson, Kochin, St.Clair, Johnson, Kilgo, Keener, and German
Nays: None

MOTION PASSES

E. <u>2026 LPC Meeting Calendar</u> Manager's Office

To set meeting dates for the Legislative Policy Committee for 2026.
Meetings are to be held on the fourth Wednesday of the second month of each quarter. For 2026, the proposed meeting dates are as follows:
Wednesday, February 25, 2026
Wednesday, May 27, 2026
Wednesday, August 26, 2026
Wednesday, November 18, 2026 - City Hall will be closed November 25, Thanksgiving Holiday

Motion by Commissioner Keener, second by Commissioner German, to set the meeting schedule as presented.

ROLL VOTE: Ayes: Kochin, St.Clair, Johnson, Kilgo, Keener, German, and Jackson
Nays: None

MOTION PASSES

F. Appointment of City Officials City Clerk

To appoint Jonathan Seyferth as City Manager, Ann Marie Meisch as City Clerk, Sarah Wilson as City Treasurer, Kenneth Grant as City Auditor, County Equalization Director Donna VanderVries as City Assessor and County Equalization Deputy Director Dan VanderKooi as Deputy Assessor.

Motion by Commissioner German, second by Commissioner Kilgo, to appoint Jonathan Seyferth as City Manager, Ann Marie Meisch as City Clerk, Sarah Wilson as City Treasurer, Kenneth Grant as City Auditor, County Equalization Director Donna VanderVries as City Assessor and County Equalization Deputy Director Dan VanderKooi as Deputy Assessor.

ROLL VOTE: Ayes: St.Clair, Johnson, Kilgo, Keener, German, Jackson, and Kochin
Nays: None

MOTION PASSES

G. Designation of City Fund Depositories City Clerk

To designate Fifth Third Bank (Main Depository), Huntington Bank, and Michigan Class as City depositories.

Motion by Commissioner Keener, second by Commissioner German, to designate Fifth Third Bank (Main Depository), Huntington Bank, and Michigan Class as City depositories.

ROLL VOTE: Ayes: Johnson, Kilgo, Keener, German, Jackson, Kochin, and St.Clair
Nays: None

MOTION PASSES

H. Designation of Firm to Act as Legal Counsel - Parmenter Law City Clerk

To designate Parmenter Law to act as Legal Counsel.

Motion by Commissioner St.Clair, second by Commissioner Kochin, to designate Parmenter Law to act as Legal Counsel.

ROLL VOTE: Ayes: Kilgo, Keener, German, Jackson, Kochin, St.Clair, and Johnson
Nays: None

MOTION PASSES

I. CRC Appointment Meeting Date City Clerk

Create a Special CRC Meeting for Board Appointments.

Motion by Commissioner St.Clair, second by Commissioner Kochin, to set January 26, 2026, as the Special CRC Meeting for board appointments.

ROLL VOTE: Ayes: Keener, German, Jackson, Kochin, St.Clair, Johnson, and Kilgo
Nays: None

MOTION PASSES

B. Election of Vice-Mayor City Clerk

To appoint a Vice-Mayor.

Motion by Commissioner German, second by Commissioner Kochin, to appoint Commissioner Destinee Keener as Vice-Mayor.

ROLL VOTE: Ayes: German, Jackson, Kochin, St.Clair, Johnson, Kilgo, and Keener
Nays: None

MOTION PASSES

J. Mayor Committee Appointments City Clerk

Mayor Johnson made the following appointments to various boards and committees:
Historic District Commission - Commissioner Katrina Kochin
Citizen's District Council - Commissioner Katrina Kochin
Community Relations Committee Chair - Commissioner Rebecca St.Clair
Farmers Market Advisory Board - Commissioner Rebecca St.Clair
Housing Commission - Commissioner Rebecca St.Clair
Equal Opportunity Committee - Commissioner Willie German, Jr. and Commissioner Kiley Jackson
Housing Code Board of Appeals - Commissioner Willie German, Jr.
Downtown Arts Committee - Commissioner Kiley Jackson
Julia Hackley Committee - Commissioner Kiley Jackson
Land Bank Authority - Commissioner Jay Kilgo
West Michigan Shoreline Regional Development Commission - Commissioner Jay Kilgo
Planning Commission - Vice Mayor Destinee Keener and Mayor Ken Johnson
Zoning Board of Appeals - Vice Mayor Destinee Keener
Parks & Recreation Advisory Committee - Mayor Ken Johnson

Motion by Vice Mayor Keener, second by Commissioner St.Clair, to make the appointments to the various boards and committees.

ROLL VOTE: Ayes: Jackson, Kochin, St.Clair, Johnson, Keener, and German
Nays: Kilgo

MOTION PASSES

ANY OTHER BUSINESS

Per discussion at the beginning of the meeting, City Manager Jonathan Seyferth apologized for not keeping the Commission more informed. Mayor Johnson urged the Commission to reach out to the City Manager or City Clerk if they have any concerns. He asked that everyone comes prepared for the meetings. He stated he is grateful for this Commission and looking forward to this new year.

GENERAL PUBLIC COMMENT

Public comments received.

ADJOURNMENT

The City Commission meeting adjourned at 7:30 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC City Clerk

CITY OF MUSKEGON

CITY COMMISSION WORKSESSION

January 12, 2026 @ 5:30 PM

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

MINUTES

The City Commission Worksession Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Monday, January 12, 2026.

Present: Mayor Ken Johnson, Vice Mayor Destinee Keener, Commissioners Jay Kilgo, Willie German, Jr., Kiley Jackson, Katrina Kochin, and Rebecca St. Clair, City Manager Jonathan Seyferth, and City Clerk Ann Marie Meisch

2026-02 NEW BUSINESS

A. BS&A Online Payments Treasury

City Treasurer Sarah Wilson explained that we are currently using Point & Pay, a third party processor, for online payments of tax and utility bills, as well as for credit card payments made at the counter. In 2024, BS&A launched their own online payment platform, BS&A Payments. After investigating the BS&A Payments option, we feel it is a better value and option for our municipality as a payment processor. We are recommending switching our payment processor to the BS&A Payments platform.

B. American Public Works Association (APWA) Monument Proposal Public Works

Public Works Director Dan VanderHeide introduced local representatives of the American Public Works Association (APWA) Derek Gajdos and John Gorney who presented a proposal to place a monument to public works along the Muskegon Channel. This will be brought back to Commission in February for a resolution of support.

C. City Commission Handbook Manager's Office

Deputy City Manager LeighAnn Mikesell gave an overview of the new commission handbook and the associated policies. This will be discussed further at the Legislative Policy Committee Meeting.

PUBLIC COMMENT

Public comments received.

ADJOURNMENT

The City Commission meeting adjourned at 7:00 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC City Clerk

CITY OF MUSKEGON

CITY COMMISSION MEETING

January 13, 2026 @ 5:30 PM

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 13, 2026. Pastor Russell Damm from the Oak Crest Church of God, opened the meeting with prayer, after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL

Present: Mayor Ken Johnson, Vice Mayor Destinee Keener, Commissioners Katrina Kochin, Rebecca St.Clair, Jay Kilgo, Willie German, Jr., and Kiley Jackson, City Manager Jonathan Seyferth, City Attorney Brennen Gorman, and Deputy City Clerk Linda Potter

HONORS, AWARDS, AND PRESENTATIONS

A. Recognition of Equalization Manager's Office

City Manager Jonathan Seyferth recognized County Equalization Director Donna VanderVries and staff for achieving a perfect score on the 2025 PA 660 Assessment Audit Review.

B. Audit Presentation-ACFR by Brickley Delong Finance

Finance Director Ken Grant introduced Eric VanDop from Brickley DeLong who gave a presentation of the 2024-25 audit.

2026-03 PUBLIC HEARINGS

A. Establishment of a Commercial Redevelopment District —356 W. Western Ave. Economic Development

Pursuant to Public Act 255 of 1978, as amended, King Real Estate Holdings, LLC has requested the establishment of a Commercial Redevelopment District for 356 W. Western Ave. Creating the district will enable the property owner to apply for a Commercial Facilities Exemption certificate. If approved, the certificate will freeze

the taxable value of the building and exempt the new real property investment from local property taxes for the duration of the exemption.
The proposed redevelopment will re-purpose the Century Club into a pediatric office, retail suite spaces, family-friendly entertainment space, and keep the event venue.
STAFF RECOMMENDATION: I move to close the public hearing and approve the establishment of the Commercial Redevelopment District for 356 W. Western Ave. and authorize the Mayor and City Clerk to sign the resolution.
The Public Hearing opened to hear and consider any comments from the public. No public comments were made.

Motion by Vice Mayor Keener, second by Commissioner Kochin, to close the public hearing and approve the establishment of the Commercial Redevelopment District for 356 W. Western Ave. and authorize the Mayor and City Clerk to sign the resolution.

ROLL VOTE: Ayes: St.Clair, Johnson, Kilgo, Keener, German, Jackson, and Kochin
Nays: None

MOTION PASSES

B. <u>Issuance of a Commercial Facilities Exemption Certificate — 356 W. Western Ave.</u> Economic Development

Pursuant to Public Act 255 of 1978, as amended, King Real Estate Holdings, LLC has requested the issuance of a Commercial Facilities Exemption Certificate. The certificate will freeze the taxable value of the building and exempt new real property investment from local taxes.
King Real Estate Holdings, LLC plans to rehabilitate the 15,000-square-foot Century Club building beginning in February 2026. The project represents a $475,232 investment and is expected to create two (2) new permanent healthcare positions, retain six (6) existing positions, and generate four (4) construction jobs.
This rehabilitation will serve as the new home of Muskegon Pediatrics. Skee Tees, a current tenant, will remain in the building. The existing event venue space will also be maintained, with the potential addition of a family-friendly entertainment business.
A public hearing for the establishment of the Commercial Redevelopment District is scheduled for the January 13, 2026, City Commission meeting.
The internal tax committee has reviewed the application and, based on its findings and calculations, recommends approval of the resolution for a term of four (4) years for real property. The applicant has submitted all required documentation.
STAFF RECOMMENDATION: I move to close the public hearing and approve a four (4) year Commercial Facilities Exemption Certificate for King Real Estate Holdings, LLC, and authorize the Mayor and City Clerk to sign the application and resolution.
The Public Hearing opened to hear and consider any comments from the public. No

public comments were made.

Motion by Commissioner German, second by Vice Mayor Keener, to close the public hearing and approve a four (4) year Commercial Facilities Exemption Certificate for King Real Estate Holdings, LLC, and authorize the Mayor and City Clerk to sign the application and resolution.

ROLL VOTE: Ayes: Johnson, Kilgo, Keener, German, Jackson, Kochin, and St.Clair
Nays: None

MOTION PASSES

FEDERAL/STATE/COUNTY OFFICIALS UPDATE

No comments were made.

PUBLIC COMMENT ON AGENDA ITEMS

No public comments were made.

2026-04 CONSENT AGENDA

A. Approval of Minutes City Clerk

To approve minutes of the December 9, 2025, City Commission Meeting.
STAFF RECOMMENDATION: Approval of the minutes.

B. BS&A Online Payments Treasury

We are currently using Point & Pay, a third party processor, for online payments of tax and utility bills, as well as for credit card payments made at the counter. In 2024, BS&A launched their own online payment platform, BS&A Payments. After investigating the BS&A Payments option, we feel it is a better value and option for our municipality as a payment processor. We are recommending switching our payment processor to the BS&A Payments platform.
We have recently encountered some issues and limitations with our current payment processing system. Staff began investigating BS&A Payments as an alternative payment processor, to see if we could both reduce the issues that have occurred as well modernize the system that is available to our residents. After spending time meeting with BS&A Payments' team, as well as researching their capabilities and talking with various users of the system, we determined this system to be superior to what we are currently using.
Some of the features we would gain with the BS&A Payments system include:

- An updated and modernized, easy-to-use customer interface for online payments
- Increased safety features, such as ACH validation prior to payment processing, and the ability to read "chip" enabled credit cards

- The ability to accept mobile wallet payments, such as Google or Apple Pay
- Text to pay capabilities
- Auto-pay and scheduled payment capabilities

One important note regarding this system is that the fees customers pay to use the system would increase very slightly. The current fee for using a credit card is 2.8%. With the BS&A payments system, the fee would increase to 2.8% plus $0.50. The current fee for paying online via ACH (or e-check) is $0.85. The fee under the new system would be $1.25. Although the fees are slightly higher, we believe the added value and convenience for the residents makes the switch worthwhile. It is also important to note that customers are not required to use these payment methods. We will still offer all of our other options that are free of charge, such as payment by check, cash, mail, etc. This system is strictly offered as a convenience for those who choose to use it.
The only cost to the municipality is the cost of the terminals that would be located at the counters. The cost for each terminal is $350, and we would need 15 terminals. There are no other fees to the municipality for using the BS&A Payments system.
STAFF RECOMMENDATION: I move to approve changing the City's payment processor to BS&A Payments and authorize the Treasurer to sign the addendum.

H. <u>Sewer Jet Truck Purchase</u> Public Works

DPW staff would like to replace our existing sewer jet truck with the 2026 Freightliner M2 offered from Fredrickson Supply for $318,448.07.
DPW staff use our existing sewer jet truck daily. This truck is used to ensure our sewer and drain systems are working properly and help remove any blockages. This truck is commonly used to clear blocked sewer pipelines when residents call regarding sewer backups at their home. This piece of equipment is one of the City's most commonly used and its reliability is essential for DPW staff. The current sewer jet truck is 13 years old and has started showing signs of its age. One option to replace it would be a 2026 Freightliner from Fredrickson Supply. We have explored several options for replacement from various vendors and, based on the feedback of staff, the sewer jet truck from Fredrickson is the best fit for our staff. The control system of this vehicle mirrors that of similar equipment we currently own and use. This will allow for cross-training between the departments and equipment. This replacement will provide the reliability and versatility we need. Fredrickson Supply had quoted the truck with Sourcewell pricing. Sourcewell is a cooperative purchasing program that allows agencies to purchase equipment or services through pre-bid contracts, satisfying the City's purchasing policy and bidding requirements.
STAFF RECOMMENDATION: Staff recommends the purchase of a 2026 Freightliner Sewer Jet Truck from Fredrickson Supply for the amount of $318,448.07.

Motion by Commissioner St.Clair, second by Commissioner Kilgo, to adopt the Consent Agenda as presented minus items C, D, E, F, and G.

ROLL VOTE: Ayes: Kilgo, Keener, German, Jackson, Kochin, St.Clair, and Johnson
Nays: None

MOTION PASSES

2026-05 ITEMS REMOVED FROM THE CONSENT AGENDA

C. 2026 Wage Matrix for Non-Union Part-Time and Limited Term Employees Employee Relations

The part-time and limited-term wage matrix is for long-term part-time positions and seasonal staffing positions. It reflects the increase to the minimum wage that, if approved, will be retroactive to January 1, 2026.
STAFF RECOMMENDATION: Recommending adoption of the 2026 Wage Matrix for non-union, part-time and limited-term employees.

Motion by Commissioner German, second by Commissioner St.Clair, to adopt the 2026 Wage Matrix for non-union, part-time and limited-term employees.

ROLL VOTE: Ayes: Keener, German, Jackson, Kochin, St.Clair, Johnson, and Kilgo
Nays: None

MOTION PASSES

D. 2024 Justice Assistance Grant Public Safety

The Police Department is seeking approval to enter into a MOU with the County of Muskegon and Muskegon Heights to receive funds for the allocated 2024 Edward Byrne Memorial Justice Assistance Grant (JAG) program funds. Local JAG allocations to disparate jurisdictions in our county totals $34,675.
This is a grant the community has received before. The City of Muskegon will continue to act as the fiduciary and receive $21,486, the City of Muskegon Heights would be a sub-recipient and receive $13,189 and the County of Muskegon would not receive funding.
Similar to past years, the City of Muskegon's portion of this grant will be used for the prosecution of city ordinance cases dealing primarily with neighborhood issues.
STAFF RECOMMENDATION: I move to approve the 2024 JAG Grant Memorandum of Understanding and authorize the Mayor to sign to receive the grant funds.

Motion by Commissioner Kilgo, second by Commissioner Kochin, to approve the 2024 JAG Grant Memorandum of Understanding and authorize the Mayor to sign to receive the grant funds.

ROLL VOTE: Ayes: German, Jackson, Kochin, St.Clair, Johnson, and Keener
Nays: None
Abstain: Kilgo

MOTION PASSES

E. <u>Resolution Revoking an Obsolete Property Rehabilitation Act (OPRA) Exemption Certificate for Ghezzi Investments LLC</u> Economic Development

Staff has drafted a resolution to revoke the OPRA certificate for the property located at 1937 Lakeshore Drive.

On March 12th, 2019, the City Commission approved a resolution to establish an Obsolete Property Rehabilitation Act (OPRA) Exemption Certificate for Richard Ghezzi, of Ghezzi Investments LLC. The property at 1937 Lakeshore Drive (the former Harbor Theater in Lakeside) was previously approved for rehabilitation under OPRA to support a redevelopment project. The project was required to commence within two years of the certificate's issuance, with a completion deadline of March 12, 2021. Unfortunately, that project was not completed within the required construction period, and the property has since changed ownership. A new mixed-use redevelopment project is now proposed for the site. Staff has prepared a resolution to revoke the existing OPRA certificate in order to allow the current property owners to consider future development incentives for the property.

Revoking the existing OPRA certificate is a necessary step to clear the prior approval and enable the current property owners to pursue a new tax abatement for their proposed redevelopment project.

STAFF RECOMMENDATION: I move to adopt the resolution revoking the Obsolete Property Rehabilitation Act (OPRA) Exemption Certificate for Ghezzi Investments LLC at 1937 Lakeshore Drive.

Motion by Commissioner Kochin, second by Commissioner St.Clair, to adopt the resolution revoking the Obsolete Property Rehabilitation Act (OPRA) Exemption Certificate for Ghezzi Investments LLC at 1937 Lakeshore Drive.

ROLL VOTE: Ayes: Jackson, Kochin, St.Clair, Johnson, Kilgo, Keener, and German
Nays: None

MOTION PASSES

F. <u>Amendment to Purchase and Development Agreement: 286/294 Myrtle</u> Planning

Staff is seeking authorization to amend the Purchase and Development Agreement with RSW Holdings LLC and Barrowstone Capital LLC (approved on June 10, 2025). In an effort to minimize disruption of established neighboring properties due to encroachment issues, staff is seeking authorization to amend the Purchase and Development Agreement with RSW Holdings LLC and Barrowstone Capital LLC (approved on June 10, 2025) to allow the total number of homes to be built to be three (3) instead of the currently obligated four (4).

The original number of housing units in this agreement was five (5), reduced to four (4) after a previously approved amendment. This agreement approved the purchase of three parent parcels that were to be split into five build-able lots for the

construction of a single-family home on each lot. The first amendment, approved by the city commission on 12/9/25, reduced the number of homes to be built on 450 Orchard from two (2) to one (1). 450 Orchard was split into two lots, resulting in a new address of 454 Orchard. After construction began, the placement of two houses on this lot resulted in encroachment on neighboring properties.
Another property on the original purchase agreement, 286 Myrtle — later split into two lots (286 & 294 Myrtle), has been found to also have encroachment issues. The house on the property to the east straddles the parcel line, as well as, the location of a neighbor's deck/shed/parking area to the northwest is extending onto the parcel.
Staff is recommending reducing the builders' obligation to one home to be built here, to combine the current lots (286 & 294 Myrtle) back to one lot, and adjusting the boundaries to accommodate the encroachment issues.
Staff would like to seek approval for a second amendment for this agreement, and combine this lot back to its original dimensions and allow the developer to build one single-family home.
STAFF RECOMMENDATION: To authorize the Code Coordinator to amend the Purchase and Development Agreement with RSW Holdings LLC and Barrowstone Capital LLC (approved on June 10, 2025), as described, and to have the Mayor and Clerk sign the purchase agreement addendum.

Motion by Commissioner German, second by Commissioner St.Clair, to authorize the Code Coordinator to amend the Purchase and Development Agreement with RSW Holdings LLC and Barrowstone Capital LLC (approved on June 10, 2025), as described, and to have the Mayor and Clerk sign the purchase agreement addendum.

ROLL VOTE: Ayes: Kochin, St.Clair, Johnson, Kilgo, Keener, German, and Jackson
Nays: None

MOTION PASSES

G. <u>Sale of 502 Oak</u> Planning

Staff is seeking authorization to sell the City-owned vacant lot at 502 Oak to David Arnoldink.
David Arnoldink, would like to purchase the City-owned buildable lot at 502 Oak for $2,000 (50% of the True Cash Value of $4,000) plus half of the closing costs, and the fee to register the deed. David Arnoldink will be constructing a duplex and an ADU on the property.
STAFF RECOMMENDATION: Authorize staff to sell the City-owned vacant lot at 502 Oak to David Arnoldink.

Motion by Commissioner German, second by Commissioner Kochin, to authorize staff to sell the City-owned vacant lot at 502 Oak to David Arnoldink.

ROLL VOTE: Ayes: St.Clair, Johnson, Kilgo, Keener, German, Jackson, and Kochin

Nays: None

MOTION PASSES

ANY OTHER BUSINESS

Vice Mayor Keener apologized to the Muskegon residents and Commission for the confusion at last week's meeting.
Mayor Johnson thanked Vice Mayor Keener for her statements. He apologized to Commissioner German for interrupting him at last week's meeting.
Commissioner kilgo stated that Home Depot is having a free trades training program. The website is pathtopro.com.
Commissioner St.Clair reminded everyone that each January is an opportunity to apply to be on the City's boards. Please fill out an application.

GENERAL PUBLIC COMMENT

Public comments received.

ADJOURNMENT

The City Commission meeting adjourned at 7:20 p.m.

Respectfully Submitted,

Ann Marie Meisch, MMC City Clerk

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** DPW Union Contract
Submitted by: LeighAnn Mikesell, Deputy City Manager	**Department:** Manager's Office

Brief Summary:
Staff is seeking approval of the contract with the SEIU Unit 2 union.

Detailed Summary & Background:
Management and SEIU Unit 2 have reached tentative agreement on changes to the contract, the union has ratified the changes, and the updated contract has been drafted. Changes will be implemented once all parties have signed the contract. Pay is retroactive 30 days only. Staff is seeking an up or down vote on this item as any changes would require re-opening negotiations.

Goal/Action Item:
Administrative Action

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
N/A

Budgeted Item:

Yes		No		N/A	X	

Fund(s) or Account(s):
N/A

Budget Amendment Needed:

Yes		No		N/A	X	

Recommended Motion:
To approve the labor contact with the SEIU Unit 2 union.

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads	X	
Communication		
Legal Review	X	

Name the Policy/Ordinance Followed:

City of Muskegon
And
Service Employees International Union, Local 517M
(Department of Public Works)
Tentative Agreements

Key: new language, ~~previous language to be removed~~, *explanations*

1. NEW – Deferred Compensation Account
   The Employer agrees to match employee contributions to the Internal Revenue Code Section 457 (Deferred Compensation) Retirement plan on a $1 for $1 basis in the amount of $2000 per employee per year.
   New benefit for this union

2. NEW – Beach Parking or Boat Launch Passes
   Each non-resident employee covered by this Agreement shall be provided two (2) non-resident seasonal beach parking passes. Each resident employee covered by this agreement is entitled to receive a maximum of two (2) resident seasonal beach parking passes per year, including any passes granted based on their residency. If requested by the employee, a launch ramp permit will be issued instead of beach parking passes.
   New benefit for this union

3. Section 3 – Recognition
   The City recognizes the Union as the exclusive bargaining representative and agent with respect to rates of pay, wages or salaries, hours of work and other terms and conditions of employment for permanently appointed, part time and seasonal employees ~~in the following Departments or Divisions:~~
   ~~Equipment~~
   ~~Highway~~
   ~~Water and Sewer Maintenance~~
   ~~Cemetery~~
   ~~Water Filtration and Pumping~~
   ~~Waste Water Treatment~~
   ~~Traffic Sign Maintenance~~
   ~~Forestry~~
   ~~Parks Maintenance~~
   ~~Building Inspection Department~~
   ~~Engineering Department~~
   ~~Communication~~
   ~~and the Classifications:~~
   ~~Rehabilitation Inspector~~
   ~~Parking Meter Checkers~~
   ~~Horticulturist~~
   ~~Zoning Inspector~~
   excluding all clerical, confidential, supervisory, and managerial personnel.

If the City elects to refill the positions of Mall Maintenance, Sanitation Operator or Highway Maintenance Worker, they shall be represented by this Unit.
Job titles are provided in Appendix A, removed potential for error by deleting them from this section.

4. Section 4.1 – Union Security
   Upon receipt of a written authorization from an employee, and to the extent permitted by law, the employer will deduct from the employee's wages an amount equal to monthly union membership dues which shall be deducted in a fixed amount ~~each pay period~~ twice per month, regardless of the employee's membership status, and remitted to the Union. Once authorized, payroll check-off shall be irrevocable for a period of one year and automatically renewed each year thereafter, except that authorization may be withdrawn by sending a written notice to the Union by registered mail during the period of ten (10) days immediately prior to the annual anniversary date of the contract (Dec. 16th through Dec. 31). The employer agrees to provide this service without charge to the union.
   Matches current practice

5. NEW Section 4.6 – Notices to Union
   No later than 30 days after the hiring of a new employee, the employer shall provide the employment and contact information of the employee to SEIU Local 517M. Every 90 days, the employer shall provide, in Excel format, to SEIU Local 517M the employment and contact information of the employees represented by SEIU Local 517M.

   The employment and contact information provided must include all of the following for each employee:
   - (A) First, middle, and last name.
   - (B) Department or agency.
   - (C) Classification (as it appears in the Collective Bargaining Agreement).
   - (D) Address of primary work location.
   - (E) Home address.
   - (F) Personal phone number.
   - (G) Personal email address.
   - (H) Work email address.
   - (I) Date of hire.
   - (J) Employee identification number, if applicable.
   - (K) Full-time or part-time employment status.
   - (L) Wage (hourly and annual).

6. Section 5 – Deduction of Dues
   Employees may, in writing on forms provided, direct the City to deduct from their wages twice each month the amount of their union dues to the Union. The City agrees to comply with such written authorization received by the City Finance Director from the employee for the personal payroll deduction or membership dues, or their equivalent. Said deductions shall be withheld from the first two payroll period***s*** in each month and delivered by lump sum payment to the Secretary/Treasurer designated by the Union. Such sum is to be delivered to the Union within five (5) days of deduction along with a complete dues deduction list.
   Matches current practice

7. Section 9-Grievance Procedure

Step 2 - If the matter is not settled at Step l, the Union may submit, within the three (3) work days following the oral answer, a written and signed "Statement of Grievance" to the ~~immediate supervisor~~ Department Head. The "Statement of Grievance" shall name the employee involved, shall state the facts giving rise to the grievance, shall identify all the provisions of this Agreement alleged to be violated by reference, shall state the contention of the employees and of the Union with respect to these provisions, indicate the relief requested, and be signed by the grievant and an authorized Union representative. Within three (3) working days following next after the personal receipt of the Statement of Grievance, the ~~supervisor~~ Department Head shall submit a written answer to the employee and to the Union upon the grievance form or attached thereto. If the matter is settled at Step 2, the employee shall sign the grievance stating that result.

Step 3 - If the matter is not settled at Step 2, the Union may appeal the matter, within three (3) working days next following the submission of the written answer, to the Division ~~Department~~ Head; who shall either (a) issue a written disposition within three (3) working days next following personal receipt of the written appeal, or (b) within the same period of time, initiate and hold a meeting with all parties involved in the dispute to date and the Division ~~Department~~ Head. The Division ~~Department~~ Head shall submit a written disposition of the matter within ~~forty eight (48) hours next~~ 2 working days following the conclusion of the meeting. If the matter is settled at Step 3, the Union shall sign, stating that result. If the "supervisor" in Step ~~2~~ 1 is the same person as the "Department Head" in Step ~~3~~ 2, Step ~~3~~ 2 may be skipped and the matter may proceed immediately to Step ~~4~~ 3.

8. Section 13 – Temporary Seasonal Employees

~~Temporary Seasonal Employees shall be those individuals hired through a temporary employment agency to perform the functions of seasonal beach maintenance worker, seasonal leisure service maintenance worker, seasonal leisure service maintenance worker I, and seasonal laborer. As to those individuals, the following applies.~~

Temporary Seasonal Employees shall be those individuals hired through a temporary employment agency to perform the functions of seasonal beach maintenance worker, seasonal parks maintenance worker, and seasonal laborer. As to those individuals, the following applies.

~~13.1 "Individuals listed on Appendix A shall attain permanent status only upon completion of twelve (12) continuous months of employment at the City without interruption, or through promotion or transfer."~~
~~13.5 "The duties of a Temporary seasonal employee. Those provided in the job descriptions of seasonal beach maintenance worker, seasonal leisure service maintenance worker, seasonal leisure service maintenance worker I, and seasonal laborer."~~

13.5 The duties of a Temporary seasonal employee. Those provided in the job descriptions of seasonal beach maintenance worker, seasonal parks maintenance worker, and seasonal laborer.

13.5(A) The City of Muskegon may use qualified temporary employees for functions/positions previously not allowed to a maximum of three (3) positions total (City-wide) from December 1st to March 1st. City retirees or laid-off employees will receive preference for these three (3) positions as long as they are qualified. These positions can only be utilized if regular Union employees are not available or after regular Union employees are called for overtime purposes, which calls will be limited to employees within the department that the work occurs. These positions may not be

utilized if there are Union employees laid off in that department. Section ~~14.5~~ 13.5 shall not apply to these three positions.
Updated job titles and fixed reference

9. Section 15.7 – Vacancies and Job Openings
   No employee who is a successful bidder, and is employed in a new position, under the promotion provisions of this Agreement shall have the right to bid on any job opening for a period of six (6) calendar months from the date of the successful bid~~.~~, except for employees in the Laborer classification, in recognition of the promotional intent with that classification.

10. Section 15.8/16 – Non-Promotional Transfer
    ~~SECTION 16 NON PROMOTIONAL TRANSFERS Employees shall not have the right to a non promotional transfer after February 1, 1992.~~
    To replace Section 16, Add 15.8 All employees, regardless of classification, must apply and follow the Civil Service process for the job posting.

11. Section 17 – Promotions, Demotions, and Transfers
    A promotion shall be defined as moving into a classification with a higher pay range than the current classification. A demotion shall be defined as moving into a classification with a lower rate of pay than the current position. A transfer shall be defined as moving into a classification with equal pay to the current position.

    17.2 Any employee filling a vacancy of a promotional nature within the unit for which he has not been previously classified shall be given up to six (6) calendar months to prove his ability. If unable to qualify, he shall be returned to his former position, without prejudice, at the rate of pay for such position. An employee may voluntarily return to his former position, within 30 days of promotion, without prejudice, at the rate of pay for such position. An employee may elect voluntarily to return to his former position once in a calendar year. Failure of probation shall be deemed a voluntary return for purposes of subsequent promotions.

    17.3 From the date of entering the classification, the employee shall be paid at the minimum rate agreed upon for the classification, and shall be subject to the six (6) calendar months probationary period covered above; provided any employee appointed to a job by promotion, demotion, or transfer, carrying a lower starting rate than the rate received at the time of appointment, shall ~~continue to receive~~ start at the step closest to and not less than the rate received at the time of appointment, and shall continue to receive increases until the top for the working classification is received, subject to the provisions of the wage schedule adopted by virtue of this Agreement."

    17.4 Any employee may exercise his prerogative to refuse promotion or transfer without bias or loss of seniority. ~~However, pursuant to Section 17 of this Agreement, employees do not have the right to a non promotional transfer.~~
    Clarifying language

12. NEW 18.6 – Working Hours
    The standard workday for employees working the weekend shift shall consist of eight (8) hours per day for first shift operations where the majority of such hours fall between 7:00 A.M. and 5:00 P.M on a Saturday or Sunday. Meal period allotments and rest period breaks shall apply as they pertain in Sections 21 and 22, respectively. Pay for a full shift period shall be a sum equivalent to eight (8)

times the regular hourly rate plus a 20% shift premium. The weekend shift premium combines with applicable second and third shift premiums when the assigned hours fall within the definitions provided in 18.3 and 18.4. This does not apply to seven-day continuous operations. Weekend shifts cannot be mandated. Holidays will be observed on the scheduled work day closest to the holiday.
Added a non-mandatory weekend shift.

13. NEW Section 19.11 – Compensatory Time
    A. Compensatory time (CT) must be declared by the employee on their time sheet within the pay period worked. No more than 50% of the total overtime hours worked in a single day may be declared CT.
    B. Employees are allowed to earn a maximum of eighty (80) hours of CT in a calendar year. Such time will be accrued as it would have been paid (time and one-half or double time). Employees shall be allowed to carry over a maximum of 20 hours to the next calendar year. Any time accrued over the 20 hours will be paid out to the employee at the end of the year.
    C. Any unused CT shall be paid upon an employee's separation, retirement, or death. Payment shall be made at the rate of pay in effect at the time of retirement, separation, or death and included in the final paycheck.
    D. The use of any CT will be determined by the Supervisor. CT must be requested at least twenty-four (24) hours in advance of the time requested. CT must be taken in one-hour increments with a minimum duration of four hours.
    New benefit for employees.

14. Section 19 – Overtime and Holiday Pay
    19.3 Employees who worked the last scheduled day preceding and the first scheduled day following a paid holiday shall receive holiday pay, which is in an amount equal to eight times the regular hourly rate. Said employees, if required to work on a holiday set forth in this Agreement, shall receive the said holiday pay and shall in addition be paid at double their hourly rate of pay for all time worked on the holiday. during the first eight hours worked on any shift that starts on such holiday, for time worked on the calendar holiday in excess of the first eight hours worked on said shift starting on the holiday, and for time worked on a holiday in excess of eight hours worked on a shift that starts the previous day and runs over into the holiday. No pyramiding shall result to provide pay in excess of the holiday pay and double time for the above designated hours worked.

    19.6 If in any work week, as the result of a shift change, an employee is permitted to, or required by the City to, work and is not permitted, or required by the City, to work the number of hours in the then established weekly working schedule of his new shift, he will be reimbursed for time lost as a result of such shift change. As the result of a shift change required by the Employer, an employee will be reimbursed for time lost under 40 hours in a work week.

    19.8 When the supervisor determines there is a need for overtime, the supervisor will ask all employees qualified and who have signed up for overtime during that pay period to work first and then will ask qualified seasonals. Overtime sign-up periods will be for one week, running from Friday at 7:30 am through the following Friday at 7:29 am. The signups will be posted a minimum of 30 days before and close 1 week before the beginning of the overtime period.

    19.9 If no one accepts the overtime, the supervisor will assign the mandatory overtime to anyone capable of doing the work who has signed up for overtime during that period, provided the work is within their job description. If the need exceeds the number of employees who have signed up,

then the supervisor will choose someone within the department who has the lowest worked overtime hours to perform the mandatory overtime. If two or more employees have the same lowest worked overtime hours, then the least senior will be assigned the mandatory overtime. Employees failing to show for mandatory overtime as outlined above will be considered to have failed to follow the proper directive of a supervisor and are subject to discipline. Scheduled overtime, which is not covered by this paragraph, will be posted as far in advance as possible.

19.10 The first overtime list of each year (Jan.1-Dec. 31) will be assigned out by seniority. All subsequent lists for the year will be assigned based on hours worked. If hours worked between employees are equal, the most seniority will be chosen first. *Simplification of process for tracking overtime. Overtime will no longer be equalized within 10% of the median.*

15. Section 22 – Rest Periods

22.1 An employee will be accorded two (2) paid rest periods of fifteen (15) minutes each on the scheduled shift which may be used as "coffee breaks", as governed by departmental regulations; provided the right of reasonable temporary relief at other times shall not be eliminated.

~~The following regulations shall apply to those employees falling within any of the following circumstances:~~

~~GROUP A Those employees located and working at permanent and stationary work stations shall comply with the provisions of Section 23, provided that reasonable exceptions shall be allowed with the approval of the department's supervisor.~~

~~GROUP B Those employees working on a crew assigned to a specific job other than a stationary and permanent work location shall have appropriate arrangements made whereby either the foreman, or one member of the working crew, shall pick up coffee for all members of the crew. Reasonable sanitary measures will be provided where required. The employer shall allow for reasonable exceptions to these regulations, including the use of City vehicles, when required or necessitated due to adverse weather conditions and physical hardship or safety requirements.~~

~~GROUP C~~ 22.2 City vehicles shall not be used for personal business, including during break times, unless authorized by a supervisor. No City vehicle shall be on private property except as incidental to the normal working day, except as authorized by a supervisor. At no time shall the total incidental time exceed the authorized break time.
Removed language that no longer applies.

16. Section 23 – Vacations

23.1 ~~Vacation time shall be accumulated as follows:~~

~~Hourly Rate Employees~~

~~For each increment of 208 hours of straight time worked during the preceding calendar year, an hourly rate employee shall accumulate:~~

~~One day, but not to exceed ten (10) days per year, during the first six (6) years of continuous service.~~

~~One and one half days, but not to exceed fifteen (15) days per year, beginning the seventh (7th) year through fourteen (14) years.~~

~~Two days, but not to exceed twenty (20) days per year, beginning the fifteen (15) years of continuous service.~~

~~Effective January 1, 2020, two-and-one-half days, but not to exceed twenty (25) days per year, beginning upon completion of twenty-four (24)) years of continuous service.~~

~~Effective January 1, 2023, two-and-one-half days, but not to exceed twenty (25) days per year, beginning upon completion of twenty-one (21) years of continuous service.~~

~~Salaried Employees~~

~~Salaried employees shall accumulate:~~

~~One day per month of employment but not to exceed ten (10) days per year during the first six (6) years of continuous service.~~

~~One and one quarter days per month but not to exceed fifteen (15) days per year beginning the seventh (7th) year through fourteen (14) years.~~

~~One and three fourths days per month but not to exceed twenty days per year beginning fifteen years of continuous service.~~

~~Effective January 1, 2020, two-and-one-quarter days per month, but not to exceed twenty (25) days per year, beginning upon completion of twenty-four (24)) years of continuous service.~~

~~Effective January 1, 2023, two-and-one-quarter days per month, but not to exceed twenty-five (25) days per year, beginning upon completion of twenty-one (21)) years of continuous service.~~

Vacation will be accrued and awarded as follows:

A. For the purposes of identifying a "service milestone," the following shall apply:
1. The first (1st) anniversary date of employment.
2. The first day of the employee's 7th year of continuous service.
3. The first day of the employee's 15th year of continuous service.
4. The first day of the employee's 21st year of continuous service.

B. Employees shall accrue vacation time as follows:

Years of Continuous Service	Annual Vacation Award
Date of hire through 6th year	80 hours per year
7th through 14th year	120 hours per year
15th through 20th year	160 hours per year
21st year and beyond	200 hours per year

Vacation hours shall be awarded on January 1 of each calendar year and made available for use according to the provisions of this section.

C. Employees who have not completed one full calendar year of employment as of January 1 shall receive a prorated vacation award based on their length of service in the preceding calendar year, at a rate of eight (8) hours per full month of employment, up to a maximum of eighty (80) hours.

Vacation hours may not be used until the employee has completed six (6) months of continuous employment.

Examples:

- An employee hired on March 1 will have worked ten (10) full months by the following January 1 and will receive the full 80-hour award. These hours may be used immediately since the employee has completed six (6) months of service.

- An employee hired on September 1 will have worked four (4) full months by the following January 1 and will receive 32 hours of vacation. Because they have not yet completed six (6) months of service, vacation may not be used until March 1.

D. When an employee reaches a new service milestone, the difference between the vacation hours associated with the new milestone and the number of hours awarded on January 1 of that year shall be credited to the employee on their anniversary date of service.

Examples:

- An employee who is awarded 80 hours on January 1 and reaches their 7th anniversary in July will receive an additional 40 hours (the difference between 120 and 80) on their anniversary date.

- An employee who is awarded 120 hours on January 1 and reaches their 15th anniversary in September will receive an additional 40 hours (the difference between 160 and 120) on their anniversary date.

E. Employees who complete their initial six (6) month probationary period during the calendar year shall receive the difference between the prorated vacation hours awarded on January 1 and the full eighty (80) hours associated with completion of their first year. This adjustment shall be credited to the employee on their one-year anniversary date.

Example:

An employee hired on May 1, 2026 received 56 hours on January 1, 2026, based on seven months of service in 2025. Upon completing their one-year anniversary on May 1, 2027, they shall receive an additional 24 hours, bringing their total for the year to 80 hours.

F. Vacation hours credited mid-year, whether due to reaching a service milestone or completion of the probationary period, shall be available for use after the next paycheck has been processed following the anniversary date.

Simplified accrual language and clarified award language.

17. Section 24 – Sick Leave

24.1 Employees shall earn sick leave on a bi-weekly basis for straight hours actually worked. Employees shall earn ~~0.0461 hours of sick leave per straight time hour actually worked~~ 3.7 hours per pay period. Employees may not earn more than 96.2 hours of sick leave within 26 pay periods.

24.2 Employees may draw upon the remaining balance of hours in the union established sick leave bank in accordance with standards and procedures set up by the union's committee to oversee the bank. Once the remaining hours have been allocated, the sick leave bank will close, and this language will expire. *Union sick leave bank no longer receives contributions.*

24.3 Sick leave shall be canceled for time an employee would have worked during the normal work week, and shall be paid for at the rate an employee would ~~have worked during the normal work week,~~ and shall be paid for at the rate an employee would have earned on that particular day, exclusive of overtime, shift premium or any other supplemental pay. Sick leave shall be taken in increments of fifteen (15) minutes.

24.4 ~~An employee may request anticipated sick leave during the first year of employment which, if granted, shall be deducted from future earned sick leave.~~ During the first year of employment, employees are eligible to complete a "Use of Anticipated Sick Leave" form in the event that they become ill and do not have enough leave time to cover their absence. Anticipated leave is subject to supervisor and City Manager approval. When the employee returns to work, they will have a negative sick leave balance and continue to accrue hours at their normal rate.

24.5 Sick leave will be taken only for the following reasons, will be compensated for under the following conditions, and must be communicated at the time of request. If the need to use earned sick time is foreseeable, Employer reserves the right to require advance notice, not to exceed seven (7) days prior to the date the earned sick time is to begin, of the intention to use the earned sick time. If the need for the earned sick time is not foreseeable, Employer reserves the right to require notice of the intention as in either of the following manners:

1. As soon as practicable; or
2. Subject to any policy Employer may develop related to requesting sick time.

(a) The employee's mental or physical illness, injury, or health condition; medical diagnosis, care, or treatment of the employee's mental or physical illness, injury, disease, or health condition or preventive care for the employee.
(b) For the employee's family member's mental or physical illness, injury, or health condition; medical diagnosis, care, or treatment of the employee's family member's mental or physical illness, injury, disease, or health condition or preventive care for a family member of the employee.
(c) If the employee or the employee's family member is a victim of domestic violence or sexual assault, for the medical care or psychological or other counseling for physical or psychological injury or disability; to obtain services from a victim services organization; to relocate due to domestic violence or sexual assault; to obtain legal services or to participate in any civil or criminal proceedings related to or resulting from the domestic violence or sexual assault.
(d) For meetings at a child's school or place of care related to the child's health or disability, or the effects of domestic violence or sexual assault on the child.
(e) For closure of the employee's place of business by order of a public official due to a public health emergency; for an employee's need to care for a child whose school or place of care has been closed by order of a public official due to a public health emergency.

(f) When it has been determined by the health authorities having jurisdiction or by a health care provider that the employee's or employee's family member's presence in the community would jeopardize the health of others because of the employee's or family member's exposure to a communicable disease, whether or not the employee or family member has actually contracted the communicable disease.

"Family member", for the purposes of this Article includes all of the following:

(i) a biological, adopted or foster child, stepchild or legal ward, a child of a domestic partner, or a child to whom the eligible employee stands in loco parentis;

(ii) a biological parent, foster parent, stepparent, or adoptive parent or a legal guardian of an eligible employee or an eligible employee's spouse or domestic partner or an individual who stood in loco parentis when the eligible employee was a minor child;

(iii) an individual to whom the eligible employee is legally married under the laws of any state or a domestic partner;

(iv) a grandparent;

(v) a grandchild;

(vi) a biological, foster, or adopted sibling.

(vii) any other individual related by blood of affinity whose close association with the employee is the equivalent of a family relationship.

Such absence shall be deducted from sick leave on a fifteen (15) minute basis.
Added language aligns with ESTA.

24.7 An employee who uses more than three (3) days of consecutive sick leave will be required to provide documentation that the sick leave was used for permissible purposes. Such documentation should not include a description of the illness or details of the violence (per ESTA). The employee will have fifteen (15) business days after the request to provide this documentation. The cost of securing the medical documentation will be paid by the employee and reimbursed by the Employer as required by the Earned Sick Time Act (ESTA). In the event that a physician deems sick leave is needed for more than three days, the employee is required to contact the Human Resources Department to determine if filing for Family Medical Leave Act (FMLA) would be required. If filing for FMLA, employees must follow appropriate FMLA procedures for returning to work. The employer may require verification of sick leave of less than three (3) days if the employee has shown a pattern which would indicate misuse of sick leave. *Revised language to better align with FMLA and ESTA.*

24.13 ~~On June 1 of each year, the City shall prepare a list of employees who have 130 or more hours of accumulated hours in sick leave bank. Such list shall be provided to the Union as soon as practical after its preparation. The list is valid until the following June 1 list is prepared and disseminated. The provisions of Section 25.14 are not applicable to any employee on the above-referenced list. For employees not listed on the above provided list~~ If an employee is absent without time in their sick leave bank to cover such time, the employee shall be charged for the "cost of benefits." The "cost of benefits" shall be 50% of the employee's actual pay. (By way of example, if an employee ~~not listed on the above referenced list~~ had 16 hours in their sick leave bank and was absent Monday, Tuesday, and Wednesday, the employee would be paid and not charged for their benefits for Monday and Tuesday. The employee would not be paid and would be charged the cost of benefits for Wednesday.) The charge for the cost of benefits shall be deducted from subsequent paychecks. Employees on approved leaves, i.e., approved FMLA leave or approved leave from the Civil Service

Commission, shall not be obligated to pay the "cost of benefits." Employees may cash out unused sick leave in accordance with the Employer's existing program.

24.14 When an employee's sick bank is depleted, they may be excused from work as long as a medical certificate is provided and pay the cost of benefits for up to two (2) incidents. An incident is defined as a singular event or occurrence for a time period from 15 minutes up to one (1) day. After the second such incident, for each subsequent incident, the employee shall pay the cost of benefits, the incident will be considered an unexcused absence, and discipline shall be imposed as a Group 1 offence. *Previous language allowed four incidents with no time limit on each incident.*

18. Section 25 – Legal Holidays

Legal holidays to be observed with pay are:

A. Paid holidays for City Hall-based employees are designated as follows:

New Year's Day	Veteran's Day
Martin Luther King's Birthday	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Juneteenth	Day before Christmas
Independence Day	Christmas Day
Labor Day	Day before New Year's

B. Paid holidays for non-City Hall-based employees are designated as follows:

New Year's Day	Thanksgiving Day
Memorial Day	Independence Day
Juneteenth	Labor Day
Christmas Day	Day before New Years
Day before Christmas	

Added Juneteenth per LOA language.

19. Section 26.2 – Personal Leave Day

26.2 Each ~~non based City Hall~~ non-City Hall-based employee shall be entitled to five (5) personal leave days per year. The personal leave time shall be taken subject to notice twenty four (24) hours in advance of the time requested. The manpower needs as determined by the department supervisor shall prevail in the scheduling and use of said personal leave. If not requested, the time is lost and cannot be taken as time off. Personal leave day benefits may be taken in one-hour increments if approved by the Department Supervisor, except as modified in paragraph ~~27.6~~ 26.6 for the Water Filtration Plant.

20. Section 32 – Health and Welfare

32.6 The City will reimburse an employee for the amount the employee spends in a year to purchase work boots and work-related clothing, up to a maximum of three hundred ($300) dollars per year, if the employee provides a receipt showing that the employee purchased such items. The "year' for purposes of this reimbursement is the city's fiscal year (July 1 to June 30). ~~Any partial fiscal years included in the term of the 2022-2025 contract will include a prorated amount of the full three hundred ($300) reimbursement.~~

21. Section 34 – Insurance

The City's minimum payment of the Health Reimbursement Account (HRA) deductible ($1000 per individual; $2000 per double or family) and co-insurance is contingent upon both the employee and spouse (if any) participating in the wellness program. *Added co-insurance which has been the practice for several years.*

During the life of this agreement, the employer will provide and pay for a dental and vision plan for all eligible employees, spouses, and dependents. The employer will pay 50% of orthodontia services up to a maximum of $2,000 for each child through age 17. *Clarified the ongoing practice for orthodontia coverage.*

22. Section 36 – Wage and Salary Agreement

36.1 A wage and salary agreement set forth in Appendix A attached hereto shall be observed during the term of this Agreement. ~~Pursuant to MCL § 423.251b, a~~After the expiration date of a collective bargaining agreement and until a successor collective bargaining agreement is in place, a public employer shall pay and provide wages and benefits at levels and amounts that are no greater than those in effect on the expiration date of the collective bargaining agreement. Accordingly, there will be no retro pay.

36.5 Minimum wage increases

1-1-2026	1.5%
7-1-2026	1.5%
7-1-2027	1.5%
7-1-2028	1.5%

The wage and salary schedule attached as Exhibit A reflects a 1.5% increase effective January 1, 2026, 1.5% increase effective July 1, 2026, 1.5% increase effective July 1, 2027, and a 1.5% increase effective July 1, 2028. The percentage increase reflected on Exhibit A shall be the minimum increase. For pay rates effective January 1, 2026, ~~and each January 1st thereafter,~~ to the extent that the August 12-month Consumers Price Index for the Detroit-Warren-Dearborn, Michigan all items, not seasonally adjusted, is greater than the increase reflected on Exhibit A, then those position which would not receive an increase equal to the increase of the Consumer Price Index shall receive an increase commensurate with the increase in the Consumer Price Index. Each July 1st thereafter (including July 1st of 2026), the April 12-month Consumers Price Index for the Detroit-Warren-Dearborn, Michigan all items, not seasonally adjusted, is greater than the increase reflected on Exhibit A, then those position which would not receive an increase equal to the increase of the Consumer Price Index shall receive an increase commensurate with the increase in the Consumer Price Index. ~~(For instance, if the Consumer Price Index between October 2021 and October 2022 increases by 4%, then those positions receiving a 3% increase reflected in Exhibit A would receive a 4% increase, those positions receiving a 4% increase reflected in Exhibit A would receive a 4% increase and those positions receiving a 5% increase reflected in Exhibit A would receive a 5% increase. This process is repeated for January 1, 2024 and January 1, 2025.)~~ No later than ~~November~~ May 15, 2026 and each ~~November~~ May 15th thereafter, City shall recalculate Exhibit A, provide the revised Exhibit A to the Union and implement the revised Exhibit A if the Union does not file a grievance with 5 business days of being provided the revised Exhibit A. If the Union files a grievance concerning the proposed revised Exhibit A, then salary and wages shall remain the same as paid in the

current year until the issue is resolved or an arbitration award is issued, and the appeal period has expired.

36.9 Each employee on the payroll as of January 1, 2026 shall receive a one-time bonus of $1,000.00. *Increased from $700*

36.7 ~~The 5 Years~~ Step 7 rate shall be set in Appendix A consistent with Section 36.5. The start rate shall be 80% of the ~~5 Year~~ Step 7 rate for salary job classifications and 85% of the ~~5 Year~~ Step 7 rate for hourly job classifications. There shall be seven (7) steps between ~~the start rate and the 5 Year~~ Step 1 and Step 7. An employee shall move from ~~Start rate~~ Step 1 to ~~6 Months~~ Step 2 upon satisfactorily completing probation. Progression from one step to the next step, excluding the move to ~~6 months~~ Step 2, shall occur on July 1 of each year.

36.8 In addition to Section 36.6, ~~City~~ the Employer may start a new employee at ~~the 6 Months rate~~ Step 2 and advance the new employee to ~~the 1 Year rate~~ Step 3 after 6 months, so long as the employee has passed probation, with all subsequent advances occurring on July 1, as provided for in Section 36.7.

23. Section 46 – Job Classifications and Job Descriptions

~~46.3 In all Leisure Service facilities, LSM II's are permitted to use any piece of equipment. To the extent that an LSM II has a CDL with an A endorsement, the individual shall be paid the same as Equipment Operator.~~

46.4 "It is the employee's responsibility to keep all certificates current and licenses required by job descriptions or compensation current. Failure to maintain such may result in the employee being ~~taken off payroll until the certifications are obtained~~ suspended without pay if the primary job functions cannot be performed without the certification. Employees have to obtain their certification at the first available opportunity or they will be terminated. It is the responsibility of the employee to ensure they apply for and sit for any exam required for certification."

*Add 46.*5 The following classifications in Appendix A require State of Michigan drinking water licenses: Chemist, Chief Water Operator, Water Filtration Maintenance Worker, and Water Filtration Plant Operator~~, Water Meter Service Worker, Water/Sewer Maintenance Worker, and Meter Reader~~.

46.6 If an employee in a classification listed in Section 46.5 is unable to obtain certification within the 6-month probationary period, they will be permitted to pass their probationary *period, subject to all other requirements of this agreement. Beginning on the date in which the employee passes probation, they will have two (2) years to obtain the necessary certification. Failure to obtain the required certification within two (2) years from the date of hire will result in termination with no right to return to their former position. The Department Head will notify the Union in writing of any employee who has passed probation but still needs to obtain the necessary licenses.*

46.7 The following classifications require a certain license or certification: Urban Forester with Tree Trimmer, Parks Maintenance Worker II with CDL, Water Sewer Maintenance Worker with S License. For the purposes of this requirement an S License refers to S 1, 2, 3, or 4.

Employees in the classifications of Urban Forester, Parks Maintenance Worker II, or Water Sewer Maintenance Worker will be promoted at the next pay period after receiving the required license or certification.

Employees in the classification of Urban Forester with Tree Trimmer, Parks Maintenance Worker II with CDL, or Water Sewer Maintenance Worker with S License who lose their license or certification will be demoted at the next pay period.
Example:

- Urban Forester with Tree Trimmer demoted to Urban Forester
- Parks Maintenance Worker II with CDL demoted to Parks Maintenance Worker II
  Water Sewer Maintenance Worker with S License demoted to Water Sewer Maintenance Worker (the employer will need to establish this classification and add to Range 15)

Solves a current concern with obtaining and maintaining licenses

24. Section 47.2 – Contracting Out Work

47.2 General labor work of the type normally performed by employees of this bargaining unit may be performed by people assigned through a prison, jail or court ordered program, e.g., Camp Muskegon personnel, Muskegon County Jail prisoners, etc. The City may use such programs only if the City in the current month is employing the same number of seasonal employees, to a maximum number of fifteen (15), as were employed in the same month in the previous year. The maximum number of protected positions, fifteen (15), which must be filled prior to the use of prisoners in the month in question, shall consist of ten (10) seasonal maintenance workers, which shall be hired first, and five (5) seasonal laborers.

~~Seasonal maintenance workers not on the recall list shall be selected in the sole discretion of management.~~

By way of further explanation, if in a given month in the previous year the City was not employing any seasonals, the prison programs may be utilized without regard to employment of seasonal maintenance workers or seasonal laborers. If in the same month in the previous year there were twelve (12) seasonal maintenance workers and/or seasonal laborers employed, the City must employ ten (10) seasonal maintenance workers and two (2) seasonal laborers prior to the utilization of any prison program for that month. If in the same month in the previous year there were in excess of fifteen (15) seasonal maintenance workers and/or seasonal laborers employed, the City must employ ten (10) seasonal maintenance workers and five (5) seasonal laborers prior to the utilization of any prison program for that month.

The prison programs may not supplant full time non seasonal employees or result in the layoff of full time non seasonal employees or the continuance thereof. The prison program is intended to supplement the City work force as constituted for normal City work."

25. Section 49 – Call-in Procedure

49.1 All employees who will be tardy or absent from work must call in by the normal starting time, unless there is a reasonable explanation as defined by Appendix G. Tardy is defined as the first 30 minutes within the start time. Absent is defined as being over 30 minutes past the start time. ~~An employee who fails to call in before the normal start time shall be disciplined as a Group 1 offense. An employee who calls in late, even if not disciplined, will not be paid for that day and will not be allowed to use a sick leave day, personal leave day or vacation day in order to be paid that day. If an~~

~~employee calls in on time but has no sick leave bank, the employee will be disciplined unless the absence is authorized by evidencing a medical certificate as specified in Section 25.8 or authorized in the supervisor's discretion.~~

49.2 An employee who is tardy and calls in before the normal start time shall be counted as tardy and shall make up the amount of time they are tardy within the pay period. After 5 tardies have accumulated in not more than one year, the employee shall be disciplined as a Group 1 offense for each subsequent tardy. An employee who is tardy and fails to call in before the normal start time may be disciplined as a Group 1 offense.

26. Section 50 – Commercial Drivers License

50.1 The following positions are required to obtain and maintain the appropriate type of C.D.L. with pertinent endorsements.

Classification	Type	Endorsement(s)
Electronics Technician	B	Air Brakes
Maintenance Electrician	B	Air Brakes
Sign Fabricator	B	Air Brakes
Mechanic	A	Air Brakes, Tank
Water & Sewer Maintenance Worker w/S license	***B***	***Air Brakes, Tank***
Water & Sewer Maintenance Worker	B	Air Brakes, Tank
Equipment Operator	A	Air Brakes, Tank
Traffic Sign Maintenance Worker	B	Air Brakes
Cemetery Maintenance Worker	A	Air Brakes
Small Equipment Mechanic	A	Air Brakes
Parks Maintenance Worker II with CDL	***A***	***Air Brakes***
Urban Forester w/ Tree Trimmer	***A***	***Air Brakes***
Urban Forester	***A***	***Air Brakes***
Horticulturalist	A	Air Brakes, Tank

Corrects references to new job titles

50.2 All employees in classifications specified in Section 50.1 shall be required to have the C.D.L. and endorsements at the conclusion of the probationary period. If an employee does not have the required C.D.L. and endorsement by the conclusion of the employee's probationary period, the Director of Public Works may extend probation by thirty (30) additional calendar days upon mutual agreement by the Employer and Union; and provided the Employer notify the Union and Employee in writing not less than five (5) days before the expiration of the probationary period. If additional time is needed beyond the thirty (30) day extension, then the Employer and Union will discuss. All probationary period extensions will be by mutual agreement between the Employer and Union. If probation is extended, the employee's wages will not change until the employee passes probation. Loss of the C.D.L. and/or endorsements shall result in termination except as described in 46.7.

27. Sections 51 & 52 – Retirement

51.6 DISABILITY BENEFITS. Effective April 1, 2007 an Employee eligible for duty-related disability benefits, as determined by MERS, shall receive those disability benefits afforded by MERS (MERS D-2).

52.1 ELIGIBILITY. The Defined Contribution Retirement Plan shall be available to all members of this unit that entered the unit after January 1, 2006~~., and any current employees who have opted to quit the Defined Benefit Retirement Plan and opted to join the Defined Contribution Retirement Plan. A decision to opt out of the Defined Benefit Retirement Plan and to join the Defined Contribution Retirement Plan is irrevocable.~~

28. SECTION 53 – DRUG TESTING
    All employees covered by this contract shall be covered by the City's drug and alcohol policy. Drug testing will be applied as provided for in Appendix F. Random drug testing will apply only to employees in positions requiring a C.D.L. as specified in Section ~~51.1~~50.1.

29. Section 54 – Duration
    This Agreement shall be in effect from January 1, 2026 to June 30, 2029, inclusive, and from year to year thereafter subject to sixty (60) calendar days' notice in writing prior to the expiration of this Agreement of a desire to amend or modify this Agreement. All provisions of this Agreement not specifically amended or modified through subsequent written agreements shall remain in full force and effect.
    Changed effective dates of the contract and removed language regarding what needed to be included in the notice given. Other dates in this section were updated to match the duration of the new contract.

30. Appendix A – Wage Matrix
    List Steps 1-7
    Add Code Compliance Inspector
    Change the LSM positions (parks depart. and forestry) in the CBA to reflect the current job title.
    ~~LSM III with Tree Trimmer~~ →Urban Forester
    ~~LSM II with CDL~~ →Parks Maintenance Worker II with CDL
    ~~LSM II with CDL~~ → Cemetery Caretaker
    ~~LSM II with CDL~~ →Arborist
    ~~LSM I~~ → Parks Maintenance Work I

31. Appendix C – Certification Pay
    CITY OF MUSKEGON - S.E.I.U. LOCAL 517M UNIT 2
    APPENDIX C

    RE: WATER AND MASTER AUTOMOTIVE SERVICE EXCELLENCE (ASE) LICENSES

    Effective January 1, 2022, the following maximum annual bonuses shall be in effect for employees of the Water Filtration Plant and employees of the Water/Sewer Maintenance ~~Division~~ Department possessing State of Michigan ~~Health Department~~ EGLE Operator's Certificate.

    F-1 Certificate $1,300.00
    F-2 Certificate $1,000.00
    F-3 Certificate $ 650.00

S-1 Certificate $1,000.00
S-2 Certificate $ 800.00
S-3 Certificate $ 600.00

Effective 1/1/09, the requirement to pay Employees for licenses when they are required for their position will be eliminated. The City agrees that this would only apply to new employees in these positions and would not affect payments being made to current employees. Annual payments of $140 for maintaining an S-4 certificate will continue to be made to Michael Armstrong, Robert Holstrom, Joseph Huffman, Dan Love Jr., and Elton Williams.

The following maximum annual bonus shall be in effect for employees in a Mechanic position and possessing master Automotive Service Excellence (ASE) Certificate.

Master ASE Certificate $1,500.00

Payouts will be in one lump sum in December of each year. This payment will be in conjunction with the December longevity payment.

City shall pay to maintain the CDL and necessary endorsements, i.e., the difference between a normal driver's license and the amount required for the CDL with endorsements for employees who do not receive any other monies pursuant to Appendix C.

ADD: Emergency Vehicle Technician (EVT) $500 certification pay *(from LOU dated 11-29-22)*

~~APPENDIX C - Continued~~
~~(Water Licenses) - Effective 1/1/09, the requirement to pay Employees for licenses when they are required for their position will be eliminated. The City agrees that this would only apply to new employees in these positions and would not affect payments being made to current employees.~~

~~Instead, the following payment schedule is offered for the upgrade of licenses:~~
~~F-1 $1,000~~
~~F-2 $ 700~~
~~F-3 $ 350~~
~~S-1 $ 750~~
~~S-2 $ 500~~
~~S-3 $ 300~~

~~Payouts will be in one lump sum in December of each year. This payment will be in conjunction with the December longevity payment.~~

32. Appendix G – Answering Service

CITY OF MUSKEGON
LOCAL #517M
APPENDIX G

The 24 hour call-in number for the Department of Public Works will be operated by our answering service, ~~Community Telephone,~~ and will be supervised 24

hours a day.

CALL IN NUMBER
~~231-737-3878~~231-737-2680

Employees will report the following information;
- Name
- Department
- Phone Number
- Reason for absence
- Expects to return to work date

You will receive a verification number ~~from Community Telephone~~ which will be your confirmation of receipt of this information by the City of Muskegon.

33. Clarifying Items
Use gender neutral language.
Change "~~City~~" *to* "Employer"

THIS AGREEMENT, effective this 1st day of January, ~~2022~~2026, A.D., by and between the City of Muskegon, a Michigan Home Rule City, hereinafter designated as the "Employer", and Local 517M, Unit 2 of the Public Employee's Union of Southwestern Michigan, hereinafter referred to as the "Union", under the provisions of the Public Employee Relations Act, 336 of the Public Acts of 1947, as amended, WITNESSETH:

SECTION 1 - PURPOSE

It is the purpose and intent of the parties to this Agreement that its results shall promote mutual cooperation and further the welfare of the City of Muskegon and its employees; insure a spirit of confidence and cooperation between the Employer and its agents and employees; set forth the general policy of the ~~City~~ Employer on personnel matters and procedure; establish uniform and equitable rates of pay and hours of work; provide for a disposition of grievances and to improve the efficiency of municipal services and assure the greatest return for tax dollars.

SECTION 2 - DEFINITIONS

2.1 The term "employee" as used in this Agreement shall mean any employee who is eligible for membership in the Union within the Bargaining Unit as described in Section 3 of the Agreement. The term "employer" as used in this Agreement shall mean the City of Muskegon as the public employer and its duly authorized officers and/or agents.

2.2 The term "management" as used in this Agreement shall mean the duly authorized officials and supervisors of the public employer.

SECTION 3 - RECOGNITION

Employer ~~The City~~ recognizes the Union as the exclusive bargaining representative and agent with respect to rates of pay, wages or salaries, hours of work and other terms and conditions of employment for permanently-appointed, part-time and seasonal employees listed in Appendix A, excluding all clerical, confidential, supervisory, and managerial personnel. ~~in the following Departments or Divisions:~~

~~Equipment~~
~~Highway~~
~~Water and Sewer Maintenance~~
~~Cemetery~~
~~Water Filtration and Pumping~~

~~Waste Water Treatment~~
~~Traffic Sign Maintenance~~
~~Forestry~~
~~Parks Maintenance~~
~~Building Inspection Department~~
~~Engineering Department~~
~~Communication~~

~~and the Classifications:~~

~~Rehabilitation Inspector~~
~~Parking Meter Checkers~~
~~Horticulturist~~
~~Zoning Inspector~~

~~excluding all clerical, confidential, supervisory, and managerial personnel.~~

If Employer ~~the City~~ elects to re-fill the positions of Mall Maintenance, Sanitation Operator or Highway Maintenance Worker, they shall be represented by this Unit.

SECTION 4 - UNION SECURITY

4.1 Upon receipt of a written authorization from an employee, and to the extent permitted by law, the employer will deduct from the employee's wages an amount equal to monthly union membership dues which shall be deducted in a fixed amount ~~each pay period~~twice per month, regardless of the employee's membership status, and remitted to the Union. Once authorized, payroll check-off shall be irrevocable for a period of one year and automatically renewed each year thereafter, except that authorization may be withdrawn by sending a written notice to the Union by registered mail during the period of ten (10) days immediately prior to the annual anniversary date of the contract (Dec. 16th through Dec. 31).

The employer agrees to provide this service without charge to the union.

4.2 For the purpose of this Agreement, the term "dues" shall mean all regular monthly dues, assessments, and fines.

4.3 The Union shall furnish check-off forms to Employer~~the City~~. At the time of hiring new employees, Employer ~~the City~~ shall furnish the check-off forms to the new employees and Employer ~~the City~~ shall notify the Union of the hiring. Thirty (30) days after date of hire, Employer ~~the City~~ will notify the Union of those new employees who have executed check-off forms.

4.4 The Union Security clauses in this Agreement are only conditioned by current and future State Labor laws and legal interpretations thereof.

4.5 Union agrees to indemnify and hold the Employer harmless against any and all claims, demands, suits, or other forms of liability including, but not limited to, wages, damages, awards, fines, court costs, attorney fees and unemployment compensation cost that arise out of or by reason of action taken by the Employer.

4.6 No later than 30 days after the hiring of a new employee, the employer shall provide the employment and contact information of the employee to SEIU Local 517M. Every 90 days, the employer shall provide, in Excel format, to SEIU Local 517M the employment and contact information of the employees represented by SEIU Local 517M.

The employment and contact information provided must include all of the following for each employee:

(A) First, middle, and last name.
(B) Department or agency.
(C) Classification (as it appears in the Collective Bargaining Agreement).
(D) Address of primary work location.
(E) Home address.
(F) Personal phone number.
(G) Personal email address.
(H) Work email address.
(I) Date of hire.
(J) Employee identification number, if applicable.
(K) Full-time or part-time employment status.
(L) Wage (hourly and annual).

SECTION 5 - DEDUCTION OF DUES

Employees may, in writing on forms provided, direct Employer ~~the City~~ to deduct from their wages twice each month the amount of their union dues to the Union. Employer ~~The City~~ agrees to comply with such written authorization received by Employer's ~~the City~~ Finance Director from the employee for the personal payroll deduction or membership dues, or their equivalent. Said deductions shall be withheld from the ~~first~~ two payroll periods in each month and delivered by lump-sum payment to the Secretary/Treasurer designated by the Union. Such sum is to be delivered to the Union within five (5) days of deduction along with a complete dues-deduction list.

SECTION 6 - MAINTENANCE OF DUES

The written authorization of the employee for the deduction of dues shall remain in full force and effect until revoked by him by written notice, signed by the employee and received by the Employer and the Union, not more than sixty (60) days and not less than thirty (30) days before any anniversary or termination date of this collective bargaining Agreement.

SECTION 7 - MANAGEMENT RIGHTS

7.1 The Union recognizes the sole and exclusive prerogative of Employer ~~the City~~ to operate and manage its affairs in all respects in accordance with its public trust and interest, and further recognizes that the powers and authority which Employer ~~the City~~ has not officially and specifically abridged, delegated, or modified by this Agreement are retained by Employer~~the City~~.

7.2 This Agreement is not intended to be, nor shall be, restrictive of or a waiver of the rights of management not officially and specifically abridged, delegated, or modified herein.

7.3 It is further understood that management shall have the right to make such reasonable rules and regulations not inconsistent with the terms of this Agreement as it may from time to time deem necessary for the purpose of maintaining discipline, order, and efficient operations and service to the community.

7.4 The reasonableness of any new rule with respect to the general conduct of employees which would involve warnings, disciplinary layoffs, or discharges may be questioned through the grievance procedure as set forth in this Agreement.

7.5 Nothing in this Agreement shall limit Employer's ~~the City's~~ management functions, under which it shall have, among others, the right to discipline, suspend, or discharge for just cause; to determine the qualifications of employees, to observe and evaluate an employee's job performance and to apply disciplinary action to ensure a full day's work for a fair day's wages.

SECTION 8 - REPRESENTATION

8.1 All employees who are covered by this Agreement shall be represented for the purpose of grievances and contract negotiations by the Union. The Union has the right to be

present at all discussions of a grievance and contract negotiations. Any adjustments in a grievance must be consistent with the terms of this Agreement.

8.2 The Union officers shall be Chairman, Vice Chairman, Committee Person, Chief Steward, Steward, and Alternate Steward.

8.3 Duties of Union officers (in relation to the Employer~~City~~):

CHAIRMAN: It shall be the duty of the Unit's Chairman to preside at all meetings between the employer and the Union whenever possible.

VICE CHAIRMAN: It shall be the duty of the Unit's Vice Chairman to preside at all meetings between the Employer and the Union when the Chairman cannot attend such meeting.

COMMITTEE PERSON: It shall be the duty of the Committee Person to attend all negotiations involving the institution of a new Union/Employer ~~City~~ Contract, and to assist and/or substitute as a Steward when one is not available, or when a representative is needed by a Steward.

STEWARD: It shall be the duty of the Steward to investigate and represent employees at the first two steps of the grievance procedure.

CHIEF STEWARD: It shall be the duty of the Chief Steward to investigate and represent a grievant from the third (3rd) step of the grievance procedure through Arbitration.

ALTERNATE STEWARD: It shall be the duty of the Alternate Steward to fill in for the regular Steward, when the regular Steward is not available.

8.4 Executive officers of the International and/or Local Union and/or their representatives, duly authorized to represent the Union, and/or the President of the Local Union, if not employed by Employer~~the City~~, will be permitted to participate in any discussions relative to hours, wages and working conditions at any time. When a Union representative visits the work site, the Employer, if available, will be notified.

8.5 Any Employee, prior to conducting Union business, during working hours, shall supply in writing, a fully executed "Request To Conduct Union Business" form to the employee's immediate supervisor, on a form to be provided by Employer~~the City~~.

8.6 The names of the union officers shall be given in writing to the Employer. No union officer shall function as such until the Employer has been advised of ~~his or her~~their selection, in writing by any International, Local or Unit official. Any changes in union officers will be reported to the Employer in writing as far in advance as possible.

8.7 Any union officer employed by Employer ~~the City~~ having an individual grievance in connection with ~~his~~ their own work may ask for a member of the bargaining committee to assist him in adjusting the grievance.

8.8 Union officers who are employees of Employer ~~the City~~ shall be paid by Employer ~~the City~~ for the time spent during regular working hours in the processing of grievances and for negotiations directly related to administration of this Agreement conducted during regular working hours. Compensation shall be at the employee's regular straight-time rates of pay and shall cease at the end of the employees' regular scheduled working hours of any day of an assigned shift. The employees shall furnish a daily record of negotiating or grievance processing to the employees supervisor.

8.9 Union representation, excluding executive officers of the International, shall be as follows:

1st & 2nd step of grievance	Grievant plus 2 Union officers
3rd step of grievance	Grievant plus 2 Union officers
4th step of grievance	Grievant plus 2 Union officers
Arbitration	Grievant, all necessary witnesses plus 2 union officers
Bargaining	5 Union officers.

SECTION 9 - GRIEVANCE PROCEDURE

A grievance is defined as an alleged violation of a specific section or paragraph of this Agreement. If any such grievance arises, there shall be no stoppage or suspension of work because of such grievance; but such grievance shall be submitted to the following grievance procedure:

Step 1 - Within ten (10) working days after the date of an alleged occurrence of a grievance, the aggrieved employee will take the matter up with ~~his~~ their immediate supervisor. The employee may request the presence of the steward or committeeperson of ~~his~~ their department at that time. The supervisor shall send for such steward without undue delay and without further discussion. The supervisor shall give an oral answer to the employee within the following three (3) working

days. The meeting between the supervisor and the aggrieved employee shall begin at the start of the last hour of the workday.

Step 2 - If the matter is not settled at Step 1, the Union may submit, within the three (3) work days following the oral answer, a written and signed "Statement of Grievance" to the Department Head~~immediate supervisor~~. The "Statement of Grievance" shall name the employee involved, shall state the facts giving rise to the grievance, shall identify all the provisions of this Agreement alleged to be violated by reference, shall state the contention of the employees and of the Union with respect to these provisions, indicate the relief requested, and be signed by the grievant and an authorized Union representative. Within three (3) working days following next after the personal receipt of the Statement of Grievance, the Department Head ~~supervisor~~ shall submit a written answer to the employee and to the Union upon the grievance form or attached thereto. If the matter is settled at Step 2, the employee shall sign the grievance stating that result.

Step 3 - If the matter is not settled at Step 2, the Union may appeal the matter, within three (3) working days next following the submission of the written answer, to the ~~Department~~ Division Head; who shall either (a) issue a written disposition within three (3) working days next following personal receipt of the written appeal, or (b) within the same period of time, initiate and hold a meeting with all parties involved in the dispute to date and the ~~Department~~ Division Head. The ~~Department~~ Division Head shall submit a written disposition of the matter within ~~forty-eight (48) hours~~two (2) working days ~~next~~ following the conclusion of the meeting. If the matter is settled at Step 3, the Union shall sign, stating that result.

If the "supervisor" in Step ~~2~~1 is the same person as the "Department Head" in Step ~~3~~2, Step ~~3~~2 may be skipped and the matter may proceed immediately to Step ~~4~~3.

Step 4 - If the matter is not settled at Step 3, the Union may submit a notice of appeal and the grievance to the City Manager or designee within forty-eight (48) hours next following submission of the written disposition. Upon request by either party, a meeting shall be held, if possible, within five (5) working days next following personal receipt of the notice of appeal. The City Manager or designee shall issue a written disposition within ten (10) working days next following conclusion of the meeting.

Employer ~~The City~~ shall have the right to notify the Unit Chairman of the alleged violations of the Agreement or conduct on the part of Bargaining Unit employees which is inconsistent with the terms of this Agreement which would result in a conflict with the purpose and intent of Section 1 of this Agreement. The Unit Chairman shall transmit the appropriate response or disposition of the Union of the matter to the Employer within ten (10) working days of receipt of the said notice of Employer.

SECTION 10 - TIME LIMITS

10.1 Time limits may be extended by management and the Union in writing; then the new date shall prevail. Any grievance not advanced to the next step within the time limit within that step by the employee or the Union shall be deemed abandoned and not subject to further appeal.

10.2 Any disposition of an appeal step which is not issued within the time limits specified shall result in a forfeiture of further management disposition on the matter.

10.3 The relief requested in the grievance shall take effect upon confirmation that the time limits provided for disposition by management in the above grievance procedure have been exceeded.

10.4 Mediation may be initiated by either party at the Step 4 conferences of the Grievance Procedure. In the event mediation is utilized, the time limits for arbitration shall commence upon the date of termination of the mediation procedure. All notices of intent to mediate or arbitrate shall be in writing. The maximum number of days for proper notice in either case shall be ten (10) calendar days. (Amends Sec. 11 also) In case of grievance involving discharge from employment for cause, mediation shall require mutual agreement.

SECTION 11 - ARBITRATION AS TERMINAL POINT OF GRIEVANCE PROCEDURE

11.1 If the grievance is not adjusted by any of the above steps, the Union may within ten (10) calendar days after receipt of the written answer from the City Manager or designee, give notice of its intent to submit the grievance to arbitration. The parties shall then obtain a panel of five (5) names from the Michigan Employment Relations Commission. The Arbitrator shall then be selected in accordance with the rules and regulations of the Michigan Employment Relations Commission. The Arbitrator may determine the effective date for ~~his~~ their disposition of a

grievance, shall have full authority in any way the facts justify to alter or change discipline or discharge penalties imposed by management. The Arbitrator shall have jurisdiction and authority only to interpret, apply and determine compliance with this Agreement, and shall not add to, detract from, or alter in any way its provisions. The Arbitrator's decision shall be final and binding on both parties. The fees and expenses of the Arbitrator, and cost of place of such hearing as is selected for the hearing by mutual agreement of the parties, will be equally divided between the Employer and the Union. The parties shall bear individually the costs of presenting their respective case in arbitration.

11.2 Arbitration shall not be available as a remedy for disputes arising from contract negotiations or matters of maintenance of conditions arising under Section 42 of this Agreement.

11.3 Arbitration shall not be available as a remedy for disputes arising with regard to employee performance evaluation. Such disputes may proceed through the grievance procedure to Step 4, the City Manager's step, but shall not proceed to arbitration.

SECTION 12 - SENIORITY

12.1 Hourly rated and salaried employees, excluding seasonals, shall serve a six (6) calendar months' probationary period.

12.2 There shall be no responsibility for the re-employment of probationary employees if they are laid off or discharged during this period. Discharges of probationary employees shall not be subject to the grievance procedure.

12.3 Bargaining unit seniority is an employee's length of accumulated time in Unit 2, Local 517M since the day and year of the employee's last day of hiring, less such time as seniority does not accrue during the employee's absence as provided in this agreement and less time lost due to layoff. Classification seniority shall be the amount of accumulated service within a classification; departmental seniority shall be the amount of accumulated service within a department. City wide seniority is defined as the length of uninterrupted employment with the Employer ~~City~~ since the day and year of employee's last date of hiring, less such time as seniority does not accrue during the employee's absence as provided in this Agreement, and less time lost due to layoff.

12.4 An employee shall lose ~~his~~ their seniority rights under the following conditions:

A. If ~~he~~ they resign~~s~~ or ~~is~~ are discharged for just cause or retires.

B. If ~~he is~~they are absent for three (3) working days without notice to the head of ~~his~~ their department, or fails to report for three (3) working days after expiration of a leave of absence without notice to the head of the department; providing no reasonable excuse has been submitted to the Employer for the failure to adhere to the above stipulation.

C. After a layoff, failure to report to the former job in a department where the employee's seniority status prevails within three (3) working days after receipt of notice from Employer ~~the City~~ addressed to the employee's last known address instructing him to report for work, or failure within three (3) working days after such notice to notify Employer ~~the City~~ of satisfactory reasons.

D. After six (6) consecutive months' layoff for employees having less than one (1) year seniority as of the date of layoff; after twelve (12) consecutive months' layoff for employees having (1) year, but less than three (3) years, seniority as of the date of layoff.

After eighteen (18) consecutive months' layoff for employees having three (3) years, but less than five (5) years, seniority as of the date of layoff, and after twenty-four (24) consecutive months' layoff for employees having five (5) or more years seniority as of the date of layoff.

12.5 The Unit will receive a quarterly list of personnel changes.

12.6 Employees hired or promoted into a position which requires licensing or certification, with the exception of positions requiring valid Michigan motor vehicle operator's licenses, shall complete a probationary period as specified above. In addition, the employee shall complete the certification or licensing requirements within the time period set by the licensing agency. Failure to obtain certification or license within the time period specified by the licensing agency shall result in the employee being returned to the previous position the employee had. If the employee is a new hire, the employee shall be laid off without the opportunity to exercise bumping rights. If the employee promoted into the position, the employee must be returned to the position, or an equivalent position from which the employee promoted, notwithstanding other contractual language concerning lay-off, bumping, and recall.

SECTION 13 – TEMPORARY SEASONAL EMPLOYEES

~~Temporary Seasonal Employees shall be those individuals hired through a temporary employment agency to perform the functions of seasonal beach maintenance worker, seasonal leisure service maintenance worker, seasonal leisure service maintenance worker I, and seasonal laborer. As to those individuals the following applies.~~

Temporary Seasonal Employees shall be those individuals hired through a temporary employment agency to perform the functions of seasonal beach maintenance worker, seasonal parks maintenance worker, and seasonal laborer. As to those individuals, the following applies.

~~13.1 Individuals listed on Appendix A shall attain permanent status only upon completion of twelve (12) continuous months of employment at the City without interruption, or through promotion or transfer.~~

13.~~2~~1 Management shall have the right to use temporary seasonal employees in any department.

13.~~3~~2 The work schedules shall be established by management.

13.~~4~~3 Temporary seasonal employees shall not be employed to displace permanent employees, shall not replace permanent employees laid off from their positions, or hired for the purpose of eliminating a permanent position.

13.~~5~~4 The duties of a Temporary seasonal employee. Those provided in the job descriptions of seasonal beach maintenance worker, seasonal parks maintenance worker, and seasonal laborer. ~~Those provided in the job descriptions of seasonal beach maintenance worker, seasonal leisure service maintenance worker, seasonal leisure service maintenance worker I, and seasonal laborer.~~

13.5~~(A)~~ The City of Muskegon may use qualified temporary employees for functions/positions previously not allowed to a maximum of three (3) positions total (City-wide) from December 1st to March 1st. Employer ~~City~~ retirees or laid-off employees will receive preference for these three (3) positions as long as they are qualified. These positions can only be utilized if regular Union employees are not available or after regular Union employees are called for overtime purposes, which calls will be limited to employees within the department that the work occurs.

These positions may not be utilized if there are Union employees laid-off in that department. Section ~~14~~13.5 shall not apply to these three positions.

13.6 Temporary seasonal employees will not be supervised by employees of this bargaining unit.

SECTION 14 - LAYOFF AND RECALLS

14.1 Layoff. The employer has the right to lay off within a classification and/or department. Layoffs will be based, in order of seniority on the following:

A. bargaining unit seniority

B. classification seniority

C. departmental seniority

D. city wide seniority

(as defined in Section 12.3)

The employer will give full time permanent employees ten (10) calendar days notice of layoffs and seasonal employees shall receive three (3) calendar days notice of layoff.

14.2 Upon layoff the following procedures shall apply:

A. Probationary employees will be laid off first from the classification(s) to be reduced within a department.

B. If there are not enough probationary employees in the classifications affected, then employees with the least seniority in the classification(s) will be laid off.

C. Permanent full-time employees laid off from their permanent classification who exercise their bargaining unit seniority to displace the least senior employee in the same, lateral or lower classification must notify the employer of their intent to bump within three (3) working days after layoff.

D. Permanent full-time employees laid off from their permanent classification and who elect to follow the bumping procedure to exercise their bargaining unit seniority rights must accept employment in the new position within six (6) working days of layoff.

There will be no break in seniority under the aforesaid provision.

E. Employees who have bumped a less senior employee (as described in C. above) must possess the ability to do the work required. A decision on the ability of the employee to do the work shall be made by the Management not less than fifteen (15) days nor more than six (6) months after the bump is effective. The employee shall be notified of such decision in writing. However, if an employee claims a job in a classification where ~~she/he was~~they were previously qualified, the employee must have all contractual requirements, e.g., CDL licenses, on the date of employment, and satisfy all other requirements at the sooner of six (6) months or the next available test date, but no later than one year from appointment.

F. Any employee laid off from ~~his/her~~their permanent classification who has exercised bargaining unit seniority to bump into a same, lateral, or lower classification and is subsequently laid off and elects to exercise bargaining unit seniority will do so based on ~~his/her~~their permanent classification.

G. The employer will not use any employee in a classification in which ~~he/she is~~they are not classified if another employee is laid off therefrom, except in case of emergency.

H. Employees who exercise their seniority under this section will be paid at the same rate in a lateral assignment or at the highest rate paid for a lower classified assignment.

14.3 Recall. In order to facilitate the recall procedure, recalls will be in inverse order of layoff, and the following will apply:

A. The employer will notify the employee of recall, however, it is the employee's responsibility to notify the employer of ~~his~~ their intention to return to work and the date which ~~she/he~~they will report. The employee will have three (3) working days from the notice of recall to contact and to notify the employer accordingly.

B. When employees are recalled, they will be returned to their permanent classifications in order of their bargaining unit seniority with the high senior employees who hold the permanent classification recalled first, and before any other employee with less bargaining unit seniority is recalled or returned to that permanent classification.

C. Employees recalled to their permanent classifications must return to their permanent classifications (as described in A. of this section) or they will be deemed to have terminated their employment voluntarily.

D. Employees who have elected not to exercise their bargaining unit seniority after having been laid off and who have not been recalled to their permanent classifications must return to open classifications in a lateral or lower classification provided that:

(1) There is an employee with higher bargaining unit seniority working in the laid off employee's permanent classification.

(2) If, during recall, an employee refuses to accept the available lateral or lower classifications ~~she/he~~they will be deemed to have terminated ~~his/her~~their employment voluntarily.

SECTION 15 - VACANCIES AND JOB OPENINGS

15.1 All employees shall be given equal opportunity to familiarize and train for promotion. In recognition whereof the parties to this Agreement do hereby agree that the job description, as contained in the Employer's ~~City's~~ classification plan of the duties enumerated in the plan, of a higher classified position, shall not constitute "working out of classification" unless such assignment be made repetitively so as to equal the equivalent of one employee being assigned to 50% or more of the exclusive-enumerated duties of the higher classification over a period of time defined as in excess of sixty (60) consecutive calendar days. The word "days" shall be defined as any part of the scheduled work day.

15.2 Management and the Union have mutually determined that it is the employee's responsibility to request training through the supervisor. Management will accommodate the request as much as possible through work assignments or through advance notice of a training program, whenever practical.

15.3 Should it become necessary to fill a vacancy in a classified position of the Employer's ~~City's~~ service or to add to authorized manpower, the Union agrees all opportunities for transfers and promotions as provided by this Agreement shall be made available through promotional examination, but that concurrently said opportunities shall be made available through

open advertisement and general examinations for the establishment of an eligible list, so as to avoid unnecessary delay in filling the position should eligible employees fail to meet the requirements of the position or refuse promotion.

15.4 If a vacancy is of an emergency nature, management may designate an emergency substitute not to exceed thirty (30) calendar days.

15.5 Any employee upon request, who works forty (40) hours and five (5) consecutive working days in a higher classification, shall be paid the rate of the higher classification for such forty (40) or more hours of consecutive working days. The employee shall be paid in accordance with the rate of pay in the higher classification which is next higher than ~~his~~ their own present rate of pay in ~~his~~ their own present classification.

15.6 No employee shall be reallocated to a higher permanent position or higher rate of pay because of temporary assignment.

15.7 No employee who is a successful bidder, and is employed in a new position, under the promotion provisions of this Agreement shall have the right to bid on any job opening for a period of six (6) calendar months from the date of the successful bid, except for employees in the Laborer classification, in recognition of the promotional intent with that classification.

15.8 All employees, regardless of classification, must apply and follow the Civil Service process for the job posting.

SECTION 16 - ~~NON-PROMOTIONAL TRANSFERS~~INTENTIONALLY OMITTED

~~Employees shall not have the right to a non-promotional transfer after February 1, 1992.~~

SECTION 17 -- PROMOTIONS, DEMOTIONS, AND TRANSFERS

17.1 In all cases of promotion from one classification to another, the following factors will be considered before seniority governs:

A. Knowledge, training, ability, skill and efficiency

B. Physical fitness

C. Attendance Record

D. Driver's License History

Where these four factors are relatively equal, the length of continuous service shall govern.

A promotion shall be defined as moving into a classification with a higher pay range than the current classification. A demotion shall be defined as moving into a classification with a lower rate of pay than the current position. A transfer shall be defined as moving into a classification with equal pay to the current position.

17.2 Any employee filling a vacancy of a promotional nature within the Unit for which ~~he has~~they have not been previously classified shall be given up to six (6) calendar months to prove ~~his~~ their ability. If unable to qualify, ~~he~~ they shall be returned to ~~his~~ their former position, without prejudice, at the rate of pay for such position. An employee may voluntarily return to their ~~his~~ former position, within 30 days of promotion, without prejudice, at the rate of pay for such position. An employee may elect voluntarily to return to their ~~his~~ former position once in a calendar year. Failure of probation shall be deemed a voluntary return for purposes of subsequent promotions.

17.3 From the date of entering the classification, the employee shall be paid at the minimum rate agreed upon for the classification, and shall be subject to the six (6) calendar months probationary period covered above; provided any employee appointed to a job by promotion, demotion, or transfer, carrying a lower starting rate than the rate received at the time of appointment, shall ~~continue to receive~~ start at the step closest to and not less than the rate received at the time of appointment, and shall continue to receive increases until the top for the working classification is received, subject to the provisions of the wage schedule adopted by virtue of this Agreement.

17.4 Any employee may exercise their ~~his~~ prerogative to refuse promotion or transfer without bias or loss of seniority. ~~However, pursuant to Section 17 of this Agreement, employees do not have the right to a non-promotional transfer.~~

SECTION 18 - WORKING HOURS COVERING STANDARD OPERATIONS

18.1 The standard work week shall consist of forty (40) hours per week, Monday through Friday.

18.2 The standard work day shall consist of eight (8) hours per day for first shift operations where the majority of such hours fall between 7:00 A.M. and 5:00 P.M. Meal period allotments and rest period breaks shall apply as they pertain in Section 21 and 22, respectively. Pay for a full shift period shall be a sum equivalent to eight (8) times the regular hourly rate, with no pay for the lunch period and no premium.

18.3 The standard work day for employees assigned to the second shift shall consist of eight (8) hours where the majority of such hours fall between 4:00 P.M. and 12:00 Midnight. Meal period allotments and rest period breaks shall apply as they pertain in Sections 21 and 22, respectively. Pay for a full second shift shall be a sum equivalent to eight (8) times the regular hourly rate plus a ten (10%) percent shift premium.

18.4 The standard work day for employees assigned to the third shift shall consist of eight (8) hours where the majority of such hours fall between 12:00 Midnight and 7:30 A.M. Meal period allotments and rest period breaks shall apply as they pertain in Sections 21 and 22, respectively. Pay for a full third shift shall be a sum equivalent to eight (8) times the regular hourly rate plus a fifteen (15%) percent shift premium.

18.5 The Employee shall receive two (2) hours minimum pay for reporting for duty on their ~~his~~ regularly scheduled shift in the event ~~he is~~they are not required to work the full shift of a normal work day in excess of the first two hours.

A. The minimum pay shall not be paid if the employee is notified no later than one (1) hour prior to their ~~his~~ regular scheduled shift.

18.6 The standard workday for employees working the weekend shift shall consist of eight (8) hours per day for first shift operations where the majority of such hours fall between 7:00 A.M. and 5:00 P.M on a Saturday or Sunday. Meal period allotments and rest period breaks shall apply as they pertain in Sections 21 and 22, respectively. Pay for a full shift period

shall be a sum equivalent to eight (8) times the regular hourly rate plus a 20% shift premium. The weekend shift premium combines with applicable second and third shift premiums when the assigned hours fall within the definitions provided in 18.3 and 18.4. This does not apply to seven-day continuous operations. Weekend shifts cannot be mandated. Holidays will be observed on the scheduled work day closest to the holiday.

SECTION 19 - OVERTIME AND HOLIDAY PAY

19.1 Employees shall receive the overtime benefits provided for in this Agreement provided they worked their full straight-time scheduled work-week as established in this Agreement. Paid holidays shall be counted as time worked. Authorized time-off, other than disciplinary time off, will be considered as time worked for the purpose of computing overtime and fringe benefits.

19.2 Time-and-one-half shall be paid for time worked in excess of the employee's regularly-scheduled shift in any continuous twenty-four hour period subject to the exceptions for double-time and shift transfers provided in this Agreement. All water filtration employees' second day off in their rotation shall be considered Sunday for the purpose of computing wages, benefits and overtime.

19.3 Employees who worked the last scheduled day preceding and the first scheduled day following a paid holiday shall receive holiday pay, which is in an amount equal to eight times the regular hourly rate. Said employees, if required to work on a holiday set forth in this Agreement, shall receive the said holiday pay and shall in addition be paid at double their hourly rate of pay for all time worked on the holiday. ~~dDuring the first eight hours worked on any shift that starts on such holiday, for time worked on the calendar holiday in excess of the first eight hours worked on said shift starting on the holiday, and for time worked on a holiday in excess of eight hours worked on a shift that starts the previous day and runs over into the holiday.~~ No pyramiding shall result to provide pay in excess of the holiday pay and double time for the above designated hours worked.

19.4 Double-time shall be paid for any time worked on a Sunday. In the case of the filtration plant, the employee's second day off is that employee's "Sunday."

19.5 Should it become necessary to make a change in the assigned shift of the employee, ~~he~~ they shall be given a minimum of twenty-four hours' notice in advance by management of the

proposed reassignment. Assignment of the employee to another shift shall not result in the payment of overtime as provided in Section 19.1 of this Agreement, if proper twenty-four-hour notice has been given the employee in advance of their ~~his~~ reporting to their ~~his~~ newly-assigned shift. When an employee is transferred under this Section, ~~he~~ they shall not be compelled to report on their ~~his~~ newly-assigned shift with less than eight hours' rest period between shifts. An eight-hour rest period shall be construed to mean one complete shift as provided under Section 18. If an employee is requested to work, and desires to do so, during the eight hours preceding their ~~his~~ new starting time, ~~he~~ they shall be compensated at the rate of one-and-one-half times their ~~his~~ regular hourly rate during any hours worked in an eight-hour period as prescribed above.

19.6 ~~If in any work week, as the result of a shift change, an employee is permitted to, or required by Employer the City to, work and is not permitted, or required by Employerthe City, to work the number of hours in the then-established weekly working schedule of his new shift, he will be reimbursed for time lost as a result of such shift change.~~ As the result of a shift change required by the Employer, an employee will be reimbursed for time lost under 40 hours in a work week.

19.7 An employee required to work unscheduled overtime shall be paid for actual time worked. The minimum payment for unscheduled overtime shall be three (3) hours. Any employee required to work scheduled overtime shall be paid for actual time worked. Scheduled overtime is defined as any time worked where the employee is notified at work of the need to work overtime.

19.8 ~~The Supervisor will select the employee to work overtime so long as it is equalized by the end of the year. Overtime is equalized so long as the overtime hours for all employees in a classification are within 10%, plus or minus, of the median. All departments shall charge employees for declining overtime. Declining overtime includes all time when an employee is unavailable or unwilling to work.~~ Overtime sign-up periods will be for one week, running from Friday at 7:30 am through the following Friday at 7:29 am. The signups will be posted a minimum of 30 days before and close 1 week before the beginning of the overtime period.

19.9 When the supervisor determines there is a need for overtime, the supervisor will ask all employees qualified and who have signed up for overtime during that pay period to work first, and then will ask qualified seasonals. ~~If no one accepts the overtime, the supervisor will assign the mandatory overtime to anyone capable of doing the work who has signed up for~~

~~overtime during that period, provided the work is within their job description. If no one has signed up, then the supervisor will choose someone within the department who has the lowest charge overtime hours to do the work on mandatory overtime. Employees failing to show for mandatory overtime as outlined above, will be considered to have failed to follow the proper directive of a supervisor and are subject to discipline. Scheduled overtime, which is not covered by this paragraph, will be posted as far in advance as possible.~~If no one accepts the overtime, the supervisor will assign the mandatory overtime to anyone capable of doing the work who has signed up for overtime during that period, provided the work is within their job description. If the need exceeds the number of employees who have signed up, then the supervisor will choose someone within the department who has the lowest worked overtime hours to perform the mandatory overtime. If two or more employees have the same lowest worked overtime hours, then the least senior will be assigned the mandatory overtime. Employees failing to show for mandatory overtime as outlined above will be considered to have failed to follow the proper directive of a supervisor and are subject to discipline. Scheduled overtime, which is not covered by this paragraph, will be posted as far in advance as possible.

19.10 The first overtime list of each year (Jan.1-Dec. 31) will be assigned out by seniority. All subsequent lists for the year will be assigned based on hours worked. If hours worked between employees are equal, the most seniority will be chosen first.

19.11 Notwithstanding Section 19.9, a supervisor may require a temporary seasonal employee to work one (1) hour of overtime before implementing Section 19.9. The temporary seasonal employee may be required to continue working until a full or part time regular employee relieves the temporary seasonal employee. Within a reasonable period of time after each pay period, City shall provide to the Unit President a copy of all temporary seasonal employee's hours worked in the previous pay period.

19.12~~1~~ Compensatory Time.

A. Compensatory time ("CT") must be declared by the employee on their time sheet within the pay period worked. No more than 50% of the total overtime hours worked in a single day may be declared CT.

B. Employees are allowed to earn a maximum of eighty (80) hours of CT in a calendar year. Such time will be accrued as it would have been paid (time and one-half or double time). Employees shall be allowed to carry over a maximum of 20 hours

to the next calendar year. Any time accrued over the 20 hours will be paid out to the employee at the end of the year.

C. Any unused CT shall be paid upon an employee's separation, retirement, or death. Payment shall be made at the rate of pay in effect at the time of retirement, separation, or death and included in the final paycheck.

D. The use of any CT will be determined by the Supervisor. CT must be requested at least twenty-four (24) hours in advance of the time requested. CT must be taken in one-hour increments with a minimum duration of four hours.

SECTION 20 - HOURS OF WORK COVERING NECESSARY SEVEN-DAY CONTINUOUS OPERATIONS

20.1 Employees working in necessary continuous seven day operations shall work eight hours on each shift less one-half hour for meals and shall receive eight hours' pay.

20.2 Time-and-one-half shall be paid for all hours worked in excess of eight paid hours in any one day and for all hours worked which are not scheduled hours. All employees' schedules shall be posted not less than one week in advance of the beginning of the next pay period.

20.3 Effective January 1, 1995, second shift premium for seven-day operations shall be ten (10%) percent of the regular hourly rate, and the third-shift premium for seven-day operations shall be fifteen (15%) percent of the regular hourly rate.

20.4 Salaried and hourly employees working their full regular shift in a necessary continuous seven-day operation will receive triple (3) times their regular rate for the said hours worked on any of the paid holidays provided in this Agreement, (accounting for holiday pay and double time for hours worked in said regular shift), and double time for Sundays and holidays worked when these days fall outside the normal established schedule. Pay pursuant to this section will not be pyramided.

20.5 As to the employees in necessary seven-day continuous operations, if a holiday as designed by this Agreement falls on an employee's regular day off, the employee shall be given an additional day off. The additional day off to be taken in lieu of the holiday under this provision shall be approved in advance by the Supervisor of Water Filtration.

20.6 During the months of May, June, July and August, during each year during this Agreement, employees at the Water Filtration Plant shall be allowed to schedule two (2) persons on vacation at the same time with the supervisor's permission and based on the needs of the Plant.

SECTION 21 - MEAL PERIODS

21.1 An employee shall be entitled to a half-hour unpaid meal period after the completion of four (4) hours' work on their ~~his~~ regularly scheduled first shift, as provided in Section 18. An employee assigned to the engineering or inspection departments shall receive one (1) hour unpaid lunch break after four (4) hours' work on their ~~his~~ regularly scheduled first shift as provided in Section 18. Employees scheduled for standard second and third shift operations, and employees involved in a necessary seven-day continuous operation will receive a paid half hour lunch period scheduled by mutual agreement of the employee and the supervisor.

21.2 An employee who is required to work continuously beyond a regularly-scheduled work shift shall be entitled to a twenty-minute paid meal period if such overtime will cause him to work five continuous hours since the end of their ~~his~~ period, provided said employee is to be required to work beyond this break. Therefore, the employee shall be entitled to a meal period in the same manner as prescribed in the preceding paragraph of this Section. An employee who works more than four (4) hours of overtime shall be entitled to a second meal break, which Employer ~~the City~~ shall schedule.

21.3 An employee called out for overtime work shall be entitled to one-half hour paid meal period upon completion of each four hours of continuous work, provided said employee is to be required to work beyond the meal period.

21.4 Employees shall be entitled to a reasonable amount of paid cleanup time prior to meal periods and at the end of the work shift. Such time shall be established by department, and shall be determined by available facilities and extremities of employee assignment. Whenever practical, the time allowed will be five minutes before lunch and ten minutes prior to quitting time.

21.5 Employees shall not use Employer ~~City~~ vehicles for transportation during meal periods unless the employee is on a job site or in transit to or from a job site.

SECTION 22 - REST PERIODS

22.1 An employee will be accorded two (2) paid rest periods of fifteen (15) minutes each on the scheduled shift which may be used as "coffee breaks", as governed by departmental regulations; provided the right of reasonable temporary relief at other times shall not be eliminated.

~~The following regulations shall apply to those employees falling within any of the following circumstances:~~

~~GROUP A Those employees located and working at permanent and stationary work stations shall comply with the provisions of Section 23, provided that reasonable exceptions shall be allowed with the approval of the department's supervisor.~~

~~GROUP B Those employees working on a crew assigned to a specific job other than a stationary and permanent work location shall have appropriate arrangements made whereby either the foreman, or one member of the working crew, shall pick up coffee for all members of the crew. Reasonable sanitary measures will be provided where required. The employer shall allow for reasonable exceptions to these regulations, including the use of City vehicles, when required or necessitated due to adverse weather conditions and physical hardship or safety requirements.~~

22.2 ~~GROUP C~~ Employer ~~City~~ vehicles shall not be used for personal business, including during break times, unless authorized by a supervisor. No Employer ~~City~~ vehicle shall be on private property except as incidental to the normal working day, except as authorized by a supervisor. At no time shall the total incidental time exceed the authorized break time.

SECTION 23 - VACATIONS

~~23.1 Vacation time shall be accumulated as follows:~~

~~Hourly Rate Employees~~

~~For each increment of 208 hours of straight-time worked during the preceding calendar year, an hourly-rate employee shall accumulate:~~

~~One day, but not to exceed ten (10) days per year, during the first six (6) years of continuous service.~~

~~One-and-one-half days, but not to exceed fifteen (15) days per year, beginning the seventh (7th) year through fourteen (14) years.~~

~~Two days, but not to exceed twenty (20) days per year, beginning the fifteen (15) years of continuous service.~~

~~Effective January 1, 2020, two-and-one-half days, but not to exceed twenty (25) days per year, beginning upon completion of twenty-four (24)) years of continuous service.~~

~~Effective January 1, 2023, two-and-one-half days, but not to exceed twenty (25) days per year, beginning upon completion of twenty-one (21) years of continuous service.~~

~~Salaried Employees~~

~~Salaried employees shall accumulate:~~

~~One day per month of employment but not to exceed ten (10) days per year during the first six (6) years of continuous service.~~

~~One-and-one-quarter days per month but not to exceed fifteen (15) days per year beginning the seventh (7th) year through fourteen (14) years.~~

~~One and three-fourths days per month but not to exceed twenty days per year beginning fifteen years of continuous service.~~

~~Effective January 1, 2020, two-and-one-quarter days per month, but not to exceed twenty (25) days per year, beginning upon completion of twenty-four (24)) years of continuous service.~~

~~Effective January 1, 2023, two-and-one-quarter days per month, but not to exceed twenty-five (25) days per year, beginning upon completion of twenty-one (21)) years of continuous service.~~

23.1 Vacation will be accrued and awarded as follows:

A. For the purposes of identifying a "service milestone," the following shall apply:

1. The first (1st) anniversary date of employment.
2. The first day of the employee's 7th year of continuous service.
3. The first day of the employee's 15th year of continuous service.
4. The first day of the employee's 21st year of continuous service.

B. Employees shall accrue vacation time as follows:

Years of Continuous Service	Annual Vacation Award

Date of hire through 6th year	80 hours per year
7th through 14th year	120 hours per year
15th through 20th year	160 hours per year
21st year and beyond	200 hours per year

Vacation hours shall be awarded on January 1 of each calendar year and made available for use according to the provisions of this section.

C. Employees who have not completed one full calendar year of employment as of January 1 shall receive a prorated vacation award based on their length of service in the preceding calendar year, at a rate of eight (8) hours per full month of employment, up to a maximum of eighty (80) hours.

Vacation hours may not be used until the employee has completed six (6) months of continuous employment.

Examples:

- An employee hired on March 1 will have worked ten (10) full months by the following January 1 and will receive the full 80-hour award. These hours may be used immediately since the employee has completed six (6) months of service.

- An employee hired on September 1 will have worked four (4) full months by the following January 1 and will receive 32 hours of vacation. Because they have not yet completed six (6) months of service, vacation may not be used until March 1.

D. When an employee reaches a new service milestone, the difference between the vacation hours associated with the new milestone and the number of hours awarded on January 1 of that year shall be credited to the employee on their anniversary date of service.

Examples:

- An employee who is awarded 80 hours on January 1 and reaches their 7th anniversary in July will receive an additional 40 hours (the difference between 120 and 80) on their anniversary date.

- An employee who is awarded 120 hours on January 1 and reaches their 15th anniversary in September will receive an additional 40 hours (the difference between 160 and 120) on their anniversary date.

E. Employees who complete their initial six (6) month probationary period during the calendar year shall receive the

difference between the prorated vacation hours awarded on January 1 and the full eighty (80) hours associated with completion of their first year. This adjustment shall be credited to the employee on their one-year anniversary date.

Example:
An employee hired on May 1, 2026 received 56 hours on January 1, 2026, based on seven months of service in 2025. Upon completing their one-year anniversary on May 1, 2027, they shall receive an additional 24 hours, bringing their total for the year to 80 hours.

F. Vacation hours credited mid-year, whether due to reaching a service milestone or completion of the probationary period, shall be available for use after the next paycheck has been processed following the anniversary date.

23.2 Any employee of Employer~~the City~~, other than a probationary employee, who retires, resigns, or leaves the service of Employer ~~the City~~ shall be entitled to their ~~his~~ prorated accumulated vacation time.

23.3 No vacation shall be taken until an employee has been on the payroll for a period of at least six (6) months.

23.4 A day of vacation shall be canceled for each day an employee would have worked during the normal work week, and shall be paid for at the rate the employee would have earned on that particular day exclusive of overtime.

23.5 Vacation leave shall not be cumulative and shall be taken during the calendar year following the one in which it was earned; unless conditions render it impossible, all employees shall take their vacation.

23.6 Vacation leave shall be considered as a matter of right and, if canceled because of work necessity shall be paid for at straight time as extra compensation for the period if the vacation was scheduled and approved prior to March 2. All other canceled vacations shall be rescheduled.

23.7 Insofar as is possible, subject to the exigencies of employment needs, employees in the several departments governed by this Agreement shall be permitted to select their vacations. Senior departmental employees shall have first choice. Both hourly and salaried employees, in making vacation selections, may choose units of not less than one (1) full scheduled work day. Vacation may be used in one-half (1/2) day increments with

the approval of the supervisor. In selecting a single-day unit of vacation, the employee shall forfeit a right to a preferred choice by seniority unless arrangements are made with management thirty (30) days prior to the desired date, and provided further that departmental employees with more seniority have not previously selected such date or dates for their vacations to the extent that such scheduling would serve as a hardship on departmental employment needs.

23.8 Between December 1 and December 20 of the calendar year in which vacation time is earned, management of the several departments shall prepare a calendar or schedule for vacations, which shall be circulated among the employees within each department for their selection of vacation time in the next succeeding year. This schedule shall be completed by the employees within the several departments within forty-five (45) calendar days from the date of circulation, but no later than February 15 of the next succeeding year. As of February 15 of each year, the vacation schedules shall be posted in a conspicuous place within each department in order to allow for employee changes as to vacation scheduling. Thereafter, management shall complete the vacation schedules no later than March 2 of any calendar year, and they shall be posted as the final vacation schedules, subject only to the following:

Each employee shall have the right to make one change as to their ~~his~~ personal vacation schedule following March 2 of any calendar year except that no employee shall be able to declare seniority rights in altering said schedule after March 2. Subject to the schedule change noted in the preceding sentence, no vacation that is scheduled as of March 2 of any calendar year may be taken in any fashion other than appears on the schedule without the written consent of the employee's department head given no less than three (3) days in advance of the date to be used.

An employee may bank up to twenty-four (24) hours of vacation time annually, which may be rolled over from year to year. With the Department Head and City Manager’s approval, an employee may bank an additional twenty-four (24) hours of vacation time to be rolled over annually.

No less than fifty percent (50%) of the vacation time to which an employee is entitled during any calendar year shall be taken in five (5) day increments in accordance with the applicable schedules. For employees entitled to fifteen (15) vacation days, ten (10) of the vacation days must be taken in five (5) day increments.

23.9 Should a paid holiday (Section 26) fall during an employee's vacation, the next scheduled work day shall be a vacation day.

23.10 Notwithstanding any other provision in Section 23, an employee may convert up to 120 hours unused vacation time to sick leave, which would occur in December of every year. Employer ~~City~~ may promulgate reasonable rules and forms to implement this provision. The converted hours are subject to the limitations of paragraph 24.2.

SECTION 24 - SICK LEAVE

24.1 Employees shall earn sick leave on a bi-weekly basis for straight hours actually worked. Employees shall earn 3.7 hours per pay period ~~0.0461 hours of sick leave per straight time hour actually worked~~. Employees may not earn more than 96.2 hours of sick leave within 26 pay periods.

24.2 If unused, sick leave may be accumulated up to a maximum of one hundred thirty-two (132) days for all employees subject to this Agreement. Any employee who has accumulated one hundred thirty-two (132) days of unused sick leave may be compensated consistent with payout options stipulated on form "Request for Cash-out of Accumulated Sick Leave – Non-Union, Clerical, and 517M Unit 2 Employees" available in the Finance Department.

~~Any employee or employees who have accumulated one hundred thirty-two (132) days of unused sick leave may, in writing, contribute fifty (50%) percent of additional unused and accumulated sick leave in excess of one hundred thirty-two (132) days to a "sick leave bank" which may be drawn upon by employees of the Bargaining Unit in accordance with standards and procedures set up by a committee comprised of those individuals in the Bargaining Unit who have made the contributions to the Sick Leave Bank.~~

Employees may draw upon the remaining balance of hours in the union established Sick Leave Bank in accordance with standards and procedures set up by the union's committee to oversee the bank. Once the remaining hours have been allocated, the sick leave bank will close, and this language will expire.

24.3 Sick leave shall be canceled for time an employee would ~~have worked during the normal work week, and shall be paid for at the rate an employee would~~ have worked during the normal work week, and shall be paid for at the rate an employee would have earned on that particular day, exclusive of overtime, shift

premium or any other supplemental pay. Sick leave shall be taken in increments of fifteen (15) minutes.

24.4 During the first year of employment, employees are eligible to complete a "Use of Anticipated Sick Leave" form in the event that they become ill and do not have enough leave time to cover their absence. Anticipated leave is subject to supervisor and City Manager approval. When the employee returns to work, they will have a negative sick leave balance and continue to accrue hours at their normal rate.~~An employee may request anticipated sick leave during the first year of employment which, if granted, shall be deducted from future earned sick leave.~~

24.5 Sick leave will be taken only for the following reasons, and will be compensated for under the following conditions and must be communicated at the time of request. If the need to use earned sick time is foreseeable, Employer reserves the right to require advance notice, not to exceed seven (7) days prior to the date the earned sick time is to begin, of the intention to use the earned sick time. If the need for the earned sick time is not foreseeable, Employer reserves the right to require notice of the intention as in either of the following manners:

1. As soon as practicable; or
2. Subject to any policy Employer may develop related to requesting sick time.~~:~~

(a) The employee's mental or physical illness, injury, or health condition; medical diagnosis, care, or treatment of the employee's mental or physical illness, injury, disease, or health condition or preventive care for the employee.

~~(a)~~ (b) For the employee's family member's mental or physical illness, injury, or health condition; medical diagnosis, care, or treatment of the employee's family member's mental or physical illness, injury, disease, or health condition or preventive care for a family member of the employee.

~~(b)~~ (c) If the employee or the employee's family member is a victim of domestic violence or sexual assault, for the medical care or psychological or other counseling for physical or psychological injury or disability; to obtain services from a victim services organization; to relocate due to domestic violence or sexual assault; to obtain legal services or to participate in any civil or criminal proceedings

related to or resulting from the domestic violence or sexual assault.

~~(c)~~ (d) For meetings at a child's school or place of care related to the child's health or disability, or the effects of domestic violence or sexual assault on the child.

~~(d)~~ (e) For closure of the employee's place of business by order of a public official due to a public health emergency; for an employee's need to care for a child whose school or place of care has been closed by order of a public official due to a public health emergency.

(f) When it has been determined by the health authorities having jurisdiction or by a health care provider that the employee's or employee's family member's presence in the community would jeopardize the health of others because of the employee's or family member's exposure to a communicable disease, whether or not the employee or family member has actually contracted the communicable disease.

"Family member", for the purposes of this Article includes all of the following:

(i) a biological, adopted or foster child, stepchild or legal ward, a child of a domestic partner, or a child to whom the eligible employee stands in loco parentis;

(ii) a biological parent, foster parent, stepparent, or adoptive parent or a legal guardian of an eligible employee or an eligible employee's spouse or domestic partner or an individual who stood in loco parentis when the eligible employee was a minor child;

(iii) an individual to whom the eligible employee is legally married under the laws of any state or a domestic partner;

(iv) a grandparent;

(v) a grandchild;

(vi) a biological, foster, or adopted sibling.

(vii) any other individual related by blood of affinity whose close association with the employee is the equivalent of a family relationship.

Such absence shall be deducted from sick leave on a fifteen (15) minute basis.

For a service-connected disability other than that for which the employee receives Workers' Compensation insurance benefits for lost time, any illness an employee may contract preventing their ~~his~~ ability to perform normally and safely at work or any exposure to contagious disease ~~he~~ they may experience through which the health of others would be endangered by their ~~his~~ attendance on duty; and injury or illness in their ~~his~~ immediate family which requires their ~~his~~ presence away from work. For the purposes of this Section, the immediate family shall consist of spouse, parent, child, mother-in-law and father-in-law. Also any non-duty disability an employee may sustain, excepting therefrom injury that may be sustained while being temporarily in the employ of another during their ~~his~~ off-time or such injury that may be sustained in conjunction with their ~~his~~ conviction of the violation of an ordinance or law. Sick leave shall also be taken for medical and dental appointments scheduled and verified to the Employer in advance. Such absence shall be deducted from sick leave on a fifteen (15) minute basis.

24.6 An employee disabled and absent from duty as a result of a service-connected injury incurred in the employment of Employer ~~the City~~ shall receive their ~~his~~ straight-time salary without deduction from accumulated sick leave for the period of said disability and absence but not to exceed five (5) consecutive working days commencing with the date of injury. All Workers' Compensation received during this period shall be turned over to Employer~~the City~~. Sick leave will be applied to lost time and deducted for service-connected disability other than that for which the employee receives Workers' Compensation insurance benefits for lost time, only upon receipt of a statement signed by Employer's ~~the City~~ physician to the effect that the injured employee is unable to perform the regular duties or such other temporary tasks available in the framework of Employer ~~City~~ functions, in which event said employee's earned sick leave shall be used at the rate of one (1) sick leave day for each day of such service-connected disability until such sick leave accumulation has been exhausted, unless the City Commission shall authorize an extension of leave in the manner provided in Section 25.10 hereof.

An employee's absence from duty due to a service-connected disability for which ~~he~~ they ~~is~~ are receiving Workers' Compensation benefits shall not be compensated for or deducted from their ~~his~~ sick leave unless ~~he~~ they shall elect to be paid the difference between the benefits of Workers' Compensation received by him for such service-connected disability and their ~~his~~ normal wage or salary; in which event, said employee's earned sick leave shall be used at the rate of one-third (1/3)

sick leave day for each day of such service-connected disability until such sick leave accumulation has been exhausted, unless the City Commission shall authorize an extension of leave in the manner provided in Section 24.9 hereof.

Any employee disabled and absent from duty as a result of a service-connected injury incurred in the course of employment with the City of Muskegon shall receive no economic accruals except as specifically stated in the following subparagraphs:

A. "Seniority" shall continue to accrue (for example, if the employee is injured in the course of their ~~his~~ employment in their ~~his~~ tenth year of employment and returns to work three years later, their ~~his~~ seniority shall be as a thirteen-year employee).

B. Sick leave shall continue to accumulate at the rate of one day per month, not to exceed twelve days per year, for a period of one year following the date of injury. Sick leave shall not accrue nor accumulate past one year from the date of injury.

C. Vacation time shall not be accrued, accumulated or paid to an employee for any time when the employee has not worked.

D. Longevity pay shall not be accrued, accumulated or paid to an employee for any time when the employee has not worked.

E. Holidays shall not be accrued, accumulated or paid to an employee for any time when the employee has not worked.

F. Personal leave days shall not be accrued, accumulated or paid to an employee for any time when the employee has not worked.

G. In no event shall any employee who has been disabled and absent from duty as a result of a service-connected injury incurred in the course of employment with the City of Muskegon take vacation time off in any one year in excess of that provided for in Section 23, Vacations. Any vacation days accumulated but not used prior to the injury in excess of the maximum under Section 23 shall be paid to the employee in the year in which the employee returns to duty.

24.7 An employee who uses more than three (3) days of consecutive sick leave will be required to provide documentation that the sick leave was used for permissible purposes. Such

documentation should not include a description of the illness or details of the violence (per ESTA). The employee will have fifteen (15) business days after the request to provide this documentation. The cost of securing the medical documentation will be paid by the employee and reimbursed by the Employer as required by the Earned Sick Time Act (ESTA). In the event that a physician deems sick leave is needed for more than three days, the employee is required to contact the Human Resources Department to determine if filing for Family Medical Leave Act (FMLA) would be required. If filing for FMLA, employees must follow appropriate FMLA procedures for returning to work. The employer may require verification of sick leave of less than three (3) days if the employee has shown a pattern which would indicate misuse of sick leave.~~A medical certificate shall be required in the absence of reasonable evidence of an employee's illness, an illness or injury in his immediate family, or injury that prevented his attendance at work for a period in excess of four (4) days before compensation for the period will be allowed. A medical certificate shall be required in the absence of reasonable evidence of an employee's illness or injury that prevented his attendance at work for any length of absence after an employee has taken four (4) separate periods of sick leave in any calendar year before compensation for the period will be allowed. A "separate period" shall be defined as any time away from work. However, in accruing the "four (4) separate periods of sick leave in any calendar year", an employee will not have a "separate period" credited to him if a medical certificate is provided as to such sick leave. Following four (4) separate periods of sick leave in any calendar year where the employee has failed to provide a medical certificate, then each additional separate period of sick leave will be counted as unauthorized and unpaid leave of absence unless the employee or a member of his immediate family is subject to a severe or chronic illness of substantial duration.~~

A "medical certificate" shall be either a completed form provided by the Employer ~~City~~ or a completed form from some other source. A supervisor has the right to refuse any form which is not Employer's~~the City's~~ form and the employee shall have two (2) work days to return the Employer ~~City~~ form. An original signature is not required in Employer's~~the City's~~ medical form.

24.8 Sick leave accruals shall be retained by an employee in each of the following cases: An employee who is absent on authorized leave of absence; An employee who transfers from one classification or department to another; A classified employee who is called from a layoff.

24.9 In an event of a confining illness and provided the sick leave accumulation has been exhausted, the City Commission may authorize an extension of leave to the extent of five (5) days for each year of service, not to exceed an additional sixty (60) working days. Provided however that, in the case of an employee who shall have been in Employer's ~~the City~~ service for more than fifteen (15) years, such additional leaves may be extended not to exceed six months instead of sixty working days.

24.10 No compensation for sick leave will be authorized if the employee fails to notify Employer ~~the City~~ by the starting time pursuant to Section 50.

24.11 Upon termination of employment under honorable conditions, the employee will be compensated at the rate of one hundred (100%) percent of the value of the accumulated unused sick leave, providing the employee has worked a minimum of twelve (12) consecutive months.

24.12 In the event of lay-off, the displaced employee on recall may use accrued sick leave compensated at the rate of one hundred (100%) percent of the value of the accumulated sick leave providing the employee has worked a minimum of six (6) consecutive months.

24.13 ~~On June 1 of each year, the City shall prepare a list of employees who have 130 or more hours of accumulated hours in sick leave bank. Such list shall be provided to the Union as soon as practical after its preparation. The list is valid until the following June 1 list is prepared and disseminated. The provisions of Section 25.14 are not applicable to any employee on the above-referenced list. For employees not listed on the above-provided list, i~~If an employee is absent without time in their sick leave bank to cover such time, the employee shall be charged for the "cost of benefits." The "cost of benefits" shall be 50% of the employee's actual pay. (By way of example, if an employee ~~not listed on the above-referenced list~~ had 16 hours in their sick leave bank, and was absent Monday, Tuesday, and Wednesday, the employee would be paid and not charged for their benefits for Monday and Tuesday. The employee would not be paid and would be charged the cost of benefits for Wednesday.) The charge for the cost of benefits shall be deducted from subsequent paychecks. Employees on approved leaves, i.e., approved FMLA leave or approved leave from the Civil Service Commission, shall not be obligated to pay the "cost of benefits." Employees may cash out unused sick leave in accordance with the ~~City's~~ Employer's existing program. ~~When an employee's sick bank is depleted, he/she may be excused from work and pay the cost of benefits for four (4) incidents. After~~

~~the fourth such incident, for each subsequent incident the employee shall pay the cost of benefits, the incident will be considered an unexcused absence and discipline shall be imposed as a Group 1 offense.~~

24.14 When an employee's sick bank is depleted, they may be excused from work as long as a medical certificate is provided and pay the cost of benefits for up to two (2) incidents. An incident is defined as a singular event or occurrence for a time period from 15 minutes up to one (1) day. After the second such incident, for each subsequent incident, the employee shall pay the cost of benefits, the incident will be considered an unexcused absence, and discipline shall be imposed as a Group 1 offense.

SECTION 25 - LEGAL HOLIDAYS TO BE OBSERVED WITH PAY

Legal holidays to be observed with pay are:

A. Paid holidays for City Hall based employees are designated as follows:

New Year's Day	Thanksgiving Day
Martin Luther King's Birthday	Day after Thanksgiving
Memorial Day	Day before Christmas
Juneteenth	Christmas Day
Independence Day	
Labor Day	Day before New Year's
Veteran's Day	

B. Paid holidays for non-City Hall based employees are designated as follows:

New Year's Day	Thanksgiving Day
Memorial Day	Independence Day
Juneteenth	Labor Day
Christmas Day	Day before New Years
Day before Christmas	

C. Paid holidays which fall on Saturday shall be recognized on the Friday preceding the holiday. Paid holidays which fall on Sunday shall be recognized on Monday following the holiday, exclusive of employees who perform the necessary seven-day continuous operation.

SECTION 26 - PERSONAL LEAVE DAY

26.1 Each employee based at City Hall shall be entitled to two (2) personal leave day per year. The personal leave time shall

be taken subject to notice twenty four (24) hours in advance of the time requested. Each employee based at City Hall shall be entitled to two (2) personal leave days per year. The manpower needs as determined by the department supervisor shall prevail in the scheduling and use of said personal leave. If not requested, the time is lost and cannot be taken as time off. Personal leave day benefits may be taken in one-hour increments if approved by the Department Supervisor.

26.2 Each n~~on-based~~ non-City Hall-based employee shall be entitled to five (5) personal leave days per year. The personal leave time shall be taken subject to notice twenty four (24) hours in advance of the time requested. The manpower needs as determined by the department supervisor shall prevail in the scheduling and use of said personal leave. If not requested, the time is lost and cannot be taken as time off. Personal leave day benefits may be taken in one-hour increments if approved by the Department Supervisor, except as modified in paragraph ~~27~~26.6 for the Water Filtration Plant.

26.3 Personal leave days for the first calendar year of employment shall be granted on a pro rata basis as follows:

Hired In	Non-City Hall	City Hall
January	5	2
February	5	2
March	4	2
April	4	1
May	3	1
June	3	1

Employees hired after July 1 shall not receive personal leave days until the following calendar year.

26.4 Between January 1 and November 1, if an employee requests personal leave time one (1) week in advance of the beginning of the next pay period, it is granted and then canceled, the employee shall be paid for the day and the day removed from their ~~his~~ bank. If necessary notice is not given or the personal leave day is not granted, the personal leave day shall be rescheduled.

26.5 Between November 2 and December 31, personal leave time which is requested and denied shall be rescheduled or lost.

26.6 At the Filtration Plant, personal leave days taken during the second shift, during the third shift, on a Saturday, on a Sunday or on a holiday may be taken in a half day increment. Notwithstanding any other provisions of this contract, Employer

~~the City~~ may schedule in four hour increments a non-rotating shift employee at straight time pay to cover the personal leave day

SECTION 27 - BEREAVEMENT LEAVE

27.1 In the event there is a death in the immediate family of an employee, consisting only of spouse, parent, grandparent, child, brother, sister, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, and grandchild, and the employee attends the funeral service, such employee shall be granted a three (3) day leave of absence with full pay. An employee shall be granted one (1) day absence with pay in the event of a death in the family of such employee other than hereinbefore set forth; provided the employee attends the funeral service.

27.2 There shall be no bereavement leave for friends, other than fellow employees. Up to one day special leave will be granted to attend funerals of fellow employees. In the event a substantial number of employees of a particular department would ask for time off to attend the funeral of a fellow employee, the needs of the department will be of primary concern, and the Department Head will consider the needs in determining the number of employees to receive time off.

27.3 Provided that 24-hour notice is submitted, bereavement leave shall be credited to the pay period in which it is taken.

27.4 Up to five (5) days of accumulated unused sick leave may be used by an employee each year for bereavement leave in order to attend the funeral service for any of those persons identified herein (in this Section), provided that the employee is required to travel either outside the State of Michigan, or 250 miles, in order to attend the funeral service, and to provide documentation thereof.

27.5 An employee may use one of the five (5) days (sick leave used for bereavement leave), set forth in .4 above, each year to attend the funeral of a friend.

27.6 In the event there is a death in the immediate family of an employee, consisting only of spouse, parent, grandparent, child, brother, sister, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law and grandchild and the employee attends the funeral service, such employee shall be granted a five (5) day leave of absence with full pay provided that the employee is required to travel five

hundred (500) miles one way in order to attend the funeral services. Documentation is required.

27.7 Unless the funeral is on a Saturday or Sunday, one of the days off must be the day of the funeral, with all other days off being either immediately before or immediately after the day of the funeral.

SECTION 28 - MILITARY LEAVES

28.1 The right to re-employment and the continuing seniority rights are guaranteed for any employee, now or hereinafter, upon the seniority list and who, now or hereinafter, is a member of the Armed Forces of the United States, State of Michigan.

28.2 Such leave of absence shall be granted employees in the classified service for service in defense of the Country, or who are members of the National Guard or militia, or of the Reserve Corps, or forces in the Federal Military, Naval, Marine or Coast Guard Service, as authorized and provided for by the Veterans Preference Act of the State of Michigan, and in addition thereto, shall be entitled to the rights and privileges authorized by said Veterans Preference Act with respect to status and re-employment.

28.3 Whenever employees who are members of the National Guard, Naval Reserve, Army Reserve, Marine Reserve, or Air Force Reserve, are called to active duty, they shall be entitled to a leave of absence, in addition to their annual vacation leave from their respective duties, without loss of pay, for such time as they are engaged in active-duty defense training. Employer ~~The City~~ shall pay the difference between gross military pay and gross straight time Employer ~~City~~ pay. Such leaves are not to exceed two (2) calendar weeks (ten (10) work days).

28.4 Employees who have been in the armed services of the United States, under military leave from the City of Muskegon, shall upon reinstatement to employment be given credit for accumulated sick leave and vacation for the time spent in the armed services, the same as though the time spent in the military service had been spent in the employment of the City of Muskegon, providing that such employee has received an honorable separation from the armed services.

SECTION 29 - MATERNITY LEAVE

Maternity leaves shall be controlled and governed by applicable state and federal laws.

SECTION 30 - UNPAID LEAVES OF ABSENCE

30.1 Employees elected or appointed to Local 517M Union office shall be eligible for unpaid leaves of absence during tenure in office. Seniority of the employee shall not accumulate during leaves of absence under the above condition.

30.2 An unpaid leave of absence may be granted for personal reasons for a period not to exceed thirty (30) days, upon application of the employee to, and approved by, the department head. Such leaves of absence shall not be renewed, but seniority shall accumulate during such leave, not to exceed thirty (30) days.

30.3 Any employee who does not report back to work by the expiration date of any approved leave of absence as set forth in the leave of absence notice, or does not receive an approved extension, or who accepts other employment while on leave from Employer ~~the City~~ (unless such employment has been specifically approved in the leave of absence request, or is otherwise provided for in this Contract) or who withdraws their ~~his or her~~ retirement savings, will be considered to have terminated their ~~his or her~~ employment with Employer~~the City~~. (If revisions are made available through amendments of the current retirement system so as to provide a method of the employee utilizing such monies as they may have accumulated in the retirement fund, then this Section shall not be construed to prohibit participation in such programs by the employees covered by this Agreement.)

30.4 Leaves of absence may be extended upon written application of the employee which shall be submitted not less than five (5) days prior to the expiration date of the expiring leave of absence. Such extensions of leaves of absence shall be approved in advance by the appointing authority and the Civil Service Commission (concerning matters of which they exercise jurisdiction), and/or such other persons possessing the authority to grant such extensions. Disposition of all requests for leaves of absence and extensions thereof shall be in writing.

SECTION 31 - JURY DUTY

31.1 An employee who is summoned and reports for jury duty (except for season employees)as prescribed by applicable law shall be paid by the Employer an amount equal to the difference between the amount of wages the employee otherwise would have earned by working during straight-time hours for the Employer on that date and the daily jury-duty fee paid by the courts, not including travel allowances or reimbursements of expenses, for

each day on which ~~he~~ they report~~s~~ for, or performs, jury duty, and on which ~~he~~ they otherwise would have been scheduled to work for the Employer. The employee shall notify the supervisor not later than the day following receipt of the subpoena of the dates of absence required by jury service. Jury duty includes witness service by subpoena.

31.2 An employee working at the Filtration Plant who is summoned for jury duty shall notify their ~~his~~ supervisor promptly of the dates for jury service. If the employee is not scheduled to work first shift on the scheduled dates of jury service, the employee and supervisor shall attempt to have the dates for jury service changed to correspond with the employee's scheduled first shift. If the dates for jury service cannot be changed, the supervisor shall change the work schedule so that the employee is working the first shift during the dates of jury service.

SECTION 32 - HEALTH AND WELFARE

32.1 Employer ~~The City~~ shall make reasonable provisions for the safety and health of its employees during the hours of their employment, and shall provide protective devices and other equipment necessary to protect the employees from injury and sickness and in conformity with statute. Employer ~~The City~~ may require the wearing of safety toe shoes. If so required, the employee shall purchase and wear the shoes.

32.2 Employer ~~The City~~ shall provide and maintain health and restroom facilities for their employees that will meet not less than the minimum requirements of Michigan State Labor Law.

32.3 The Employer may require a physical examination of employees who have been on sick leave in excess of thirty(30) calendar days before returning them to active employment. Such physical exam shall be by Employer-designated physician and shall be at the Employer's expense. There shall be no lost time charged to the employees as a result of the requirement.

A. The employee shall notify the Employer immediately of any return-to-work clearance by examination of a physician, and present the same in writing upon return to duty.

32.4 A. Employer ~~The City~~ will provide safety glasses to those employees whose classification and job activities may contain potential hazard of eye injury and compliance with applicable State and Federal laws and standards.

B. Employer ~~The City~~ agrees to pay 100% of the cost for the first pair of safety glasses, selected by Employer~~the City~~, for each employee whose job activities are potentially eye hazardous. The Safety Director will determine which job activities require safety glasses.

C. Employer ~~The City~~ agrees to pay 100% of the cost of replacement of safety glasses, selected by Employer~~the City~~, in the following cases:

(1) The safety glasses are damaged due to an on-duty accident which requires replacement under applicable State and Federal laws and standards.

(2) At the end of two (2) years following the employee's receipt of the original pair of safety glasses, the employee requires a different prescription.

D. As a condition of employment: Safety glasses supplied by Employer ~~the City~~ to an employee must be worn at all times during the employee's presence on or near the job where machines or operations present hazard of flying objects, liquids and hazardous conditions. An employee who refuses to wear safety glasses shall be subject to the disciplinary procedure.

E. An employee reporting to work or job activity without their safety glasses may not receive pay, recognition of time for pay or overtime computation until the employee returns to work with safety glasses.

F. The employee will sign a receipt for their safety glasses and authorization to Employer ~~the City~~ to deduct from their next paycheck the cost for replacement due to causes other than an on-duty accident. This applies to the first and all subsequent pairs of safety glasses.

32.5 Employer ~~The City~~ may adopt, modify and repeal a safety incentive plan. Any discipline to be imposed for violating safety rules shall be imposed by the direct supervisor of the disciplined employee.

32.6 Employer ~~The City~~ will reimburse an employee for the amount the employee spends in a year to purchase work boots and work-related clothing, up to a maximum of three hundred ($300) dollars per year, if the employee provides a receipt showing that the employee purchased such items. The "year' for purposes of this reimbursement is Employer's ~~the city's~~ fiscal year (July 1 to June 30). ~~Any partial fiscal years included in the term of~~

~~the 2022-2025 contract will include a prorated amount of the full three hundred ($300) reimbursement.~~

SECTION 33 - MEDICAL

33.1 Employees disabled by illness or disability incurred in their employment with Employer ~~the City~~ may be given employment in any of the various departments of the City, if their ability to accomplish gainful employment permits. The extent of such abilities shall at all times be controlling.

33.2 The employee or Employer ~~City~~ may request an examination by a licensed physician to determine the employee's physical ability to be employed and to perform the duties of the available position. If the employee requests the examination by other than the Employer's ~~City's~~ physician, said employee shall be liable for the cost incurred, unless otherwise agreed upon between Employer ~~the City~~ and the Union, and further that such examination is not covered by Workers' Compensation.

33.3 In the event the employee should be required to receive medical examination as a condition of employment, and shall elect to receive said attention from other than the physician provided by Employer~~the City~~, the employee shall be responsible for the payment of cost incurred.

SECTION 34 - INSURANCE

34.1 ~~Employer The City agrees to provide for, and on behalf of, employees and certain retirees as defined hereinafter, a group health plan, which includes the base plan with coverage of a semi-private per diem room rate charged by hospitals in the Muskegon area, and major medical coverage with a cap of $150,000 per person. Effective January 1, 1995, the major medical coverage cap shall increase to $225,000 per person. Effective January 1, 1998, the major medical coverage cap shall increase to $300,000 per person effective January 1, 2005, the major medical coverage cap shall increase to $350,000 per person. Effective January 1, 2009, the major medical cap per person is $500,000.~~ During the life of this Agreement, Employer will offer a health plan to every eligible employee. At the Employer's discretion, an Optional Plan may be offered to eligible employees. The plan the employee chooses will also cover their dependents. Each eligible employee will have the opportunity to change options at the annual open enrollment period, which is during the month of May with a June 1 effective date. The City reserves the right to change, limit, or eliminate the Optional Plan.

PLAN NAME	BENEFITS DETERMINED BY
Optional Plan	Subject to change by provider
Self-funded ASO Plan	A Bargained Plan

MAJOR MEDICAL CAP	LIFETIME MAXIMUM
Prior to 1/1/1995	$150,000
01/01/1995 - 12/31/1997	$225,000
01/01/1998 - 12/31/2004	$300,000
01/01/2005 - 12/31/2008	$350,000
01/01/2009 - Present	$500,000

34.2 Effective January 1, 2005, through March 25, 2006, Employer will pay the full cost of the traditional hospitalization insurance. The employee may elect to receive coverage by the HMO with any charge paid by the employee, but not to exceed $20 per month.

Effective January 1, 2012, the employees' health insurance premium co-pay shall be increased to 10% of the premium paid by Employer on behalf of the employee, to be deducted from their paycheck, including HRA deductible and coinsurance of the applicable single, double, or family plan applicable to that employee.

34.3 Dependent children required to be covered by the employee's health insurance carrier pursuant to a court order shall be enrolled in the health plan per the date required by the court if the employee is eligible and has signed up for employee health insurance benefits.

34.4 Dependents are eligible for health insurance until the end of the month in which they turn 26.

34.5 Employer will continue to pay a minimum deductible of $1,000 per single and $2,000 per double or family, contingent upon employee and spouse (if any) participating in the Wellness Program.

34.6 ~~Effective January 1, 2005~~During the life of this Agreement the prescription~~,~~ co-pays~~s~~ for employees covered by the Self-funded ASO (Administrative Services Only) plan shall be $20 for generic and $40 for brand name drugs.~~ for generic drugs shall be increased to $20 and brand name drugs to $40 for individuals in the traditional plan. If there is no generic brand, then the generic brand co-pay applies.~~

The drug rider shall be for and on behalf of the employees and their dependents, including spouse.

34.7 For employees who leave Employer employment after January 1, 1989, except to the extent the employee qualifies for immediately payable benefit from the General Employees Retirement System, retiree health benefits will be limited as follows:

10 years of service 50% of retiree health benefit

15 years of service 75% of retiree health benefit

20 years of service 100% of retiree health benefit

34.8 Employer reserves the right to change the Self-funded ASO Plan insurance provider and plan while maintaining health insurance benefits noted in this Agreement.

Please refer to Section 51.7 and 52.3 regarding retirement eligibility.

Commented [BG1]: Clarifying reference for vesting eligibility, without adding new content.

34.9 Retirees, including their spouse and dependents at the time of retirement, however that no other dependents may be added after retirement, and excluding duty and non-duty disability until regular retirement, are eligible as follows:

Commented [BG2]: LeighAnn – please note revised language per conversation with Julie.

Retire Date After 12/31/2004	Benefit
Retiree under age 65	Retiree health insurance
Retiree over age 65	Supplemental Insurance

Hire Date After 01/01/2009	Benefit
Retiree under/over age 65	**No Retiree insurance

**City and employee will each pay 2% of wages to a health care savings plan (HSCP).

34.10 Retirees, will be provided the following:

Retiree Prescription Coverage	Benefit
Retiree 01/01/2005 – Present	$20 Generic/$40 Name Brand

34.11 Defined Contribution employees hired after January 1, 2009 are ineligible for retiree health insurance.

34.12 Employer agrees to pay the premiums for group term life insurance on the life of each eligible employee in the amount equal to the annual salary of each eligible employee, but not less than Ten Thousand Dollars ($10,000).

34.13 During the life of this Agreement, Employer will provide and pay for a dental and vision plan for all eligible employees, spouses, and dependents. The employer will pay 50% of orthodontia services up to a maximum of $2,000 for each child through age 17.

34.14 Effective on the first day of the month after enrollment, Long Term Disability shall be provided to each eligible employee.

34.15 If either party requests to negotiate a change or modification of the present insurance program, except for the Optional Plan, a thirty (30) day notice to the other party is required.

Commented [BG3]: Added per conversation with LeighAnn.

~~34.2 This health plan shall include dependents and retirees under the age of 65. For those who retire after January 1, 1998, this health plan shall include dependents and retirees until eligibility for Medicare. For retirees who retire after 12/31/04, excluding duty and non-duty disability until regular retirement, retiree dependents are limited to the spouse and dependents of the retiree at the time of retirement, and no other dependents to be added after retirement.~~

~~34.3 Employer The City agrees to pay during the premiums for group term-life insurance on the life of each employee in the face amount equal to the base wage of each employee, but in no event shall the amount of said life insurance be less than $10,000.00.~~

~~34.4 Retirees over the age of 65, and their eligible dependents, shall be covered under the existing benefits known as the "Supplement to Medical Plan" for the duration of this Agreement.~~

~~34.5 If either party requests to negotiate a change or modification of the present insurance program, a thirty (30) day notice to the other party is required.~~

~~34.6 Employer The City shall maintain the dental insurance plan, as agreed upon, for and on behalf of the employees within this bargaining unit and their eligible dependents. Dental plan is to include preventative dental service and increase the orthodontic maximum from $1,500 to $2000 effective January 1, 2009.~~

~~34.7 Effective January 1, 2005, co-pays for generic drugs shall be increased to $20 and brand name drugs to $40 for~~

~~individuals in the traditional plan. If there is no generic brand, then the generic brand co-pay applies.~~

~~34.8 Effective January 1, 2005, through March 25, 2006, Employer the City will pay the full cost of the traditional hospitalization insurance. The employee may elect to receive coverage by the HMO with any charge paid by the employee, but not to exceed $20 per month.~~

~~Effective January 1, 2012, the employees' health insurance premium co-pay shall be increased to 10% of the premium paid by Employer the City on behalf of the employee, to be deducted from his/her paycheck.~~

~~34.9 For non-emergency inpatient hospital or surgical care, covered employees or dependents shall be required to seek a second opinion, at Employer's the City's expense, prior to incurring hospital or surgical expenses. Failure to obtain a second opinion will result in a $250 deductible for such service.~~

~~34.10 For employees who leave Employer City employment after January 1, 1989, except to the extent the employee qualifies for immediately payable benefit from the General Employees Retirement System, retiree health benefits will be limited as follows:~~

~~10 years of service 50% of retiree health benefit~~
~~15 years of service 75% of retiree health benefit~~
~~20 years of service 100% of retiree health benefit~~

~~Effective when implemented for non-represented employees, new hires will not be eligible for any Employercity-provided health or medical benefits when they retire. Instead, the Employer City and the employee will each put 2% of pay into a Health Care Savings Plan (HCSP).~~

~~34.11 Effective August 1, 1998 the Employer agrees to pay the premiums for optical insurance with a benefit level consistent with that provided to non-represented employees.~~

~~34.12 LONG-TERM DISABILITY. Effective on the first day of the month after enrollment, a long-term disability insurance policy shall be provided for members of this unit.~~

~~34.13 Employer's The City's payment of the Health Reimbursement Account (HRA) deductible ($1000 per individual; $2000 per double or family) and co-insurance is contingent upon both the employee and spouse (if any) participating in the wellness program.~~

~~34.14 During the life of this Agreement, Employer will provide and pay for a dental and vision plan for all eligible employees, spouses, and dependents. The employer will pay 50% of orthodontia services up to a maximum of $2,000 for each child through age 17.~~

SECTION 35 - LONGEVITY PAY PLAN - RULES AND REGULATIONS

35.1 All employees with five (5) years or more of service will be eligible for longevity pay. Semi-annual payments to be paid in June and December using the following formula:

2% of Base Pay	after 5 years of service
4% of Base Pay	after 10 years of service
6% of Base Pay	after 15 years of service
8% of Base Pay	after 20 years of service
10% of Base Pay	after 25 years of service

Longevity payments shall be based on a maximum salary of $15,000. If any other collective bargaining agreement involving Employer ~~the City~~ provides for a Longevity Pay Plan in an amount greater than provided here, the bargaining unit members covered by this collective bargaining agreement shall receive the same benefit.

35.2 Any employee who reaches 5, 10, 15, 20 or 25 years of service on or before June 30th, and is on the payroll as of June 1st, will be eligible for one-half (1/2) the longevity payment in June and each successive semi-annual payment in December and June thereafter. Any employee who reaches 5, 10, 15, 20 and 25 years of service on or before December 31st, and is on the payroll as of December 1st, will receive one-half (1/2) the longevity payment in December and each successive semi-annual payment thereafter.

35.3 During the calendar year in which an employee retires under one of the Employer's ~~City's~~ retirement plans, ~~he~~ they shall be entitled to receive, at the time of the semi-annual payment of longevity, a pro-rated portion of ~~his~~ their longevity pay based on days worked.

35.54 All compensation for employees is subject to deduction for income tax, retirement, and social security benefits.

SECTION 36 - WAGE AND SALARY AGREEMENT

36.1 A wage and salary agreement set forth in Appendix A attached hereto shall be observed during the term of this Agreement. ~~Pursuant to MCL § 423.251b,~~ A~~a~~fter the expiration date of a collective bargaining agreement and until a successor collective bargaining agreement is in place, a public employer shall pay and provide wages and benefits at levels and amounts that are no greater than those in effect on the expiration date of the collective bargaining agreement. Accordingly, there will be no retro pay.

36.2 There shall be neither pyramiding of overtime provisions in the Agreement nor pyramiding of overtime provisions with shift premiums.

36.3 During the life of this Agreement, including extensions of same, Employer ~~the City~~ shall not be obligated to provide any cost-of-living allowance to employees within this bargaining unit and the cost-of-living allowance agreed to in prior agreements shall be frozen, except as provided for in paragraph 36.5.

36.4 Should a new job be classified under new duties, the parties will negotiate for the purpose of determining where that job should be placed within the Rate Agreement established.

36.5 The wage and salary schedule attached as ~~Exhibit~~ Appendix A reflects a 1.5% ~~to 7%~~ increase effective January 1, ~~2022~~ 2026~~depending upon the position~~, a ~~3% to~~ 1.5% increase effective ~~January~~ July 1, ~~2023~~ 2026~~depending upon the position~~, a ~~2% to~~ 1.5% increase effective ~~January~~ July 1, ~~2024~~ 2027~~depending upon the position~~, and a ~~3~~1.5% increase effective ~~January~~ July 1, ~~2025~~2028. The percentage increase reflected on Exhibit A shall be the minimum increase. For pay rates effective ~~January~~ July 1, ~~2023~~ 2026, and each ~~January~~ July 1st thereafter, to the extent that the ~~October~~ April 12-month Consumers Price Index for the Detroit-Warren-Dearborn, Michigan all items, not seasonally adjusted, is greater than the increase reflected on Exhibit A, then those position which would not receive an increase equal to the increase of the Consumer Price Index shall receive an increase commensurate with the increase in the Consumer Price Index. ~~(For instance, if the Consumer Price Index between October 2021 and October 2022 increases by 4%, then those positions receiving a 3% increase reflected in Exhibit A would receive a 4% increase, those positions receiving a 4% increase reflected in Exhibit A would receive a 4% increase and those positions receiving a 5% increase reflected in Exhibit A would receive a 5% increase. This process is repeated for January 1,~~

~~2024 and January 1, 2025.)~~ No later than ~~November~~ May 15, ~~2022~~ 2026 and each ~~November~~ May 15th thereafter, ~~City~~ v shall recalculate Exhibit A, provide the revised Exhibit A to the Union and implement the revised Exhibit A if the Union does not file a grievance with 5 business days of being provided the revised Exhibit A. If the Union files a grievance concerning the proposed revised Exhibit A, then salary and wages shall remain the same as paid in the then current year until the issue is resolved or an arbitration award is issued and the appeal period has expired.

36.6 If Employer ~~the City~~ is unable to fill a position with the current" pay range, Employer ~~City~~ shall establish a "new" pay range for a classification, after notifying the union, offering to bargain the "new" range and, if necessary, implementing the "new" range. Employer ~~City~~ may start an employee anywhere on the "new" range but a current employee in that classification must be paid at least as much as the new hire. (This does not give Employer ~~the City~~ the right to place a new employee at other than the start rate on a current pay range.)

36.7 The ~~5 Years~~Step 7 rate shall be set in Appendix A consistent with Section 36.5. The start rate shall be 80% of the Step 7~~5 Year~~ rate for salary job classifications and 85% of the ~~5 Year~~Step 7 rate for hourly job classifications. There shall be seven (7) steps ~~between the start~~ Step 1 ~~rate and the~~ through Step 7.~~5 Year .~~ An employee shall move from Start rate to ~~6 Months~~Step 2 upon satisfactorily completing probation. Progression from one step to the next step, excluding the move to ~~6 months~~Step 2, shall occur on July 1 of each year.

36.8 In addition to Section 36.6, ~~City~~ Employer may start a new employee at the ~~6 Months~~Step 2 ~~rate~~ and advance the new employee to the ~~1 Year rate~~Step 3 after 6 months, so long as the employee has passed probation, with all subsequent advances occurring on July 1, as provided for in Section 36.7.

36.9 Each employee on the payroll as of January 1, 202~~2~~6 shall receive a one-time signing bonus of $~~700~~1,000.

SECTION 37 - GENERAL

37.1 Employer ~~The City~~ will furnish in each department a bulletin board to be used by the employees and the Union to post their notices and information.

37.2 Notices and announcements on the bulletin board shall not contain anything political or controversial, nor anything reflecting upon Employer~~the City~~, any of its employees, or any labor organization among its employees, and no material notice of announcement which violates the provisions of this Agreement shall be posted. Any Union-authorized violation of this paragraph shall entitle Employer ~~the City~~ to cancel immediately the provisions of this paragraph and remove the bulletin board.

37.3 Any employee represented by the Union who is required to furnish ~~his~~ their personal vehicle for the purpose of transacting Employer ~~City~~ business shall be reimbursed for mileage expense at the current rate as established by Employer~~the City~~, provided however that the direct assignment of an employee to one of Employer's ~~the City's~~ dispersed facilities, without reporting to the normal base of operation, shall not be construed to mean the use of private vehicle for transacting Employer ~~City~~ business.

SECTION 38 - SUPERVISION WORKING

38.1 Supervisory employees shall not be permitted to perform bargaining-unit work except in the following types of situations: An expediency arising out of unforeseen circumstances which calls for immediate action; in the instruction or training of employees, demonstrating the proper method to accomplish a task assigned.

38.2 Should the above paragraph be violated, the employee eligible under the provisions of equalization of overtime shall be paid all such work time lost at the applicable rate of pay.

SECTION 39 - STATE OF EMERGENCY

In the event of a catastrophe, natural or otherwise, affecting the City of Muskegon so as to necessitate a declaration of a state of emergency by the Mayor of the City, the City Manager, or the designated spokesman, the employees of the City service covered by this Agreement may be called upon to perform their respective duties without invoking the provisions of notice contained herein.

SECTION 40 - SEPARABILITY

40.1 In the event that any of the provisions of this Agreement shall become invalid or unenforceable, such invalidity or unenforceability shall not affect the remaining provisions hereof.

40.2 It is further provided that in the event any provisions are so declared to be in conflict with any law superseding this Agreement, both parties shall meet within thirty (30) days for the purpose of renegotiating the provision, or provisions, so invalidated.

SECTION 41 - VALIDITY

41.1 The Union and Employer ~~the City~~ agree that in the event that the provisions of the Agreement shall be in conflict with existing rules, regulations and/or ordinances officially abridged, delegated or modified by the terms of the Agreement, the terms of the Agreement shall prevail. This collective bargaining Agreement supersedes any other City Ordinances dealing with wages, hours, and terms and conditions of employment. However, when not negated by the provisions of this agreement, the Civil Service Rules and Regulations and Personnel Policies of the Employer ~~City~~ shall apply.

41.2 Any new Civil Service Rules having a bearing on hours, wages, or working conditions shall be negotiated with the Employer, and agreed to before application.

SECTION 42 - MAINTENANCE OF CONDITIONS

42.1 Any and all working conditions, hours of work and rates of pay not abridged or modified by this Agreement shall remain in full force and effect. All disputes arising out of this clause shall be submitted to a Joint Committee composed of two (2) representatives of Management and two (2) representatives of the Union. Should the dispute not be resolved by this Committee within five (5) working days, this Committee shall commence negotiations on a supplemental agreement on the matter in dispute. Any supplemental agreement ratified by the parties to this Agreement shall prevail for the period commencing with the effective date of said supplemental agreement and continue until the expiration date of this Working Agreement.

42.2 No unilateral action shall be taken by either party pursuant to such dispute arising until the above provisions have been exhausted.

42.3 No subject in dispute arising under this clause shall be submitted to arbitration proceedings.

42.4 It is acknowledged that during the negotiations which resulted in the agreement, both the Union and Employer ~~City~~ had unlimited right and opportunity to make demands and proposals with respect to all proper subjects of collective bargaining. Therefore, for the life of this Agreement, both the Union and Employer ~~the City~~ agree that both parties shall not be obligated, unless by mutual agreement, to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement.

SECTION 43 - NO STRIKE - NO LOCK-OUT

There shall be no strikes by the Union, or Lock-Outs by Employer~~the City~~, during the life of this Agreement or any extension thereof. During the term of this Agreement, the Union agrees that it will not engage in, initiate, authorize, sanction, ratify or support any strike, slow-down, stay-in, or other curtailment or restriction of City operation, or interfere with the work in or about the Employer ~~City~~ premises.

SECTION 44 - NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY - AFFIRMATIVE ACTION

The Employer and the Union agree that the provisions of this Agreement, in accordance with applicable federal and state laws, shall be applied equally to all employees without discrimination as to race, color, religion, sex, age, national origin, height, weight or marital status. The Union acknowledges that the City of Muskegon may adopt and implement an affirmative action plan for hiring purposes only. The Union will be afforded a copy of the affirmative action plan after it is adopted by City Commission. As long as the plan effects only hiring, the parties agree that the plan is a management right.

SECTION 45 - RESIDENCY

The union acknowledges Employer's ~~the city's~~ desire to encourage residency but not require such for employees of this bargaining unit. All employees who were members of this bargaining unit are free to maintain their residence at any location and are no longer bound by collective bargaining agreements requiring residency.

Union acknowledges that city may adopt, amend, modify or eliminate any incentive plan to encourage employees to live in the C~~c~~ity of Muskegon. For purposes of any incentive, City reserves the right, in its sole discretion, to determine whether an employee is a resident. The incentives will not eliminate, change or modify any present benefit provided for in this collective bargaining Agreement. Bargaining unit members will receive the same residency incentives as non-union employees.

SECTION 46 - JOB CLASSIFICATIONS AND JOB DESCRIPTIONS

46.1 The parties negotiated written job descriptions for the classifications represented by the Union and agreed that the following language will be added to each of said job descriptions: "Job descriptions are official records which indicate seniority groupings, primary functions, tools and equipment of various jobs. They are not absolutely controlling upon the assignment of work, nor do they spell out accurately or completely all the duties and responsibilities of a job. Their function is to identify jobs for purposes of wage determination and provide a permanent record of the ratings applied and the principal characteristics of the job."

46.2 All employees in the position of Mechanic are required as a condition of continued employment to be state certified as a

Master Mechanic. Applicants for the position of Mechanic must have passed four parts of the Master Mechanic certification at the time of appointment and must be a state certified Master Mechanic by completion of probation.

~~46.3 In all Leisure Service facilities, LSM II's are permitted to use any piece of equipment. To the extent that an LSM II has a CDL with an A endorsement, the individual shall be paid the same as Equipment Operator.~~

46.~~4~~3 It is the employee's responsibility to keep all certificates current and licenses required by job descriptions or compensation current. Failure to maintain such may result in the employee being suspended without pay if the primary job functions cannot be performed without the certification. Employees have to obtain their certification at the first available opportunity or they will be terminated. It is the responsibility of the employee to ensure they apply for and sit for any exam required for certification.~~taken off payroll until the certifications are obtained.~~

46.~~5~~4 During the term of this contract, the Union will work with Civil Service on updating job descriptions.

46.5 The following classifications in Appendix A require State of Michigan drinking water licenses: Chemist, Chief Water Operator, Water Filtration Maintenance Worker, and Water Filtration Plant Operator.

46.6 If an employee in a classification listed in Section 46.5 is unable to obtain certification within the 6-month probationary period, they will be permitted to pass their probationary period, subject to all other requirements of this agreement. Beginning on the date in which the employee passes probation, they will have two (2) years to obtain the necessary certification. Failure to obtain the required certification within two (2) years from the date of hire will result in termination with no right to return to their former position. The Department Head will notify the Union in writing of any employee who has passed probation but still needs to obtain the necessary licenses.

46.7 The following classifications require a certain license or certification: Urban Forester with Tree Trimmer, Parks Maintenance Worker II with CDL, Water Sewer Maintenance Worker with S License. For the purposes of this requirement an S License refers to S 1, 2, 3, or 4. Employees in the classifications of Urban Forester, Parks Maintenance Worker II, or Water Sewer Maintenance Worker will be promoted at the next

pay period after receiving the required license or certification.

Employees in the classification of Urban Forester with Tree Trimmer, Parks Maintenance Worker II with CDL, or Water Sewer Maintenance Worker with S License who lose their license or certification will be demoted at the next pay period. Example:

- Urban Forester with Tree Trimmer demoted to Urban Forester.

- Parks Maintenance Worker II with CDL demoted to Parks Maintenance Worker II
- Water Sewer Maintenance Worker with S License demoted to Water Sewer Maintenance Worker.

SECTION 47 - CONTRACTING OUT WORK

47.1 Employer ~~The City~~ agrees that work customarily done by the Bargaining Unit will not be contracted out as long as Employer ~~the City~~ has operable equipment and qualified employees available to do the work which is required, provided that the cost of doing the work in house will not exceed the cost of contracting the work out. In any event, no subcontract shall be entered into without Employer ~~the City~~ having given thirty (30) days written notice to the Union in advance of said subcontract, and without first having negotiated with the Union as to the effects of said subcontract upon the members of the bargaining unit. Upon the expiration of a given subcontract, the Union shall have the right, upon thirty (30) days' advance written notice and/or demand, to negotiate the issue of whether bargaining unit members can perform the work at a cost savings to Employer ~~the City~~ from that of contracting the work out.

47.2 General labor work of the type normally performed by employees of this bargaining unit may be performed by people assigned through a prison, jail or court ordered program, e.g., Camp Muskegon personnel, Muskegon County Jail prisoners, etc. Employer ~~The City~~ may use such programs only if Employer ~~the City~~ in the current month is employing the same number of seasonal employees, to a maximum number of fifteen (15), as were employed in the same month in the previous year. The maximum number of protected positions, fifteen (15), which must be filled prior to the use of prisoners in the month in question, shall consist of ten (10) seasonal maintenance workers, which shall be hired first, and five (5) seasonal laborers.

~~Seasonal maintenance workers not on the recall list shall be selected in the sole discretion of management.~~

By way of further explanation, if in a given month in the previous year Employer ~~the City~~ was not employing any seasonals, the prison programs may be utilized without regard to employment of seasonal maintenance workers or seasonal laborers. If in the same month in the previous year there were twelve (12) seasonal maintenance workers and/or seasonal laborers employed, Employer ~~the City~~ must employ ten (10) seasonal maintenance workers and two (2) seasonal laborers prior to the utilization of any prison program for that month. If in the same month in the previous year there were in excess of fifteen (15) seasonal maintenance workers and/or seasonal laborers employed, Employer ~~the City~~ must employ ten (10) seasonal maintenance workers and five (5) seasonal laborers prior to the utilization of any prison program for that month.

The prison programs may not supplant full-time non-seasonal employees or result in the layoff of full-time non-seasonal employees or the continuance thereof. The prison program is intended to supplement Employer's ~~the City~~ work force as constituted for normal City work."

SECTION 48 - DRIVERS LICENSE

48.1 For all employees who are required as part of their job description to possess a valid Michigan motor vehicle operator's license, it is the employee's obligation to inform the employer upon the revocation or suspension of the employee's Michigan motor vehicle operator's license. Should the employee fail to divulge the revocation or suspension and the employer discovers the revocation or suspension, discipline may be imposed as a Group 2 offense. If at the end of the disciplinary suspension the employee does not have valid, Michigan motor vehicle operator's license, then the employee shall request a leave of absence as permitted under the contract.

48.2 If an employee's Michigan motor vehicle operator's license is suspended or revoked and the employee notifies the employer of such, the employee shall receive authorized unpaid twenty-four (24) hours (one (1) day) leave to obtain a valid Michigan motor vehicle operator's license. If the employee is not able to obtain a valid Michigan motor vehicle operator's license within the twenty-four (24) hours (one (1) day), then the employee shall request a leave of absence as permitted under the contract.

48.3 If an employee's Michigan motor vehicle operator's license is suspended or revoked, the employer may require the employee to continue working doing jobs which do not require possession of a valid Michigan motor vehicle operator's license.

The employer's option shall be in the sole discretion of the employer. The employer's decision as to a given employee shall have no impact or effect on the decision relative to another employee.

48.4 For purposes of promotion, the Civil Service Commission's rules relating to reviewing driver's license history as attached in Appendix E shall be applicable to members of this unit effective January 1, 1998. The rules shall not apply in situations of determining who should be laid off or recalled pursuant to Section 14. Other sanctions due to drivers licenses are not affected by this subsection.

SECTION 49 - CALL-IN PROCEDURE

49.1 All employees who will be tardy or absent from work must call in by the normal starting time, unless there is a reasonable explanation as defined by Appendix G. Tardy is defined as the first 30 minutes within the start time. Absent is defined as being over 30 minutes past the start time. ~~An employee who fails to call in before the normal start time shall be disciplined as a Group 1 offense.~~

~~An employee who calls in late, even if not disciplined, will not be paid for that day and will not be allowed to use a sick leave day, personal leave day or vacation day in order to be paid that day.~~

~~If an employee calls in on time but has no sick leave bank, the employee will be disciplined unless the absence is authorized by evidencing a medical certificate as specified in Section 25.8 or authorized in the supervisor's discretion.~~

~~49.25 Employer~~ The City shall establish a central 24 hour telephone number or service for employees to contact if the employee will be absent. Employees are to contact the central number or service in order to comply with Section 50.1this section.

49.~~3~~2 An employee who is tardy and calls in before the normal start time shall be counted as tardy and shall make up the amount of time they are tardy within the pay period. After 5 tardies have accumulated in not more than one year, the employee shall be disciplined as a Group 1 offense for each subsequent tardy. An employee who is tardy and fails to call in before the normal start time may be disciplined as a Group 1 offense.

49.3 An employee who is absent and calls in before the normal start time will not be paid unless there is a qualifying use of

sick time. An employee who is absent and fails to call in before the normal start time may be disciplined as a Group 1 offense and will not be paid for the time absent.

49.4 If an employee calls in on time but has not benefit time available, the employee may be disciplined as a Group 1 offense, unless covered by another section.

49.5 Employer shall establish a central 24 hour telephone number or service for employees to contact if the employee will be absent. Employees are to contact the central number or service in order to comply with this section.

SECTION 50 - COMMERCIAL DRIVERS LICENSE

50.1 The following positions are required to obtain and maintain the appropriate type of C.D.L. with pertinent endorsements.

Classification	Type	Endorsement(s)
Electronics Technician	B	Air Brakes
Maintenance Electrician	B	Air Brakes
Sign Fabricator	B	Air Brakes
Mechanic	A	Air Brakes, Tank
Water & Sewer Maintenance Worker w/ S license	B	Air Brakes, Tank
Water & Sewer Maintenance Worker	B	Air Brakes, Tank
Equipment Operator	A	Air Brakes, Tank
Traffic Sign Maintenance Worker	B	Air Brakes
Cemetery Maintenance Worker	A	Air Brakes
Small Equipment Mechanic	A	Air Brakes
Parks Maintenance Worker II with CDL	A	Air Brakes
Urban Forester w/ Tree Trimmer	A	Air Brakes
Urban Forester	A	Air Brakes
Leisure Service II	A	Air Brakes
Leisure Service III	A	Air Brakes
Horticulturalist	A	Air Brakes, Tank

50.2 All employees in classifications specified in Section 50.1 shall be required to have the C.D.L. and endorsements at the conclusion of the probationary period. If an employee does not have the required C.D.L. and endorsement by the conclusion of the employee's probationary period, the Director of Public Works may extend probation by thirty (30) additional calendar days upon mutual agreement by the Employer and Union; and provided the Employer notify the Union and Employee in writing not less than five (5) days before the expiration of the probationary

period. If additional time is needed beyond the thirty (30) day extension, then the Employer and Union will discuss. All probationary period extensions will be by mutual agreement between the Employer and Union. If probation is extended, the employee's wages will not change until the employee passes probation. Loss of the C.D.L. and/or endorsements shall result in termination except as described in 46.7.

SECTION 51 - DEFINED BENEFIT RETIREMENT PLAN

51.1 ELIGIBILITY. The Defined Benefit Retirement Plan is applicable only to unit members hired before January 1, 2006.

51.2 TRANSFER TO MUNICIPAL EMPLOYEES RETIREMENT SYSTEM. Effective April 1, 2007, the assets and liabilities of the City of Muskegon General Employees Retirement System associated with Employer ~~City~~ employees represented by Local 517M Unit 2 Service Employees international Union shall be transferred to the Municipal Employees Retirement System (MERS). Employees shall no longer have any rights from claims against or participation in the City of Muskegon General Employees Retirement System.

51.3 CONTRIBUTION RATE. Employees shall contribute five percent (5%) of compensation as defined by MERS.

51.4 RETIREMENT BENEFIT. An Employee who retires between April 1, 2007 and January 1, 2009 shall be entitled to a retirement benefit pursuant to MERS Benefit Program. For Employees who retire after January 1, 2009 and before December 31, 2016, the pension multiplier shall be 2.25% (MERS B-3) of final average compensation (MERS FAC-3), not to exceed 80% of employee's final average compensation.

An employee who retires on or after January 1, 2017 shall receive a bridged benefit as follows:

a) A pension multiplier of 2.25% for service prior to January 1, 2017 times the employee's "frozen final average compensation". "Frozen final average compensation" is defined as the highest compensation in thirty six consecutive months between the date of hire and December 31, 2016; plus

b) A pension multiplier of 2.00% for service on or after January 1, 2017 times the employee's "termination final average compensation". "Termination final average compensation" is defined as the highest compensation in thirty six consecutive months between the date of hire and date of separation.

The total pension benefit shall not exceed 80% of the "termination final average compensation".

Effective January 1, 2012, final average compensation shall not include more than 240 hours of leave time per year and shall not include any overtime paid on or after January 1, 2012.

Employees shall also be entitled to the (MERS RS50) spousal benefit.

51.5 DEFERRED RETIREMENT. Effective April 1, 2007 a former Employee who is vested (MERS V-10) and is entitled to a deferred retirement benefit shall receive those deferred benefits afforded by MERS. A member who elects to receive a deferred retirement shall receive the benefit that was in place at the time they left employment.

51.6 DISABILITY BENEFITS. Effective April 1, 2007 an Employee eligible for duty-related disability benefits, as determined by MERS, shall receive those disability benefits afforded by MERS (MERS D-2).

51.7 RETIREMENT ELIGIBILITY. Vested employees are eligible to retire at age sixty (60) or at age fifty-five (55) with thirty (30) years of service (MERS F55/30).

51.8 WITHDRAWAL OF EMPLOYEE CONTRIBUTIONS. To the extent allowed by MERS, an Employee who retires on or after April 1, 2007 may elect to be paid a refund of the accumulated contributions standing to the member's credit at the effective date of retirement. Upon election of this refund provision, the retiree's MERS pension payment options shall be reduced by an amount that is actuarially equivalent to the refunded accumulated contributions.

51.9 OUTSTANDING SICK LEAVE. Accumulated sick leave hours paid out at retirement at three-quarters rate under Section 24.12 will be re-classified as vacation time for purposes of computing the final average compensation reported to MERS. The maximum number of reclassified sick leave hours included in the Employee's frozen or termination FAC computation will be 144 hours.

51.10PURCHASING ADDITIONAL SERVICE CREDIT. To the extent allowed by MERS, members may purchase additional service credit at actuarial cost.

51.11POST-RETIREMENT BENEFIT ESCALATOR. The City Commission

will decide each year whether and to what extent a MERS Flexible E post-retirement benefit shall be given.

SECTION 52 – DEFINED CONTRIBUTION RETIREMENT PLAN

52.1 ELIGIBILITY. The Defined Contribution Retirement Plan shall be available to all members of this unit that entered the unit after January 1, 2006~~, and any current employees who have opted to quit the Defined Benefit Retirement Plan and opted to join the Defined Contribution Retirement Plan. A decision to opt out of the Defined Benefit Retirement Plan and to join the Defined Contribution Retirement Plan is irrevocable~~.

52.2 CONTRIBUTIONS. From January 1, 2006 through December 31, 2018, Employer ~~the City~~ shall contribute three percent (3%) of compensation. Effective January 1, 2019, Employer ~~the City~~ shall contribute six percent (6%) of compensation for every employee covered by this collective bargaining agreement.

Prior to January 1, 2019, the member in this plan may make a one-time election either not to contribute or to contribute three percent (3%) of compensation. If the member elects to contribute, then Employer ~~the City~~ shall match that contribution, dollar-for-dollar.

Effective January 1, 2019, for any employee hired prior to January 1, 2019 and had elected to contribute three percent (3%) of compensation, Employer ~~the City~~ shall match the contribution dollar-for-dollar, with the Employer's ~~City's~~ match being limited to 2% of compensation. An election, which would have been made at the time the employee was hired, to not contribute shall continue.

For any employee hired after January 1, 2019, the member may make a one-time election either not to contribute or to contribute two percent (2%) of compensation. If the member elects to contribute two percent (2%) of compensation, then Employer ~~the City~~ shall match that contribution, dollar-for-dollar.

"Compensation" shall be Medicare-taxable wages as reported on the employee's W-2 Form.

52.3 VESTING. Member contributions, including any member contributions transferred from the Defined Benefit Retirement Plan, shall be fully vested when made. Employer ~~City~~ contributions, including any non-member contribution transferred

from the Defined Benefit Retirement Plan, shall become vested according to the following schedule:

20% after the first full year of service;
40% after the second full year of service;
60% after the third full year of service;
80% after the fourth full year of service; and
100% after the fifth full year of service.

A year of coverage will include time on the Employer's ~~City's~~ payroll and a member of the Defined Benefit Retirement Plan.

52.5 INTERNAL REVENUE CODE COMPLIANCE. This plan shall fully comply with all Internal Revenue Code provisions, regulations, and rulings. To the extent that there is a conflict, the Internal Revenue Code supersedes any collective bargaining agreement provision.

SECTION 53 - DEFERRED COMPENSATION ACCOUNT

The Employer agrees to match employee contributions to the Internal Revenue Code Section 457 (Deferred Compensation) Retirement plan on a $1 for $1 basis in the amount of $2000 per employee per year.

SECTION ~~53~~ 54 - DRUG TESTING

All employees covered by this contract shall be covered by the Employer's ~~City's~~ drug and alcohol policy. Drug testing will be applied as provided for in Appendix F. Random drug testing will apply only to employees in positions requiring a C.D.L. as specified in Section 5~~0~~1.1.

SECTION 55 - BEACH PARKING PASSES

Each non-resident employee covered by this Agreement shall be provided two (2) non-resident seasonal beach parking passes. Each resident employee covered by this agreement is entitled to receive a maximum of two (2) resident seasonal beach parking passes per year, including any passes granted based on their residency. If requested by the employee, a launch ramp permit will be issued instead of beach parking passes.

SECTION ~~54~~ 56 - DURATION

This Agreement shall be in effect from January 1, 2026, to June 30, 2029, inclusive, and from year to year thereafter subject to sixty (60) calendar days' notice in writing prior to the expiration of this Agreement of a desire to amend or modify this Agreement. All provisions of this Agreement not specifically amended or modified through subsequent written agreements shall remain in full force and effect.~~This Agreement shall be in effect from January 1, 2022 to December 31, 2025, inclusive, and from year to year thereafter subject to sixty (60) calendar days' notice in writing prior to the expiration of this Agreement of a desire to amend or modify this Agreement. Such notice may be given by either party to the other, and shall specify the part or parts of the Agreement to be amended or modified, but shall not be restrictive of the subjects to be negotiated. All provisions of this Agreement not specifically amended or modified through subsequent written agreements shall remain in full force and effect.~~

54.1 In the event of a failure of the parties to reach an agreement upon such amendments or modifications by December 31, 2021, all subsequent agreements shall be retroactive not to exceed thirty (30) calendar days from the date of final agreement; provided that such retroactivity shall not precede the expiration date of this Agreement.

54.2 In the event of a failure of the parties to reach an agreement upon such amendments or modifications through any agreement subsequent to December 31, 2021, this written Agreement shall be subject to termination upon thirty (30) days' prior notice of such action by either party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

SECTION ~~55~~ 57 - EMERGENCY MANAGER

Pursuant to the Local Government and School District Fiscal Accountability Act ("Act"), MCL § 141.1501 et. seq., an emergency manager may be appointed and ~~he/she~~they shall be allowed to reject, modify or terminate this collective bargaining agreement as provided for in the Act.

Remainder of page left intentional blank

LOCAL 517M, Unit 2

Dated: _____
Labor Representative, Christine Stressman

Dated: _____
Unit President, David Harvey

CITY OF MUSKEGON

Dated: _____
Ken Johnson, Its Mayor

Dated: _____
Ann Marie Meisch, Its City Clerk

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* * * * *

APPENDIX A - Wage Scale Effective January 1, 20222026
APPENDIX B - Disciplinary Procedure
APPENDIX C - Water and Master Automotive Service Excellence (ASE) Licenses
APPENDIX D - Drug and Alcohol Use and Abuse Policy
APPENDIX E - Driving Record Requirements
APPENDIX F - Letter of Understanding Regarding Failure to Notify
APPENDIX G - 24 Hour Call-In Procedure

AGREEMENT

between

THE CITY OF MUSKEGON, MICHIGAN

A HOME RULE CITY

and

LOCAL # 517M

UNIT 2

SERVICE EMPLOYEES INTERNATIONAL UNION

January 1, ~~2022~~ 2026 through ~~December 31, 2025~~June 30, 2029

****

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Lakeshore Drive Reconstruction MDOT Agreement
Submitted by: Dan VanderHeide, Public Works Director	**Department:** Public Works

Brief Summary:
Staff is requesting approval of a contract with MDOT for the repaving of Lakeshore Drive from the roundabout at Beach Street to 600 feet west of Sherin Street, and approval of a resolution authorizing the DPW Director and Clerk to sign the contract.

Detailed Summary & Background:
This is the standard contract that governs construction contracts that use federal funds and/or are administered through MDOT. The construction project funding breakdown is shown in the table below. These costs differ slightly from the numbers in the agreement, as these have been updated based on the bids recieved.

	Road Portion	Sewer Portion	Water Portion	Total
Federal Funds	$989,600	N/A	N/A	$989,600
City Funds	$756,206.24	$245,389.00	$414,801.00	$1,416,396.24
Total	$1,745,806.24	$245,389.00	$414,801.00	$2,405,996.24

A meeting was held with the residents and businesses along and near the project last summer, and the final version of the plans will be available for viewing at the Annual Construction Projects Open House on February 18th. The project was bid earlier this month with AnLaan Corporation of Grand Rapids being the low bidder and receiving award. The exact schedule is not known at this time, however the contract includes provisions requiring the work to be done in two phases so that the roadway is open to traffic from Memorial Day to Labor Day. Once the City and the contractor have met and details have been provided, more information will be provided to residents and businesses along the route and provided to the public via the website and other means.

Goal/Action Item:
2027 Goal 1: Destination Community & Quality of Life - Improved transportation connections throughout the community

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
$2,405,996.24

Budgeted Item:

Yes	X	No		N/A		

Fund(s) or Account(s):
Major Streets (202), Sewer (590) and Water (591)

Budget Amendment Needed:

Yes		No	X	N/A		

Recommended Motion:
Move to approve a contract with MDOT for the repaving of Lakeshore Drive from the roundabout at Beach Street to 600 feet west of Sherin Street, and approval of a resolution authorizing the DPW Director and Clerk to sign the contract.

Approvals:

Immediate Division Head	X	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:
Purchasing Policy

RESOLUTION _____

RESOLUTION FOR APPROVAL OF A CONTRACT AGREEMENT BETWEEN THE MICHIGAN DEPARTMENT OF TRANSPORTATION AND THE CITY OF MUSKEGON FOR:

PART A – FEDERAL PARTICIPATION
Hot mix asphalt road reconstruction, cold milling and resurfacing along Lakeshore Drive from Beach Street to approximately 600 feet west of Sherin Street, including grading, aggregate base, concrete curb and gutter, curb ramps, storm sewer, sidewalk, driveways, guardrail, rectangular rapid flashing beacons, permanent signing and pavement markings; and all together with necessary related work.

PART B – NO FEDERAL PARTICIPATION
Sanitary sewer, water main and services, associated concrete sidewalk, curb and gutter and pavement repairs, irrigation and restoration along the limits as described in PART A; and all together with necessary related work.

Moved by Commissioner _____ and supported by Commissioner _____ the following Resolution be adopted:

WHEREAS, entry by the City of Muskegon into Contract no. **25-5575** between the Michigan Department of Transportation and the City of Muskegon for the **Reconstruction of Lakeshore Drive between the Beach Street Roundabout and 600 feet West of Sherin Street** within the City is in the best interests of the City of Muskegon.

RESOLVED, that entry by the City into Contract Agreement Number **25-5575** be and the same is hereby authorized and approved and the DPW Director and Clerk are authorized to execute said contract for and on behalf of the City of Muskegon.

Adopted this 27TH day of January, 2026.

CERTIFICATION

This resolution was adopted at a meeting of the City Commission, held on January 27, 2026. The meeting was properly held and noticed pursuant to the Open Meetings Act of the State of Michigan, Act 267 of the Public Acts of 1976.

CITY OF MUSKEGON

By_____
Ann Meisch, City Clerk

STP DA

Control Section	STUL 61000
Job Number	215733CON
Project	26A0049
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	25-5575

PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF MUSKEGON, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in agreeing to the following improvements, in Muskegon, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated November 14, 2025, attached hereto and made a part hereof:

PART A – FEDERAL PARTICIPATION
Hot mix asphalt road reconstruction, cold milling and resurfacing along Lakeshore Drive from Beach Street to approximately 600 feet west of Sherin Street, including grading, aggregate base, concrete curb and gutter, curb ramps, storm sewer, sidewalk, driveways, guardrail, rectangular rapid flashing beacons, permanent signing and pavement markings; and all together with necessary related work.

PART B – NO FEDERAL PARTICIPATION
Sanitary sewer, water main and services, associated concrete sidewalk, curb and gutter and pavement repairs, irrigation and restoration along the limits as described in PART A; and all together with necessary related work.

WITNESSETH:

WHEREAS, pursuant to Federal law, monies have been provided for the performance of certain improvements on public roads; and

WHEREAS, the reference "FHWA" in PART I and PART II refers to the United States Department of Transportation, Federal Highway Administration; and

WHEREAS, the PROJECT, or portions of the PROJECT, at the request of the REQUESTING PARTY, are being programmed with the FHWA, for implementation with the use of Federal Funds under the following Federal program(s) or funding:

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written contract.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties hereto shall undertake and complete the PROJECT in accordance with the terms of this contract.

2. The term "PROJECT COST", as herein used, is hereby defined as the cost of the physical construction necessary for the completion of the PROJECT, including any other costs incurred by the DEPARTMENT as a result of this contract, except construction engineering and inspection.

No charges will be made by the DEPARTMENT to the PROJECT for any inspection work or construction engineering.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering, construction materials testing, inspection, and right-of-way are excluded from the PROJECT COST as defined by this contract.

The Michigan Department of Environment, Great Lakes, and Energy has informed the DEPARTMENT that it adopted new administrative rules (R 325.10101, et. seq.) which prohibit any governmental agency from connecting and/or reconnecting lead and/or galvanized service lines to existing and/or new water main. Questions regarding these administrative rules should be directed to Michigan Department of Environment, Great Lakes, and Energy. The cost associated with replacement of any lead and/or galvanized service lines, including but not limited to contractor claims, will be the sole responsibility of the REQUESTING PARTY.

3. The DEPARTMENT is authorized by the REQUESTING PARTY to administer on behalf of the REQUESTING PARTY all phases of the PROJECT, including advertising and awarding the construction contract for the PROJECT or portions of the PROJECT. Such administration shall be in accordance with PART II, Section II of this contract.

Any items of the PROJECT COST incurred by the DEPARTMENT may be charged to the PROJECT.

4. The REQUESTING PARTY, at no cost to the PROJECT or to the DEPARTMENT, shall:

A. Design or cause to be designed the plans for the PROJECT.

B. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.

C. Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PROJECT.

The REQUESTING PARTY will furnish the DEPARTMENT proposed timing sequences for trunkline signals that, if any, are being made part of the improvement. No timing adjustments shall be made by the REQUESTING PARTY at any trunkline intersection, without prior issuances by the DEPARTMENT of Standard Traffic Signal Timing Permits.

5. The PROJECT COST shall be met in accordance with the following:

PART A

Federal Surface Transportation Small MPO Funds in combination with Federal Surface Transportation Flex Funds shall be applied to the eligible items of the PART A portion of the PROJECT COST up to the lesser of: (1) $989,600 or (2) an amount such that 81.85 percent, the normal Federal participation ratio for such funds, for the PART A portion of the PROJECT is not exceeded at the time of the award of the construction contract with Federal Surface Transportation Flex Funds limited to $135,266 and used first. The balance of the PART A portion of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

PART B

The PART B portion of the PROJECT COST is not eligible for Federal participation and shall be charged to and paid 100 percent by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

Any items of PROJECT COST not reimbursed by Federal Funds will be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required for this PROJECT.

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon the REQUESTING PARTY'S share of the actual costs incurred less Federal Funds earned as the PROJECT progresses.

7. Upon completion of construction of the PROJECT, the REQUESTING PARTY will promptly cause to be enacted and enforced such ordinances or regulations as may be necessary to prohibit parking in the roadway right-of-way throughout the limits of the PROJECT.

8. The performance of the entire PROJECT under this contract, whether Federally funded or not, will be subject to the provisions and requirements of PART II that are applicable to a Federally funded project.

In the event of any discrepancies between PART I and PART II of this contract, the provisions of PART I shall prevail.

Build America, Buy America Requirements (2 CFR Part 184 and 2 CFR 200.322) and Buy America Requirements (23 CFR 635.410) shall apply to the PROJECT and will be adhered to, as applicable, by the parties hereto.

9. The REQUESTING PARTY certifies that it is not aware if and has no reason to believe that the property on which the work is to be performed under this agreement is a facility, as defined by the Michigan Natural Resources and Environmental Protection Act [(NREPA), PA 451, 1994, as amended 2012]; MCL 324.20101(1)(s). The REQUESTING PARTY also certifies that it is not a liable party pursuant to either Part 201 or Part 213 of NREPA, MCL 324.20126 et seq. and MCL 324.21323a et seq. The REQUESTING PARTY is a local unit of government that has acquired or will acquire property for the use of either a transportation corridor or public right-of-way and was not responsible for any activities causing a release or threat of release of any hazardous materials at or on the property. The REQUESTING PARTY is not a person who is liable for response activity costs, pursuant to MCL 324.20101 (vv) and (ww).

10. If, subsequent to execution of this contract, previously unknown hazardous substances are discovered within the PROJECT limits, which require environmental remediation pursuant to either state or federal law, the REQUESTING PARTY, in addition to reporting that fact to the Michigan Department of Environment, Great Lakes, and Energy, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall consult with the REQUESTING PARTY to determine if it is willing to pay for the cost of remediation and, with the FHWA, to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall be charged for and shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT, in the event that remediation and delay costs are not deemed eligible by the FHWA. If the REQUESTING PARTY refuses to participate in the cost of remediation, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.

11. If federal and/or state funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the Michigan Department of Environment, Great Lakes, and Energy and the DEPARTMENT,

shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the FHWA and/or the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.

12. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use funds provided by the Federal Highway Administration pursuant to Title 23 of the United States Code.

Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT or its agents pursuant to the terms of this contract are done to assist the REQUESTING PARTY in meeting program guidelines in order to qualify for available funds. Such approvals, reviews, inspections and recommendations by the DEPARTMENT or its agents shall not relieve the REQUESTING PARTY and the local agencies, as applicable, of their ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT or its agents is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT or its agents does not relieve the REQUESTING PARTY and the local agencies, as applicable of their exclusive jurisdiction of the highway and responsibility under MCL 691.1402 et seq., as amended.

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT or its agents is performing a governmental function, as that term is defined in MCL 691.1401 et seq., as amended, which is incidental to the completion of the PROJECT.

Upon completion of the PROJECT, the REQUESTING PARTY shall accept the facilities constructed as built to specifications within the contract documents. It is understood that the REQUESTING PARTY shall own the facilities and shall operate and maintain the facilities in accordance with all applicable Federal and State laws and regulations, including, but not limited to, Title II of the Americans with Disabilities Act (ADA), 42 USC 12131 et seq., and its associated regulations and standards, and DEPARTMENT Road and Bridge Standard Plans and the Standard Specifications for Construction.

13. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402 et seq., as amended. Exclusive jurisdiction of such highway for the purposes of MCL 691.1402 et seq., as amended, rests with the REQUESTING PARTY and other local agencies having respective jurisdiction.

14. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.

15. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

16. Each party to this contract will remain responsible for any and all claims arising out of its own acts and/or omissions during the performance of the contract, as provided by this contract or by law. In addition, this is not intended to increase or decrease either party's liability for or immunity from tort claims. This contract is also not intended to nor will it be interpreted as giving either party a right of indemnification, either by contract or by law, for claims arising out of the performance of this contract.

17. The parties shall promptly provide comprehensive assistance and cooperation in defending and resolving any claims brought against the DEPARTMENT by the contractor, vendors or suppliers as a result of the DEPARTMENT'S award of the construction contract for the PROJECT. Costs incurred by the DEPARTMENT in defending or resolving such claims shall be considered PROJECT COSTS.

18. The DEPARTMENT shall require the contractor who is awarded the contract for the construction of the PROJECT to provide insurance in the amounts specified and in accordance with the DEPARTMENT'S current Standard Specifications for Construction and to:

A. Maintain bodily injury and property damage insurance for the duration of the PROJECT.

B. Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT and its officials, agents and employees, the REQUESTING PARTY and any other county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume jurisdiction of the highway described as the PROJECT as a result of being named as an insured on the owner's protective liability insurance policy.

C. Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current standard specifications for construction and to provide, upon request, copies of notices and reports prepared to those insured.

19. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto and upon the adoption of the necessary resolutions approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as written below.

CITY OF MUSKEGON

By_____
Title:

By_____
Title:

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By_____
for Department Director MDOT

November 14, 2025

EXHIBIT I

CONTROL SECTION	STUL 61000
JOB NUMBER	215733CON
PROJECT	26A0049

ESTIMATED COST

CONTRACTED WORK

	PART A	PART B	TOTAL
Estimated Cost	$1,980,095	$633,300	$2,613,395

COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	$1,980,095	$633,300	$2,613,395
Less Federal Funds*	$ 989,600	$ 0	$ 989,600
BALANCE (REQUESTING PARTY'S SHARE)	$ 990,495	$633,300	$1,623,795

*Federal Funds for the PROJECT are limited to an amount as described in Section 5.

NO DEPOSIT

PART II

STANDARD AGREEMENT PROVISIONS

SECTION I COMPLIANCE WITH REGULATIONS AND DIRECTIVES

SECTION II PROJECT ADMINISTRATION AND SUPERVISION

SECTION III ACCOUNTING AND BILLING

SECTION IV MAINTENANCE AND OPERATION

SECTION V SPECIAL PROGRAM AND PROJECT CONDITIONS

SECTION I

COMPLIANCE WITH REGULATIONS AND DIRECTIVES

A. To qualify for eligible cost, all work shall be documented in accordance with the requirements and procedures of the DEPARTMENT.

B. All work on projects for which reimbursement with Federal funds is requested shall be performed in accordance with the requirements and guidelines set forth in the following Directives of the Federal-Aid Policy Guide (FAPG) of the FHWA, as applicable, and as referenced in pertinent sections of Title 23 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.

1. Engineering

   a. FAPG (6012.1): Preliminary Engineering

   b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts

   c. FAPG (23 CFR 635A): Contract Procedures

   d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments–Allowable Costs

2. Construction

   a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims

   b. FAPG (23 CFR 140B): Construction Engineering Costs

   c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies

   d. FAPG (23 CFR 635A): Contract Procedures

   e. FAPG (23 CFR 635B): Force Account Construction

   f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)

h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways

i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments–Allowable Costs

3. Modification Or Construction Of Railroad Facilities

a. FAPG (23 CFR 140I): Reimbursement for Railroad Work

b. FAPG (23 CFR 646B): Railroad Highway Projects

C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of $100,000.00 stipulate the following with respect to their specific jurisdictions:

1. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.

2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.

3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA List of Violating Facilities.

D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.

E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

SECTION II

PROJECT ADMINISTRATION AND SUPERVISION

A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.

B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by ten percent (10%) the final engineer's estimate therefor. If such rejection of the bids is not received in writing within two (2) weeks after letting, the DEPARTMENT will assume concurrence. The DEPARTMENT may, upon request, readvertise the PROJECT. Should the REQUESTING PARTY so request in writing within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit less all costs incurred by the DEPARTMENT.

C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.

D. On those projects funded with Federal monies, the DEPARTMENT shall as may be required secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.

E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.

F. Should it be necessary or desirable that portions of the work covered by this contract be accomplished by a consulting firm, a railway company, or governmental agency, firm, person, or corporation, under a subcontract with the REQUESTING PARTY at PROJECT expense, such subcontracted arrangements will be covered by formal written agreement between the REQUESTING PARTY and that party.

This formal written agreement shall: include a reference to the specific prime contract to which it pertains; include provisions which clearly set forth the maximum reimbursable and the basis of payment; provide for the maintenance of accounting records in accordance with generally accepted accounting principles, which clearly document the actual cost of the services provided; provide that costs eligible for reimbursement shall be in accordance with clearly defined cost criteria such as 49 CFR Part 18, 48 CFR Part 31, 23 CFR Part 140, OMB Circular A-87, etc. as applicable; provide for access to the department or its representatives to inspect and audit all data and records related to the agreement for a minimum of three years after the department's final payment to the local unit.

All such agreements will be submitted for approval by the DEPARTMENT and, if applicable, by the FHWA prior to execution thereof, except for agreements for amounts less than $100,000 for preliminary engineering and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" FAPG (23 CFR 172), which do not require prior approval of the DEPARTMENT or the FHWA.

Any such approval by the DEPARTMENT shall in no way be construed as a warranty of the subcontractor's qualifications, financial integrity, or ability to perform the work being subcontracted.

G. The REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, shall make such arrangements with railway companies, utilities, etc., as may be necessary for the performance of work required for the PROJECT but for which Federal or other reimbursement will not be requested.

H. The REQUESTING PARTY, at no cost to the PROJECT, or the DEPARTMENT, shall secure, as necessary, all agreements and approvals of the PROJECT with railway companies, the Railroad Safety & Tariffs Division of the DEPARTMENT and other concerned governmental agencies other than the FHWA, and will forward same to the DEPARTMENT for such reviews and approvals as may be required.

I. No PROJECT work for which reimbursement will be requested by the REQUESTING PARTY is to be subcontracted or performed until the DEPARTMENT gives written notification that such work may commence.

J. The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of the work it agrees to undertake and perform.

K. The REQUESTING PARTY shall pay directly to the party performing the work all billings for the services performed on the PROJECT which are authorized by or through the REQUESTING PARTY.

L. The REQUESTING PARTY shall submit to the DEPARTMENT all paid billings for which reimbursement is desired in accordance with DEPARTMENT procedures.

M. All work by a consulting firm will be performed in compliance with the applicable provisions of 1980 PA 299, Subsection 2001, MCL 339.2001; MSA 18.425(2001), as well as in accordance with the provisions of all previously cited Directives of the FHWA.

N. The project engineer shall be subject to such administrative guidance as may be deemed necessary to ensure compliance with program requirement and, in those instances where a consultant firm is retained to provide engineering and inspection services, the personnel performing those services shall be subject to the same conditions.

O. The DEPARTMENT, in administering the PROJECT in accordance with applicable Federal and State requirements and regulations, neither assumes nor becomes liable for any obligations undertaken or arising between the REQUESTING PARTY and any other party with respect to the PROJECT.

P. In the event it is determined by the DEPARTMENT that there will be either insufficient Federal funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or issuing authorization for work performance, may cancel the PROJECT, or any portion thereof, and upon written notice to the parties this contract shall be void and of no effect with respect to that cancelled portion of the PROJECT. Any PROJECT deposits previously made by the parties on the cancelled portions of the PROJECT will be promptly refunded.

Q. Those projects funded with Federal monies will be subject to inspection at all times by the DEPARTMENT and the FHWA.

SECTION III

ACCOUNTING AND BILLING

A. Procedures for billing for work undertaken by the REQUESTING PARTY:

1. The REQUESTING PARTY shall establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this contract, said records to be hereinafter referred to as the "RECORDS". Separate accounts shall be established and maintained for all costs incurred under this contract.

The REQUESTING PARTY shall maintain the RECORDS for at least three (3) years from the date of final payment of Federal Aid made by the DEPARTMENT under this contract. In the event of a dispute with regard to the allowable expenses or any other issue under this contract, the REQUESTING PARTY shall thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

The DEPARTMENT, or its representative, may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.

If any part of the work is subcontracted, the REQUESTING PARTY shall assure compliance with the above for all subcontracted work.

In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this contract, or questions the allowability of an item of expense, the DEPARTMENT shall promptly submit to the REQUESTING PARTY, a Notice of Audit Results and a copy of the audit report which may supplement or modify any tentative findings verbally communicated to the REQUESTING PARTY at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the REQUESTING PARTY shall: (a) respond in writing to the responsible Bureau or the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense and, (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE". The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the REQUESTING PARTY may supply appropriate excerpts and make alternate

arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE shall refer to and apply the language of the contract. The REQUESTING PARTY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT shall make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the REQUESTING PARTY, the REQUESTING PARTY shall repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the REQUESTING PARTY fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the REQUESTING PARTY agrees that the DEPARTMENT shall deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the REQUESTING PARTY under this contract or any other agreement, or payable to the REQUESTING PARTY under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The REQUESTING PARTY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT'S decision only as to any item of expense the disallowance of which was disputed by the REQUESTING PARTY in a timely filed RESPONSE.

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, as amended, including, but not limited to, the Single Audit Amendments of 1996 (31 USC 7501-7507).

The REQUESTING PARTY shall adhere to the following requirements associated with audits of accounts and records:

a. Agencies expending a total of $500,000 or more in federal funds, from one or more funding sources in its fiscal year, shall comply with the requirements of the federal Office of Management and Budget (OMB) Circular A-133, as revised or amended.

The agency shall submit two copies of:

The Reporting Package
The Data Collection Form
The management letter to the agency, if one issued by the audit firm

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in the circular, as revised or amended.

b. Agencies expending less than $500,000 in federal funds must submit a letter to the Department advising that a circular audit was not required. The letter shall indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the Department federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.

c. Address: Michigan Department of Education
Accounting Service Center
Hannah Building
608 Allegan Street
Lansing, MI 48909

d. Agencies must also comply with applicable State laws and regulations relative to audit requirements.

e. Agencies shall not charge audit costs to Department's federal programs which are not in accordance with the OMB Circular A-133 requirements.

f. All agencies are subject to the federally required monitoring activities, which may include limited scope reviews and other on-site monitoring.

2. Agreed Unit Prices Work - All billings for work undertaken by the REQUESTING PARTY on an agreed unit price basis will be submitted in accordance with the Michigan Department of Transportation Standard Specifications for Construction and pertinent FAPG Directives and Guidelines of the FHWA.

3. Force Account Work and Subcontracted Work - All billings submitted to the DEPARTMENT for Federal reimbursement for items of work performed on a force account basis or by any subcontract with a consulting firm, railway company, governmental agency or other party, under the terms of this contract, shall be prepared in accordance with the provisions of the pertinent FHPM Directives and the procedures of the DEPARTMENT. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than $1,000.00 shall be submitted unless it is a final

or end of fiscal year billing. All billings shall be labeled either "Progress Bill Number _____", or "Final Billing".

4. Final billing under this contract shall be submitted in a timely manner but not later than six months after completion of the work. Billings for work submitted later than six months after completion of the work will not be paid.

5. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with Federal monies, the DEPARTMENT will act as billing agent for the REQUESTING PARTY, consolidating said billings with those for its own force account work and presenting these consolidated billings to the FHWA for payment. Upon receipt of reimbursement from the FHWA, the DEPARTMENT will promptly forward to the REQUESTING PARTY its share of said reimbursement.

6. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will promptly forward to the REQUESTING PARTY reimbursement of eligible costs.

B. Payment of Contracted and DEPARTMENT Costs:

1. As work on the PROJECT commences, the initial payments for contracted work and/or costs incurred by the DEPARTMENT will be made from the working capital deposit. Receipt of progress payments of Federal funds, and where applicable, State Critical Bridge funds, will be used to replenish the working capital deposit. The REQUESTING PARTY shall make prompt payments of its share of the contracted and/or DEPARTMENT incurred portion of the PROJECT COST upon receipt of progress billings from the DEPARTMENT. Progress billings will be based upon the REQUESTING PARTY'S share of the actual costs incurred as work on the PROJECT progresses and will be submitted, as required, until it is determined by the DEPARTMENT that there is sufficient available working capital to meet the remaining anticipated PROJECT COSTS. All progress payments will be made within thirty (30) days of receipt of billings. No monthly billing of a lesser amount than $1,000.00 will be made unless it is a final or end of fiscal year billing. Should the DEPARTMENT determine that the available working capital exceeds the remaining anticipated PROJECT COSTS, the DEPARTMENT may reimburse the REQUESTING PARTY such excess. Upon completion of the PROJECT, payment of all PROJECT COSTS, receipt of all applicable monies from the FHWA, and completion of necessary audits, the REQUESTING PARTY will be reimbursed the balance of its deposit.

2. In the event that the bid, plus contingencies, for the contracted, and/or the DEPARTMENT incurred portion of the PROJECT work exceeds the estimated cost therefor as established by this contract, the REQUESTING PARTY may be advised and billed for the additional amount of its share.

C. General Conditions:

1. The DEPARTMENT, in accordance with its procedures in existence and covering the time period involved, shall make payment for interest earned on the balance of working capital deposits for all projects on account with the DEPARTMENT. The REQUESTING PARTY in accordance with DEPARTMENT procedures in existence and covering the time period involved, shall make payment for interest owed on any deficit balance of working capital deposits for all projects on account with the DEPARTMENT. This payment or billing is processed on an annual basis corresponding to the State of Michigan fiscal year. Upon receipt of billing for interest incurred, the REQUESTING PARTY promises and shall promptly pay the DEPARTMENT said amount.

2. Pursuant to the authority granted by law, the REQUESTING PARTY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified in PART I and PART II. If the REQUESTING PARTY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the REQUESTING PARTY and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the REQUESTING PARTY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the REQUESTING PARTY with payment thereof, and to notify the REQUESTING PARTY in writing of such fact.

3. Upon completion of all work under this contract and final audit by the DEPARTMENT or the FHWA, the REQUESTING PARTY promises to promptly repay the DEPARTMENT for any disallowed items of costs previously disbursed by the DEPARTMENT. The REQUESTING PARTY pledges its future receipts from the Michigan Transportation Fund for repayment of all disallowed items and, upon failure to make repayment for any disallowed items within ninety (90) days of demand made by the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold an equal amount from the REQUESTING PARTY'S share of any future distribution of Michigan Transportation Funds in settlement of said claim.

4. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT and upon completion of the PROJECT, payment of all items of PROJECT COST, receipt of all Federal Aid, if any, and completion of final audit by the DEPARTMENT and if applicable, by the FHWA, shall make final accounting to the REQUESTING PARTY. The final PROJECT accounting will not include interest earned or charged on working capital deposited for the PROJECT which will be accounted for separately at the close of the State of Michigan fiscal year and as set forth in Section C(1).

5. The costs of engineering and other services performed on those projects involving specific program funds and one hundred percent (100%) local funds will be apportioned to the respective portions of that project in the same ratio as the actual direct construction costs unless otherwise specified in PART I.

SECTION IV

MAINTENANCE AND OPERATION

A. Upon completion of construction of each part of the PROJECT, at no cost to the DEPARTMENT or the PROJECT, each of the parties hereto, within their respective jurisdictions, will make the following provisions for the maintenance and operation of the completed PROJECT:

1. All Projects:

Properly maintain and operate each part of the project, making ample provisions each year for the performance of such maintenance work as may be required, except as qualified in paragraph 2b of this section.

2. Projects Financed in Part with Federal Monies:

a. Sign and mark each part of the PROJECT, in accordance with the current Michigan Manual of Uniform Traffic control Devices, and will not install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the FHWA, pursuant to 23 USC 109(d).

b. Remove, prior to completion of the PROJECT, all encroachments from the roadway right-of-way within the limits of each part of the PROJECT.

With respect to new or existing utility installations within the right-of-way of Federal Aid projects and pursuant to FAPG (23 CFR 645B): Occupancy of non-limited access right-of-way may be allowed based on consideration for traffic safety and necessary preservation of roadside space and aesthetic quality. Longitudinal occupancy of non-limited access right-of-way by private lines will require a finding of significant economic hardship, the unavailability of practicable alternatives or other extenuating circumstances.

c. Cause to be enacted, maintained and enforced, ordinances and regulations for proper traffic operations in accordance with the plans of the PROJECT.

d. Make no changes to ordinances or regulations enacted, or traffic controls installed in conjunction with the PROJECT work without prior review by the DEPARTMENT and approval of the FHWA, if required.

B. On projects for the removal of roadside obstacles, the parties, upon completion of construction of each part of the PROJECT, at no cost to the PROJECT or the DEPARTMENT, will, within their respective jurisdictions, take such action as is necessary to assure that the roadway right-of-way, cleared as the PROJECT, will be maintained free of such obstacles.

C. On projects for the construction of bikeways, the parties will enact no ordinances or regulations prohibiting the use of bicycles on the facility hereinbefore described as the PROJECT, and will amend any existing restrictive ordinances in this regard so as to allow use of this facility by bicycles. No motorized vehicles shall be permitted on such bikeways or walkways constructed as the PROJECT except those for maintenance purposes.

D. Failure of the parties hereto to fulfill their respective responsibilities as outlined herein may disqualify that party from future Federal-aid participation in projects on roads or streets for which it has maintenance responsibility. Federal Aid may be withheld until such time as deficiencies in regulations have been corrected, and the improvements constructed as the PROJECT are brought to a satisfactory condition of maintenance.

SECTION V

SPECIAL PROGRAM AND PROJECT CONDITIONS

A. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the acquisition of right-of-way must be under construction by the close of the twentieth (20th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that right-of-way.

B. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the performance of preliminary engineering must be under construction by the close of the tenth (10th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that preliminary engineering.

C. On those projects funded with Federal monies, the REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, will provide such accident information as is available and such other information as may be required under the program in order to make the proper assessment of the safety benefits derived from the work performed as the PROJECT. The REQUESTING PARTY will cooperate with the DEPARTMENT in the development of reports and such analysis as may be required and will, when requested by the DEPARTMENT, forward to the DEPARTMENT, in such form as is necessary, the required information.

D. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.

E. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

APPENDIX A
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.

2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.

3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.

5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.

6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.

8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.

9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

APPENDIX B
TITLE VI ASSURANCE

During the performance of this contract, the contractor, for itself, its assignees, and its successors in interest (hereinafter referred to as the "contractor"), agrees as follows:

1. **Compliance with Regulations**: For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.

2. **Nondiscrimination**: The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.

3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment**: All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor's obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. **Information and Reports**: The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.

5. **Sanctions for Noncompliance**: In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:

    a. Withholding payments to the contractor until the contractor complies; and/or

    b. Canceling, terminating, or suspending the contract, in whole or in part.

6. **Incorporation of Provisions**: The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011

APPENDIX C

TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)

A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

> The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

> The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Pedestrian Warning System on Port City Blvd
Submitted by: Joel Brookens, Engineer, Dan VanderHeide, Public Works Director	**Department:** DPW- Engineering

Brief Summary:
Staff is requesting authorization to approve a contract with Strain Electric in the amount of $58,850.00 for installation of a rectangular rapid flashing beacon (RRFB) on Port City Blvd at the crosswalk near ADAC Automotive.

Detailed Summary & Background:
Bids were solicited for a construction project to replace the existing pedestrian warning system at the crosswalk near ADAC Automotive on Port City Boulevard. ADAC has expressed growing safety concerns for a number of years, supported by documentation of "close calls" and a high number of staff crossings throughout the day including during dark hours. Staff from multiple departments met with ADAC, and agreed that the existing system was failing and out of date. Modern pedestrian warning systems are known as Rectangular Rapid Flashing Beacons, or RRFBs, and include pedestrian-activated lights in advance and at the crossing location. Engineering staff designed an RRFB system for the crosswalk and solicited bids for the installation. Two bids were received. Strain Electric bid $58,850.00 and J. Ranck Electric bid $86,640.37. Staff recommends award to Strain Electric, the low bidder, based on past experiences with positive results.

While this item was not anticipated in this year's budget the Major Streets fund carries a balance that can cover this relatively small expense, and staff feels that with dozens of employees using this crossing daily that this upgraded warning system is a compelling need. The major street fund budget will be reforcast accordingly.

Goal/Action Item:

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
$58,850.00

Budgeted Item:

Yes		No	x	N/A		

Fund(s) or Account(s):
Major Streets (202)

Budget Amendment Needed:

Yes	x	No		N/A		

Recommended Motion:
Move to authorize staff to enter into a contract with Strain Electric in the amount of $58,850.00 for installation of a rectangular rapid flashing beacon (RRFB) on Port City Blvd at the crosswalk near

ADAC Automotive.

Approvals:

Immediate Division Head	x	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:

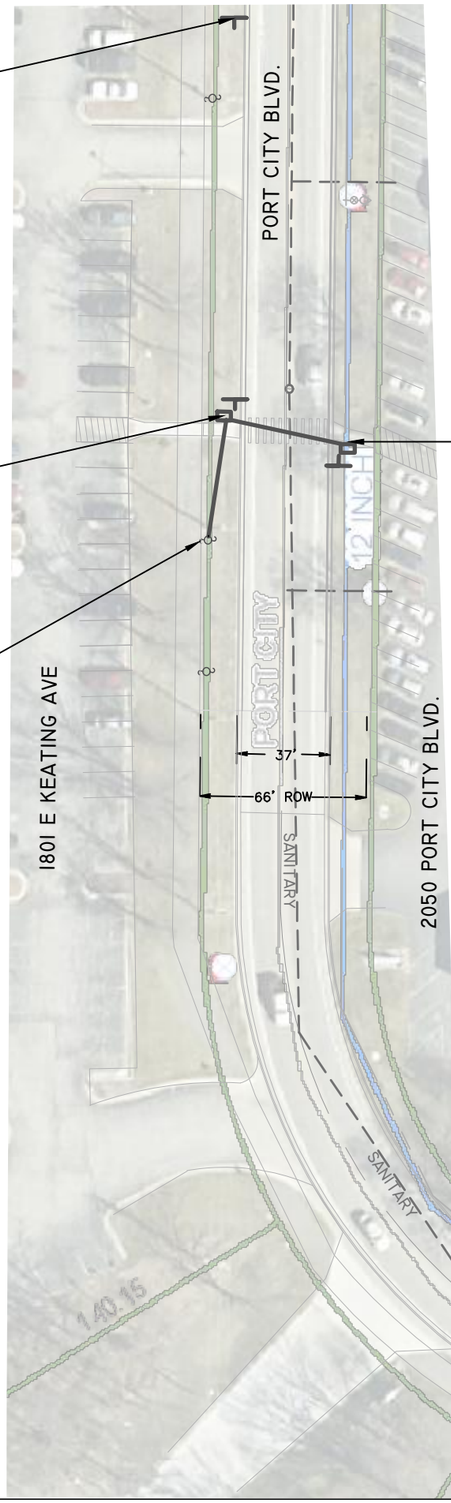
INSTALLATION OF FLASHING BEACON ON PORT CITY BLVD

I EA WII-2
I EA WI6-7PL
I4 FT POST, STEEL, 3 LB
I EA FLASHING BEACON
*BEACON TO FLASH IN SYNC WITH BEACON ON SB LANE, ACTIVATED BY PUSH BUTTON

I EA HH, SQUARE
I EA RECTANGULAR RAPID FLASHING BEACON, MODIFIED

I EA METERED CONNECTION
I EA SERVICE DISCONNECT
50 FT CONDUIT, DBI, I.5 INCH
50 FT CABLE, CABLE PER SPECIFICATIONS OF RECTANGULAR RAPID FLASHING BEACON

NOTE:
*CONDUIT SHALL BE INSTALLED WITHOUT OPEN CUT TRENCHING. MUST BE INSTALLED WITH HORIZONTAL BORING OR PNEUMATIC MOLE TO AVOID TRAFFIC IMPACT AND NEED FOR CONCRETE AND HMA ITEMS.
*QUANTITIES AND MATERIALS FOR REFERENCE. INSTALLATION OF BEACON AND RELATED ITEMS INSTALLED ACCORDING TO CODE AND STANDARDS WILL BE PAID AS LSUM
* BEACONS AS ADVANCED WARNING MAY REQUIRE ADDITIONAL CONDUIT AND CABLE NOT SHOWN ON THESE PLANS.



I EA WII-2
I EA WI6-7PL
I4 FT POST, STEEL, 3 LB
I EA FLASHING BEACON
*BEACON TO FLASH IN SYNC WITH BEACON ON NB LANE, ACTIVATED BY PUSH BUTTON.
PLACEMENT BEFORE CURVE

CITY OF MUSKEGON

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** 1183 Pine Street HOME rehab project
Submitted by: Rhonda Kleyn, CNS	**Department:** Community & Neighborhood Services

Brief Summary:
Approve contractor for 1183 Pine Street HOME rehab project.

Detailed Summary & Background:
Approve selected contractor for CNS department HOME rehab project at 1183 Pine Street.

The CNS department purchased a vacant house at 1183 Pine Street for $5,000.00. The purpose is to rehab the property and sell it to an income-eligible family.

HOME guidelines require that a lead risk assessment and asbestos testing be conducted. The risk assessment identified significant amounts of lead throughout the house as well as asbestos in several locations. In November 2025, an RFP was published to request bids for the lead remediation work, asbestos removal and general rehab work following a newly configured floor plan to produce a 3 bedroom, 1-bath house.

Bids were received from 3 contractors. The evaluation of the bids showed that two of the contractors did not submit complete bid packets. Guidelines require complete submissions in order to be considered for the project. We do not allow contractors to submit missing items after the deadline. The bid is being awarded to the only contractor who submitted a complete bid.

Complete bid packets require the contractor to submit current license/s, insurance and materials sheets along with the bid.
Bid Packet contents:
Grey Space Construction - Received bid sheets. Did not receive materials sheets, licenses or certificate of insurance.
Badgerows Building and Remodleing - Received all required paperwork
CTI - Received licenses, certificate of insurance and bid sheets. Did not receive materials sheets.

A breakdown of the bids is attached.

This project is being awarded to Badgerow's Building and Remodeling. Total cost will be $278,500.00.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business - Additional attainable housing units and increased rates of home ownership

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
$278,500.00

Budgeted Item:

Yes		No		N/A	X	

Fund(s) or Account(s):
473-731-801-201

Budget Amendment Needed:

Yes		No		N/A	X	

Recommended Motion:
I move to approve selected contractor for the HOME rehab project at 1183 Pine St.

Approvals:

Immediate Division Head	X	
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:

MEMO

Community and Neighborhood Services
City of Muskegon
933 Terrace Street
Second Floor
Muskegon, MI 49440
Ph: 231-724-6717

Date: **01/12/2026**

To: **City Commissioners**

From: **Rhonda Kleyn, Grants Program Coordinator**
Community and Neighborhood Services

Re: **1183 Pine Street – HOME Rehab and Resale Program**

The CNS department purchased a vacant house at 1183 Pine Street for $5,000.00. The purpose is to rehab the property and sell to an income eligible family.

HOME guidelines require that a lead risk assessment and asbestos testing be conducted. The risk assessment identified significant amounts of lead throughout the house as well as asbestos in several locations. In November 2025 an RFP was published to request bids for the lead remediation work, asbestos removal and general rehab work following a newly configured floor plan producing a 3 bedroom, 1 bath house.

Bids were received from 3 contractors. The evaluation of the bids showed that two of the contractors did not submit complete bid packets. Guidelines require complete submissions in order to be considered for the project. The bid is being awarded to the only contractor who submitted a complete bid.

A breakdown of the bids is below.

Contractor	Lead Remediation	Asbestos Removal	General Rehab Total	Project Total
Badgerow's B&R	$39,100.00	$33,000.00	$206,400.00	$278,500.00
CTI	$174,750.00	$57,090.00	$525,500.00	$757,340.00
Grey Space Construction	$40,900.00	$9,640.00	$201,600.00	$252,140.00

This project is being awarded to Badgerow's Building and Remodeling. Total cost will be $278,500.00.

This memo explains the request to move forward with rehab at 1183 Pine Street.

1183 Pine Street Bid Comparison				
Contractor	**Asbestos Removal**	**General Rehab**	**Lead**	**TOTAL**
Grey Space Construction	$9,640.00	$201,600.00	$40,900.00	$252,140.00
Badgerow's Building and Remodeling	$33,000.00	$206,400.00	$39,100.00	$278,500.00
CTI	$57,090.00	$525,500.00	$174,750.00	$757,340.00

General Rehab	**Demo**	**Roofing**	**Tree Removal**	**Siding**	**Exterior Paint**	**Foundation Repair**	**Carpentry**	**Windows**	**Electrical**	**Plumbing**	**HVAC**	**Insulation**	**Drywall**
Grey Space	$21,800.00	$1,140.00	$2,690.00	$3,890.00	$13,960.00	$2,580.00	$41,780.00	$21,450.00	$6,760.00	$8,900.00	$9,890.00	$5,890.00	$5,630.00
Badgerow's	$15,000.00	$1,200.00	$1,500.00	$2,000.00	$3,000.00	$2,000.00	$30,000.00	$15,000.00	$15,000.00	$15,000.00	$16,000.00	$15,000.00	$16,000.00
CTI	$45,400.00	$3,500.00	$10,800.00	$9,500.00	$47,500.00	$6,500.00	$42,700.00	$13,200.00	$25,000.00	$35,000.00	$35,000.00	$20,000.00	$42,000.00

Lead Abatement	**Permits and Cleaning**	**Exterior**	**Garage**	**Soil**	**Room 1**	**Room 4**	**Room 5**	**Room 6**	**Room 7**	**Room 8**	**Room 10**	**Room 11**	**Room 14**
Grey Space	$11,750.00	$15,850.00	$2,680.00	$1,890.00	$1,380.00	$980.00	$890.00	$890.00	$1,080.00	$1,260.00	$390.00	$1,480.00	$380.00
Badgerow's	$2,500.00	$20,000.00	$5,000.00		$2,500.00	$1,000.00	$750.00	$1,200.00	$950.00	$1,000.00	$1,200.00	$1,500.00	$1,500.00
CTI	$28,500.00	$89,400.00	$12,600.00	$5,000.00	$8,800.00	$3,000.00	$1,100.00	$6,100.00	$1,800.00	$6,500.00	$950.00	$8,500.00	$2,500.00

Asbestos Removal	**Permit**	**Room 2**	**Room 11**	**Basement**	**Attic**	**Room 11 Ceiling**
Grey Space	$2,180.00	$1,560.00	$2,640.00	$1,280.00	$1,980.00	
Badgerow's	$4,500.00	$2,000.00	$1,500.00	$2,500.00	$20,000.00	$2,500.00
CTI	$4,000.00	$3,840.00	$2,250.00	$8,500.00	$38,500.00	

Kitchen cabinets and countertops	Kitchen Appliances	Flooring	Paint	Porches	Doors	Garage	Stairwell	Exterior	TOTAL
$10,700.00	$3,460.00	$8,990.00	$3,260.00	$4,880.00	$9,880.00	$6,500.00	$4,890.00	$2,680.00	$201,600.00
$17,000.00	$1,700.00	$10,000.00	$8,000.00	$10,000.00	$5,000.00	$3,000.00	$2,500.00	$2,500.00	$206,400.00
$25,000.00	$6,500.00	$27,000.00	$25,000.00	$45,400.00	$18,000.00	$27,500.00	$9,500.00	$5,500.00	$525,500.00
									TOTAL
									$40,900.00
									$39,100.00
									$174,750.00
									$9,640.00
									$33,000.00
									$57,090.00

$252,140.00
$278,500.00
$757,340.00

City of Muskegon
Community and Neighborhood Services

Contractor Procurement

HOUSE REHABILITATION AND LEAD ABATEMENT BID SHEET COVER PAGE

BIDS ARE DUE Thursday, December 4, 2025 by 2:00 PM in the City Clerks Office.
Electronic bid submissions aren't accepted. Bids can be dropped off or mailed.

CONTRACTOR INFORMATION

Company Name			
Badgerow's Building and Remodeling LLC			
Contact Person	**Job Title**		
Randall Badgerow	Owner		
Street Address	**City**	**State**	**Zip Code**
12885 Cowmile Rd.	Cowan	MI	49326
Phone No.			
(616) 889 4490			

JOB DESCRIPTION

Description: Please provide a detailed bid for the property at 1183 Pine Street, Muskegon MI 49442. First, CNS is seeking a certified, licensed and insured lead abatement contractor to perform the lead abatment portion of the project following the attached lead work specs. This work will be performed before the general construction. Second, CNS is seeking a licensed and insured residential contractor to rehab the existing home to a 3 bedroom, 1 bath single family home. See attachments for details.

THE HOUSE WILL BE OPEN FOR WALK THROUGHS: Monday, November 17, 2025 from 9:30 AM to 11:00 AM and on Tuesday, November 18, 2025 from 1:30 PM to 3:00 PM. Anyone choosing to bid must attend one of the scheduled walk throughs.

1183 Pine Street Rehab Costs SEE ATTACHMENTS FOR DETAILS

	Asbestos Rehab	General Rehab	Lead Rehab	TOTAL:
	$ 33,000	$ 206,400	$ 39,100	278,500
	$	$	$	$

ANY CHANGES IN SCOPE (EXTRAS) MUST BE COMMUNICATED IMMEDIATELY

Please include a copy of your trade license, general liability and Worker's Compensation insurance with bid.

City of Muskegon
Community & Neighborhood Services
933 Terrace Street
Muskegon, MI 49440
Phone: 231-724-6717

EQUAL HOUSING OPPORTUNITY

1183 Pine Street

Bids are due Thursday, December 4, 2025 by 2:00 P.M. in the City Clerk's Office. Electronic bid submissions are not accepted. Bids can be dropped off or mailed.

Complete bid packets must include:

1. A copy of trade license and any specialty licenses, such as lead or asbestos.
2. A copy of general liability and worker's compensation insurance certificate.
3. Completed bid cover page.
4. Materials sheets.
5. Completed bid sheets for general, lead and asbestos work.
    a. Contractors can choose to bid on just one portion of the project such as lead or general rehab. However, if bidding on just one type of work, you must bid on all items for that type of work.

Return to City Clerk's office at 933 Terrace Street, Muskegon 49440. Bid proposals should be placed inside a marked, sealed envelope, addressed to the City of Muskegon, City Clerk's office with the title of the project address; 1183 Pine Street; on the outside of the envelope with the bidder's name.

1183 Pine Street
Rehabilitation Specifications and Project Information
Owner: City of Muskegon

General Requirements

I. These rehabilitation specifications are provided for the single-family home to be renovated at 1183 Pine Street, Muskegon, MI 49442. Included in the drawings on attached pages, is the new floor plan layout of the property which can be used as reference to provide an estimate for a 3-bedroom, 1 bath, single-family home. The floor plan included with this Spec depicting the new, proposed layout of the property must be submitted with bid package.

II. A proposed material sheet must also be submitted with bid package. Materials should be moderate in price; no luxury materials are allowed.

III. General Contractor is responsible for hiring any Subcontractors required for this project and supplying all necessary materials.

IV. Funding for this project is being provided by the City of Muskegon through U.S. Department of Housing and Urban Development (HUD) HOME funds. Contractors must comply with all applicable funding requirements hereby incorporated into these specifications.

V. Contractors are responsible for field verifying all measurements. The drawings are in general and the contractor can do minor adjustments to the plans on site to account for the existing conditions that may be found on site.

VI. The work listed in this spec sheet is to be completed after the lead remediation work outlined in attached lead work specs. When determining an estimate for the general rehab, the estimates will consider the condition of the property post lead remediation.

VII. Contract will be awarded to lowest most responsible bidder.

VIII. Construction must be completed within 180 days of execution of said contract unless otherwise agreed to by the City of Muskegon. Contractor will be responsible for liquidated damages of $100.00 per day over contract period.

IX. All materials must be installed per manufacturer's specifications and to all applicable building codes. Contractor responsible for obtaining all required permits. All contractors to complete work to City of Muskegon's satisfaction.

X. Work to be performed must meet 2021 Michigan Residential Building Codes, be approved by SAFEbuilt Inspection Services and at a minimum, ensure all work meets attached HUD property rehab standards. All work to comply with applicable codes per the City of Muskegon.

XI. Change orders must be requested of City staff before additional work is completed. Pictures must be provided with request.

XII. Sworn Statements and lien waivers are required prior to payment for work completed.

XIII. Federal Section 3 and Executive Order 11246 requirements (attached) must be met and proof of compliance is required by all general and sub-contractors.

XIV. Contractor is responsible for displaying on the job site the Equal Housing posters (provided by City of Muskegon), building permit, and one set of drawings.

XV. Contractor is responsible for keeping the property clean and secure at all times. All refuse to be removed from the home at the end of each workday to maintain a neat and orderly worksite.
XVI. Contractors are responsible for refuse disposal per each contract. If dumpster is being used, contractor must coordinate location with City of Muskegon, being sensitive to parking, snow removal issues, and surrounding property owners.
XVII. There are nearby neighbors adjacent to the subject property. Contractor and subcontractor must keep renovation noise to a minimum and advise neighbors of major disruptions to minimize conflicts. No smoking allowed in house.
XVIII. All Contractors must provide one year warranty on all work completed in this contract.

~~$25,000~~ ~~$25,000~~ 15,000 **GENERAL REHAB SPECS**

$ ~~25,000~~ Demo of existing

- Doors, wood trim, plaster, drywall, and any existing insulation shall be removed down to the studs all nails and screws are to be removed. Remove the existing brick chimney down to below the 1st floor, the hole in the floor left by the removal shall be patched.
- Remove the Asbestos flooring in the kitchen and around the heat duct in the basement.

$ 1200 Roofing

- Repair the hole left in the roof by the removal of the chimney, the new shingles must match.

$ 1500 Trees in yard

- Remove the trees and bushes in the yard along the garage and on the non-street side of the house.

$ 2,000 Siding

- Repair siding and soffit and fascia on house. Remove the decorative wood trim on the peaks.

$ 3,000 Exterior paint

- Paint the aluminum siding on the house and garage to the Colors to be chosen by City staff.

$ 2,000 Foundation Repair

- Repair the foundation block under the front porch, also on the front of the garage.

~~$10,000~~ Carpentry

~~35,000~~ ~~30,000~~ 30,000

- Build a 3rd bedroom just outside of the bathroom. Ensure each bedroom has a finished closet. See plan.
- Provide and install necessary materials to ensure all rooms are completely finished including trim, molding, etc.
- Finish closets, as indicated on floor plan. Reframe the bathroom and kitchen area to make the bathroom larger and the kitchen a little smaller. See plan, the contractor may make field adjustments on site based on conditions. Remove the wall between the kitchen and living area to provide an opening from the kitchen to living area. (Open Space Concept). The wall that is removed will probably need a beam with a footing that goes to the basement floor. Kitchen cabinets will be new white finish with black finish handles. The counter top color will be determined by City staff.

$15,000 Windows

- Provide and install new, vinyl double-hung replacement windows in all existing openings, except the 11 openings marked on the provided floor plan; see floor plan. If existing opening requires single hung, casement, etc. those options are allowed to match existing opening.
- Replacement windows must have Energy Star Rating-low E.
- Provide new full or half snap screens, as appropriate.
- Caulk all seams with low VOC caulk.
- Insulate openings as needed.

$15,000 Electrical

- Rewire entire home including a new electrical panel. Existing panel is new however it may need a new meter box. To include hard wired smoke detectors per the Code and CO alarm. Also, electrical outlet for washer and0 electric dryer in basement. Garbage disposal in kitchen.
- Correct all existing violations or hazardous conditions.
- Consult (attached) HUD electrical requirements for minimum standards.
- Install all light fixtures, switches, boxes and covers. Wire the Garage for 2 lights and 2 outlets, and a garage door opener outlet in the ceiling.

$15,000 Plumbing

- Replumb house with Pex plumbing ¾ inch from the meter then down to ½ inch to each individual fixture. ¼ turn shut offs at each fixture. Install a new direct vent gas 40-gallon water heater.

- Provide and install all tubs, vanities, sinks and toilet. Existing bath tub in house may be used if condition allows. Fixtures shall be in a nickel finish (not gold or black). The kitchen sink will be stainless steel.
- Install dishwasher, if applicable. Install plumbing and drains for a washer dryer in the basement near the bottom of the stairs.

$ 10,000 HVAC

- Existing heating system must be replaced with a 96% furnace.
- Update, as needed, all ductwork in home.
- Install new ductwork, as needed, to new modified layout of home.
- Install new water heater.

$ 15,000 Insulation and Ventilation

- Provide and insulate exterior walls of the home on all levels to meet required R-value in all areas as a renovation.
- Insulate ceiling and vent to meet the new energy code as a renovation.

$ 16,000 Drywall

- Install, glue and screw, drywall to all insulated exterior walls and open walls with ½ inch drywall and ¼ inch drywall over any existing materials on two top floors, no drywall is necessary in basement.
- Tape all joints, mud and use appropriate corner bead on all corners.
- Prime and paint all with City staff approved colors.

$ 17,000 Kitchen Cabinets and Counters

- Provide and install new factory finished lower and upper kitchen cabinets following City approved kitchen design. With a sink in the island/counter area by the living area. (Open Space Concept)
- Provide and install solid surface/laminate countertop materials to manufacturer's instructions.
- Top shall have a 4 inch back splash.
- Seems shall be straight with no open gaps.
- Pattern and color to be chosen by City staff.

$ 1700 Kitchen Appliances

- Stove – Provide and install new freestanding electric stove.
- Refrigerator – Provide and install new free-standing refrigerator.

- Dishwasher – Provide and install new dishwasher.

$10,000 Floors

- Remove all damaged, deteriorated or rotted flooring materials throughout the house.
- Provide and install new sub floor materials to correct all damaged areas creating a level surface ready for installation of new material.
- Provide and install new floor covering materials which should be resilient, durable, easy to maintain and have a low long-term upkeep cost. All flooring should be installed to manufacturer's instructions. Flooring should extend into all closets as well.
- Colors to be chosen by City staff.

$8,000 Paint

- All rooms must be painted, colors to be chosen by City staff.
- Basement walls and floor should be cleaned/scraped to a paint ready finish. Paint all basement surfaces including floor with appropriate masonry or floor paint.

$10,000 Front and back Porch

- The finished front and back porch will be 3-season porches. Refer to attached lead specs to determine condition post lead work. This porch will get new windows and insulation in the attic. It will be non-heated, painted finish.
- Provide materials and finish rehab to create 2 enclosed porches including proper supports, floor covering, trim, siding, etc. as needed. This front porch will have electric outlets.

$5,000 Doors

- Interior-Provide and install finished, hollow core 3 panel door at all openings, including closets, include hardware in brushed nickel finish (not gold or black). Ensure all doors swing freely. Bi-fold closet or pocket doors are acceptable alternatives for closets if needed.
- Provide and install new keyless panic proof bathroom lockset.
- Exterior-Provide and install new pre-hung exterior steel, insulated, quarter light door at all exterior openings. Provide and install hardware and exterior locksets. Ensure all doors swing freely.

$3,000 Garage

- Garage should be empty and clean after rehab. Provide materials and make any necessary substrate repairs to ensure garage is safe and secure. Remove windows on side.

- Overhead door will be installed in good working condition with garage door opener. Make any necessary repairs up to providing new if necessary.
- Provide and install new pre-hung, steel, 36" exterior door to side B. with a door knob lock.

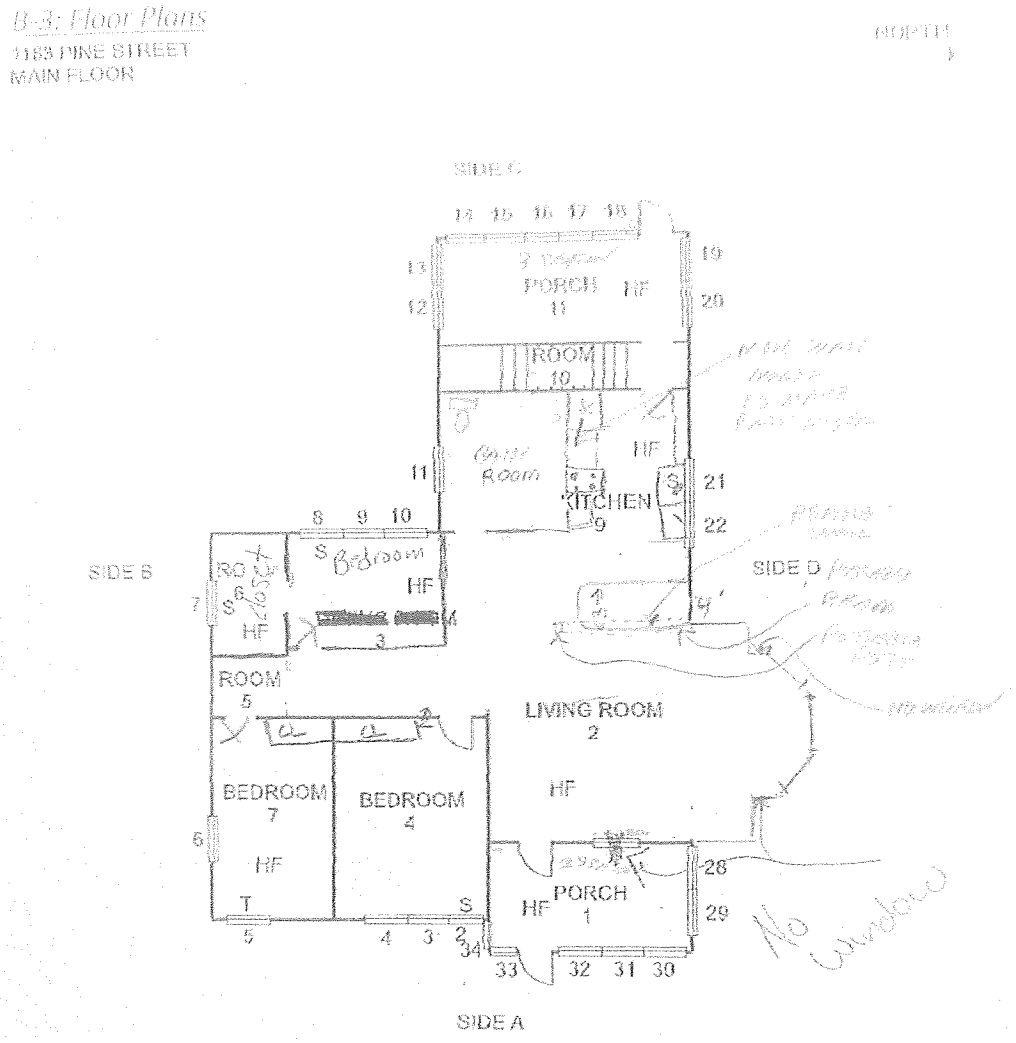
$ 2,500 Stairwells and Stairs

- Hand and guardrails to be installed.
- Build new stair system to the basement in the existing width at the top then to open up to 36 inches wide at the lower ½ of stairs

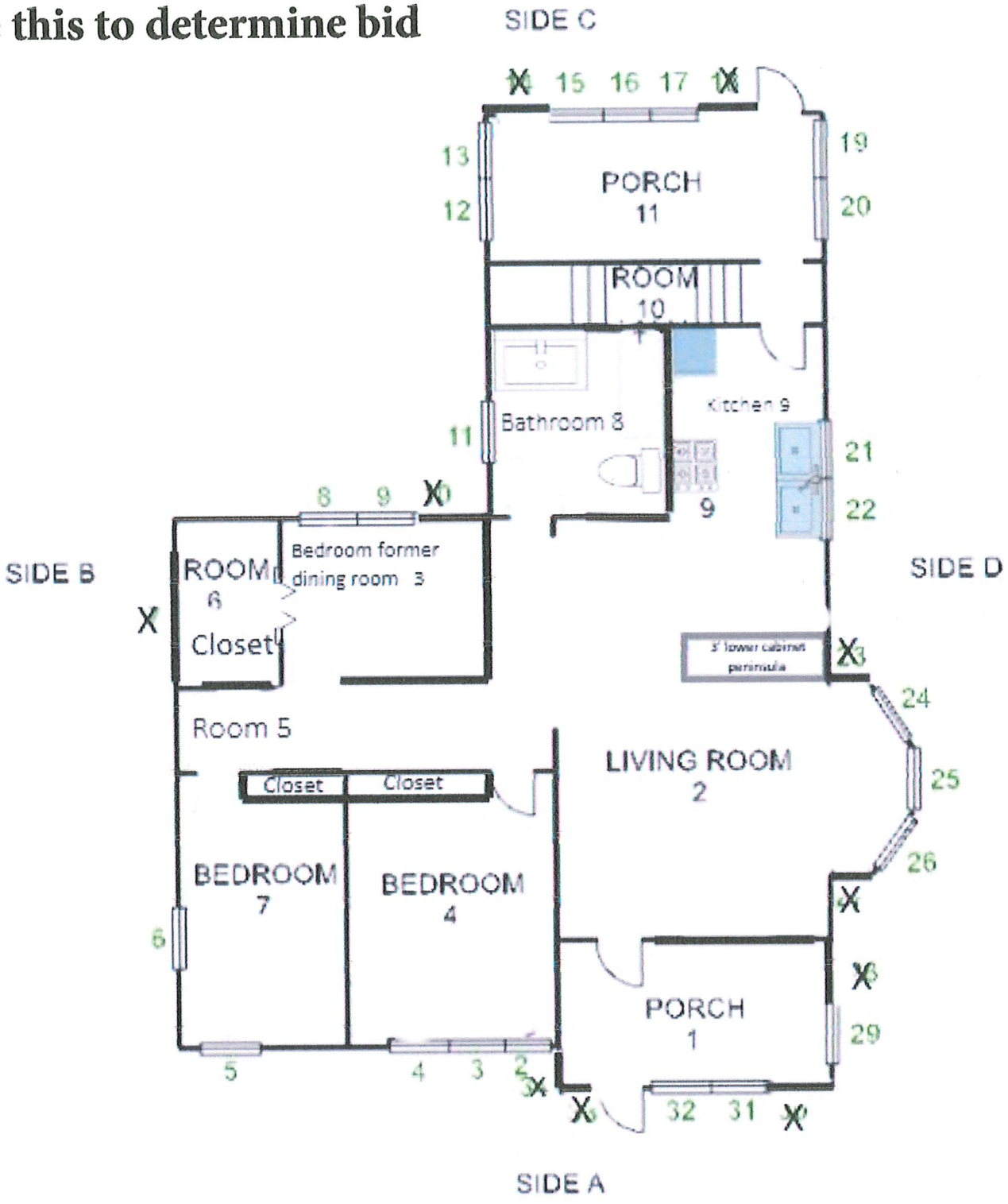
$ 2500 Exterior Landscaping and Fencing

- Clean entire yard to be free of all garbage
- Apply grass seed to entire yard

Existing Floor Plan with notes for changes
for reference only



Proposed New Floor Plan
use this to determine bid



CITY OF MUSKEGON

GENERAL REHAB STANDARDS FOR HUD FUNDED PROJECTS

Funding for this project is being provided by the City of Muskegon through U.S. Department of Housing and Urban Development (HUD) HOME funds. The standards for the condition of HUD housing do not supersede State and local housing codes (such as fire, mechanical, plumbing, carbon monoxide, property maintenance, or residential code requirements). All rehab must comply with State or local housing codes and at a minimum, meet the following HUD rehab requirements:

1. To ensure that all residents live in safe, habitable dwellings, the items and components located inside and outside of HUD funded housing must be functionally adequate, operable, and free of health and safety hazards. Types of health and safety concerns include, but are not limited to carbon monoxide, electrical hazards, extreme temperature, flammable materials or other fire hazards, garbage and debris, handrail hazards, infestation, lead based paint, mold, and structural soundness.
2. HUD housing must comply with all requirements related to the evaluation and control of lead-based paint hazards and have available proper documentation of such (see 24 CFR part 35). The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and the applicable regulations at 24 CFR part 35 apply.

A. **Exterior** – Refers to the building, building components and any building systems located outside of the building. Examples include fencing, retaining walls, grounds, lighting, mailboxes, detached garage or carport, driveway and walkways. The exterior must also meet the following requirements:

   a. Outlets within 6 feet of a water source must be GFCI protected
   b. Any where there is an elevated walking surface with a drop off of 30 inches or greater measured vertically must have a guardrail.

B. **Interior** - Examples of components included in the interior of a unit may include the balcony, bathroom, call-for-aid (if applicable), carbon monoxide devices, ceiling, doors, electrical systems, enclosed patio, floors, HVAC, kitchen, lighting, outlets, smoke detectors, stairs, switches, walls, water heater, and windows. The interior must also meet the following requirements:
   a. The unit must have hot and cold running water in both the bathroom and kitchen, including an adequate source of safe drinking water in the bathroom and kitchen.
   b. The unit must include its own bathroom or sanitary facility that is in proper

operating condition and usable in privacy. It must contain a sink, a bathtub or shower, and an interior flushable toilet.

c. The unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, in the following locations:
    i. On each level of the unit;
    ii. Inside each bedroom;
    iii. Within 21 feet of any door to a bedroom measured along a path of travel; and
    iv. Where a smoke detector installed outside a bedroom is separated from an adjacent living area by a door, a smoke detector must also be installed on the living area side of the door.
    v. If the unit is occupied by any hearing-impaired person, the smoke detectors must have an alarm system designed for hearing-impaired persons.
d. The unit must have a living room and a kitchen area with a sink, cooking appliance, refrigerator, food preparation area, and food storage area.
e. Except for units subject to this subpart only through § 5.701 (a)(6) or (7), or housing otherwise exempt from this requirement as provided elsewhere in this title, the unit must meet or exceed the carbon monoxide detection standards set by HUD through FEDERAL REGISTER notification.
f. The unit must have two working outlets or one working outlet and a permanent light within all habitable rooms.
g. Outlets within 6 feet of a water source must be GFCI protected.
h. The unit must have a permanently installed heating source. No units may contain unvented space heaters that burn gas, oil, or kerosene.
i. The unit must have a guardrail when there is an elevated walking surface with a drop off of 30 inches or greater measured vertically.
j. The unit must have a permanently mounted light fixture in the kitchen and each bathroom.

CITY OF MUSKEGON
REQUEST FOR BID

Client: City of Muskegon
Property: 1183 Pine

Prepared By: Victoria Luthy
Revision Date: August 27, 2025

Contractor Name	Budgerow's Band R
Total Bid	~~41,100~~ 39,100
Estimated amount of time project will take	2 weeks
Contractor Signature	
Owner Signature	

Materials + Labor $	
~~30,000~~ 30,000	Cost of building permit and/or zoning permit, final cleaning for unit to pass clearance and waste disposal. After lead hazard control work has been completed, unit shall be cleaned to meet current state and federal lead hazard control standards. Units must pass visual inspections, dust wipes and other clearance criteria. HEPA vacuum and wet clean all surfaces. Contractor shall be responsible for any collateral damage repair.
~~1,500~~ ~~2000~~ 2,500	Elevated lead dust concentrations on exterior/porch floors, window troughs and sills throughout home. All painted components beneath aluminum siding and trim are presumed lead hazards. Unfinished wall, ceiling and floors may make passing clearance inspections difficult. Notify project manager as needed during work.
	The square footage of friable asbestos containing materials (ACM) exceeds the amount allowed for a licensed residential building contractor to conduct asbestos removal work under the exemptions in Part 602 of the MIOSHA Asbestos Regulations. Asbestos Abatement and Cleaning to be completed by a licensed Asbestos Contractor prior to lead hazard abatement.
	Asbestos Hazards Impacting Lead Work: Vermiculite Insulation in the attic and Vermiculite Debris throughout at openings in ceilings and walls. Asbestos Contractor to address the following areas:
	Exterior, Side D at Room 2: Asbestos Contractor to remove and discard portions of exterior wall panels to identify/abate/remove/enclose vermiculite asbestos insulation.
	~~Continued Next Page~~

Client Date Contractor Date Project Manager Date

	Asbestos Information Continued Room 1, Porch Ceiling: Asbestos Contractor to remove and discard portions of ceiling to identify/abate/remove/enclose vermiculite asbestos insulation. Room 6, Plaster Walls All Sides: Asbestos Contractor to remove and discard portions of walls to identify/abate/remove/enclose vermiculite asbestos insulation. Room 11, Back Porch, Walls, Sides B, C and D and Ceiling: Asbestos Contractor to remove and discard portions of walls and ceiling to identify/abate/remove/enclose vermiculite asbestos insulation. **Glazing on Wood Windows is positive for asbestos but not considered friable. Lead Contractor to complete removal and disposal.**
$ 20,000	Exterior of House All Painted Wood Window Components and All Painted Window Trim Exposed Wood Siding, Frieze Boards, Soffit, Gable Ends and Decorative Trim Front Porch Columns, Mullions and Rail Cap/Sill Side A Door Casing 27 windows and 2 basement windows. Any paint under the aluminum siding and wrapped trim should be presumed as Lead-Based Paint. Remove all brush and vines growing into foundation/inside drip line. Brace/Reinforce/Secure the Front Porch at Beam so all components can be removed between the lower walls and the beam on sides A, B and D of the front porch(Columns/Door Casing/Door Frame/Rail Cap/Mullions/Etc.) Remove and discard all components between the porch beam and lower wall. Side D at Room 2: Brace/Reinforce/Secure the walls so the crumbling brick foundation can be removed and replaced. Remove and discard all painted wood components back to the frame/sheathing. Brace/Reinforce/Secure the Rear Porch at Beam so all components can be removed between the lower walls and the beam on sides B, Cand D of the back porch. Remove and discard all components between the porch beam and lower wall. Continued Next Page

Client Date Contractor Date Project Manager Date

Exterior Continued

Remove and recycle all brown aluminum (window) trim. Remove and recycle all aluminum storm windows. Remove and discard all wood window components and trim (sash/jambs/stops/casing/sills/etc.) back to the frame/studs. 27 windows and 2 basement windows.

Window numbers 7, 10, 14, 18, 23, 27, 28, 30, 33 and 34 will not be replaced. Prepare these openings for siding. Remove and dispose of any remaining painted wood window components. Wet scrape and fully apply Eco-Bond Lead Defender, or equivalent, with Bitrex (ie, LBC or equal) or approved taste aversion product to all remaining painted structural window components. Install 2" x 4" board vertically through center of openings greater than 16" wide. Install OSB over remaining opening from exterior of home and caulk seams to prepare for siding. Insulate wall opening with fiberglass batt to an R value of at least 15 (greatest R value the cavity will hold without compression).

Remove and discard all painted wood decorative trim, including gable ends.

Remove and recycle all vented aluminum soffit.

Furnish and install new aluminum siding matching the profile of the existing siding to areas with missing or damaged siding, including the upper wall on Side A (DO NOT INCLUDE SIDE D at ROOM 2). The existing yellow siding to be painted, so color match is not required. Install with fanfold as per manufacturer's written instructions to provide a complete, weather tight and maintenance free exterior (with chip catch).

Furnish and install new aluminum trim (white), fastened securely to all areas where it is missing or damaged where there is painted components remaining including:
The beam on side A, B and D of the Front Porch
Missing or Vented Soffit
Missing Fascia

Install new aluminum trim with the minimum of face nailing. Replace all deteriorated wood as needed to properly secure soffit system. Remove all light fixtures, hose bibs, dryer vents, electrical service masts, etc. prior to siding application (except gas and plumbing pipes). Cutting around these items will not be accepted. Owner to install new fixtures on completion as desired.
Siding should include metal cap over fanfold or backer board at perimeter base of buildings to be sided – as well as rakes over roofs.
Exposed wood siding at window openings to be enclosed with adhesive flashing membrane or similar.

Client Date Contractor Date Project Manager Date

	Encapsulate any remaining painted structural surface. Perform substrate stabilization. Repair or replace damaged or rotted substrate. Wet scrape and fully apply Eco-Bond Lead Defender (or equivalent) to surfaces and label. Ensure all exterior surfaces are free of visual dust, paint chips and debris, including but not limited to roofs and eaves troughs. Secure/board up openings to prevent intruders or damage from regular weather.
$ ~~4,000~~ 5,000	Exterior – Garage Missing/Damagedf Soffit and Fascia Sides A, B and C - Wood Window Components and Trim (All Painted interior and exterior) Side B – Door and All Door Trim (All Painted interior and exterior) Any paint under the aluminum siding and wrapped trim should be presumed as Lead-Based Paint. Remove all brush and vines growing into foundation/inside drip line. Remove and discard all painted wood window and door components and trim (door/sash/jambs/stops/casing/sills/etc.) back to the frame/studs. Remove and recycle all vented aluminum soffit. Furnish and install new aluminum trim (white), fastened securely to all areas where it is missing or damaged including missing or vented soffit and fascia. Install new aluminum trim with the minimum of face nailing. Replace all deteriorated wood as needed to properly secure soffit system. Exposed wood siding at window openings to be enclosed with adhesive flashing membrane or similar. Encapsulate any remaining painted structural surface. Perform substrate stabilization. Repair or replace damaged or rotted substrate. Wet scrape and fully apply Eco-Bond Lead Defender (or equivalent) to surfaces and label. Ensure all exterior surfaces are free of visual dust, paint chips and debris, including but not limited to roofs and eaves troughs. Secure/board up openings to prevent intruders or damage from regular weather.
$	

Client Date Contractor Date Project Manager Date

	Soil, Side C, Approximately 50 Square Feet at 641 ppm Soil, Side D, Approximately 70 Square Feet at 1090 ppm Remove all visible paint chips and debris from area. Rototill to a minimum of 6" of soil to completely mix soil within the defined area. Ensure all soil clumps are removed. Cover area with landscape fabric and a minimum of 4-6" of natural stone or other landscape covering (homeowner to choose). Integrated Pest Management protocol to be followed (avoid mulch). Ensure soil is graded away from foundation. Remove soil and dispose of properly as needed to prevent covering wood/siding/window components.
$ 2,500	Room 1, Front Porch – All Remaining Painted Wood Components Walls, All Sides Ceiling and Upper Trim Floor Columns (all) and Door Casing/Frame on Side A* All Remaining Painted Wood Window Components/Trim/Rail Cap/Sill – All Sides All Door Components on Side C (Door/Jambs/Stops/Casing/Threshold) If beam is paneled, remove and discard painted panel back to beam. Remove and discard all components. Discard remaining painted lap siding on Side C back to sheething. Remove and discard wall panels back to the frame. Remove and discard floor back to the joists. Encapsulate any remaining painted structural surface, including the beam. Perform substrate stabilization. Repair or replace damaged or rotted substrate. Wet scrape and fully apply Eco-Bond Lead Defender (or equivalent) to surfaces and label. Secure/board up openings to prevent intruders or damage from regular weather. *Removed as part of exterior specification.
$ 1,000	Room 4 – Crown Molding, Baseboards All Wood Closet Components – Walls, Floor, Shelves, Shelf Supports, All Door Components (door/jambs/casing) Side C, Door to Room 3 – All Painted Door Components (Door/Jambs/Casing) Remove and discard all components back to the plaster walls and wall framing. Encapsulate any remaining painted structural surface. Perform substrate stabilization. Repair or replace damaged or rotted substrate. Wet scrape and fully apply Eco-Bond Lead Defender (or equivalent) to surfaces and label.
$ 750	Room 5, Hall – Baseboards Side A to Room 7 – Door and All Door Trim/Jambs/Stops/Casing (both rooms)

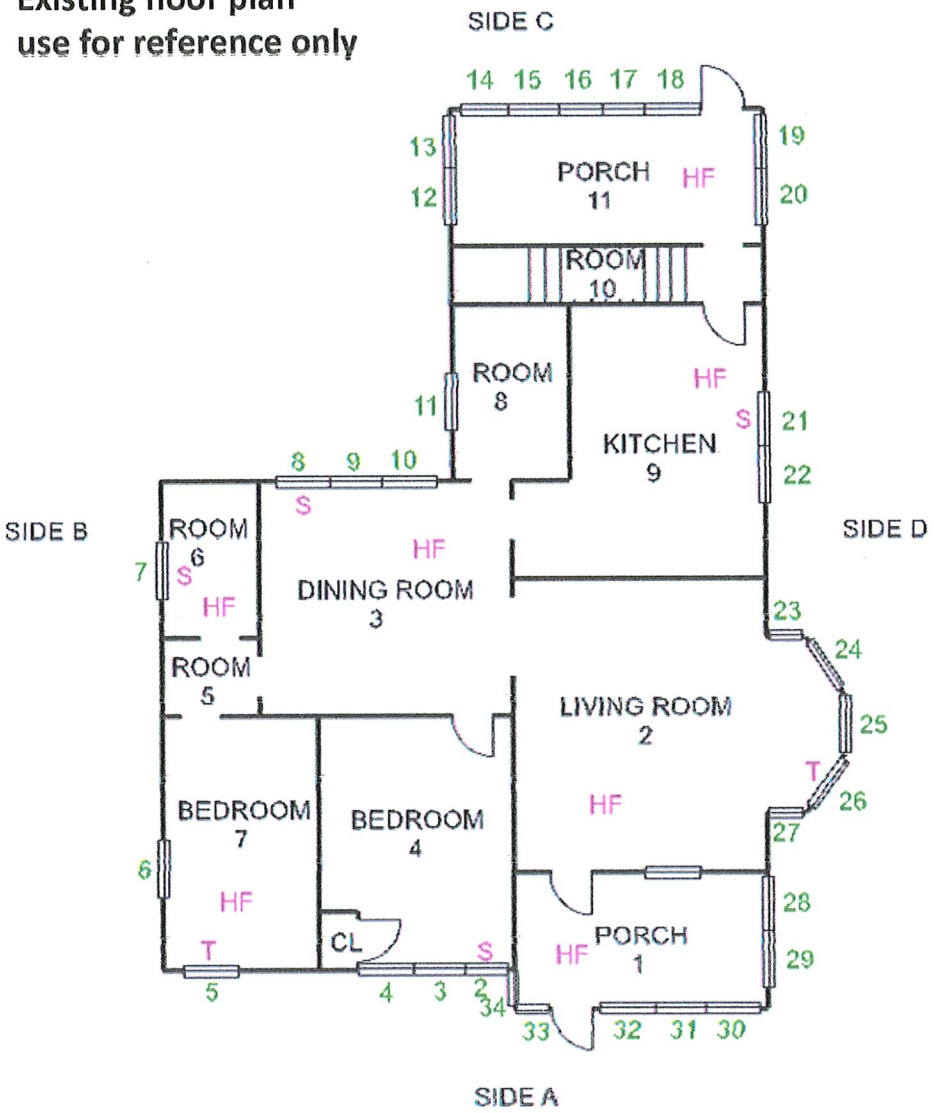
Client Date Contractor Date Project Manager Date

	Side C to Room 6 – All Door Trim/Jambs/Stops/Casing (both rooms) Remove and discard materials back to the frame/plaster/drywall. Encapsulate any remaining painted structural surface. Perform substrate stabilization. Repair or replace damaged or rotted substrate. Wet scrape and fully apply Eco-Bond Lead Defender (or equivalent) to surfaces and label.
$ 1200	Room 6 - Plaster Walls, Baseboard, All Remaining Window Components/Trim Remove and discard painted wood trim and remaining plaster and lathe back to the studs. Encapsulate any remaining painted structural surface. Perform substrate stabilization. Repair or replace damaged or rotted substrate. Wet scrape and fully apply Eco-Bond Lead Defender (or equivalent) to surfaces and label.
$ 950	Room 7 – Baseboard, All Remaining Window Components/Trim Remove and discard painted wood trim. Encapsulate any remaining painted structural surface. Perform substrate stabilization. Repair or replace damaged or rotted substrate. Wet scrape and fully apply Eco-Bond Lead Defender (or equivalent) to surfaces and label.
$ 1,000	Room 8 - Plaster Walls and Ceiling, All Remaining Painted Window and Door Components/Trim Remove and discard painted wood trim and remaining plaster and lathe back to the studs. Encapsulate any remaining painted structural surface. Perform substrate stabilization. Repair or replace damaged or rotted substrate. Wet scrape and fully apply Eco-Bond Lead Defender (or equivalent) to surfaces and label.
$ 1200	Room 10, Basement Stairs – Painted Wood Shelving and Supports Side B – Wood Ledge/Shelf Over Stairs Side D – Shelf Supports Remove and discard all painted wood trim.
$ 1500	Room 11, Back Porch – Walls (lap and panel), Ceiling and Upper Trim Door Header at Side C All Remaining Painted Wood Window Components/Trim/Framing/Rail Cap Brace/secure the upper structure as needed for removal of painted window and door frames on sides B, C and D. Remove and discard all painted components back to the frame or sheathing (at lap siding) Encapsulate any remaining painted structural surface. Encapsulate the beam.

Client Date Contractor Date Project Manager Date

	Perform substrate stabilization. Repair or replace damaged or rotted substrate. Wet scrape and fully apply Eco-Bond Lead Defender (or equivalent) to surfaces and label.
$ 1800	Room 14, Basement, Side C – Cement Block Wall Perform substrate stabilization. Repair or replace all damaged or rotted substrate. Wet scrape and paint surface using an epoxy paint. Apply all products to manufacturer's specifications for application and proper surface temperature at time of application. Owner to choose finish color.

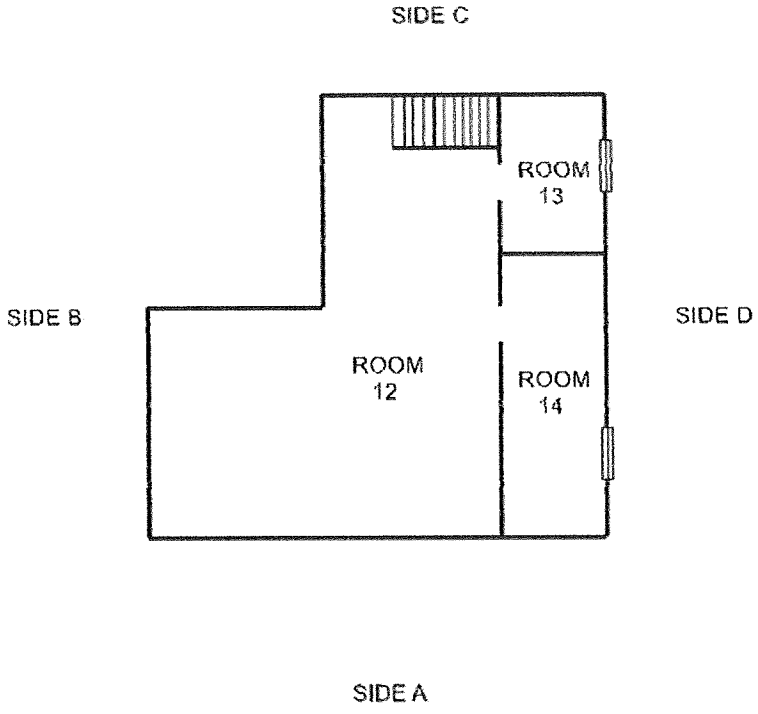
Existing floor plan
use for reference only



Client Date Contractor Date Project Manager Date

1183 PINE STREET
BASEMENT

NORTH



Client Date Contractor Date Project Manager Date

CITY OF MUSKEGON
REQUEST FOR BID
ASBESTOS ABATEMENT

Client: City of Muskegon
Property: 1183 Pine

Prepared By: Victoria Luthy
Revision Date: September 2, 2025

Contractor Name	Badgerows Bawl R
Total Bid	~~38,000~~ ~~37,000~~ 33,000
Estimated amount of time project will take	2 weeks
Contractor Signature	
Owner Signature	

Materials + Labor

$ ~~4,500~~ ~~2,500~~ 1500	Cost of building permit and/or zoning permit, final cleaning for unit to pass clearance and waste disposal. After asbestos abatement has been completed, unit shall be cleaned to meet current state and federal air quality standards. Units must pass visual inspection and air quality clearance criteria. HEPA vacuum and wet clean all surfaces. Contractor shall be responsible for any collateral damage repair. Note: Unfinished wall, ceiling and floors may make passing clearance inspections difficult. Notify project manager as needed during work.
$ 2,000	Room 2- 256 Square Feet of Mastic on Wood Floor Not Considered Friable Wet scrape material that will prevent a smooth finish of the final floor covering (floating laminate floor). Clean and seal floor/label.
$ 1500	Room 11 – 90 Square Feet of Linoleum Backing on Wood Floor Remove and discard entire floor, wood and cellulose down to the subfloor.
$ 2,500	Basement 16 Square Feet of Duct Wrap on 4 Boots 20 Linear Feet of Round Duct Covered with Asbestos Wrap Remove and discard wrapped boots and wrapped round duct.

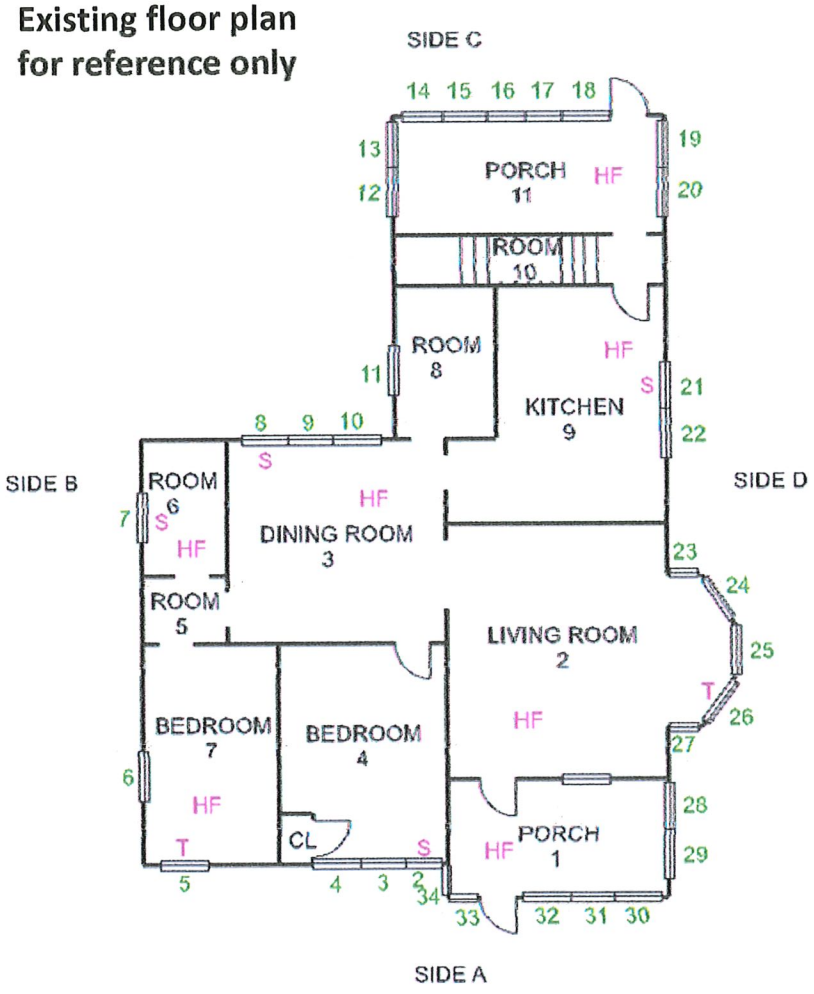
Client Date Contractor Date Project Manager Date

$ [illegible]	Attic – Approximately 1,100 Square Feet of Vermiculite Insulation Entire Home – Vermiculite Debris throughout and at openings in ceilings and walls. The presence of vermiculite in all walls and ceilings was not determined. Remove vermiculite insulation in attic. Seal/Enclose attic as needed. Determine the presence of vermiculite insulation in the following locations where renovations and lead abatement are planned: Exterior Wall, Side D at Room 4 Room 1, Front Porch Ceiling Room 1, Front Porch Walls, All Sides Room 2, Side C Wall Room 6, Plaster Walls, All Sides Room 11, Back Porch Walls, All Sides Room 11, Back Porch Ceiling
$ NA If Present	Exterior, Side D at Room 2: Remove and discard portions of siding and complete insulation/vermiculite asbestos removal/enclosure/abatement as needed in the wall cavity.
$ NA If Present	Room 1, Front Porch, Ceiling: Remove and discard portions of ceiling and complete insulation/vermiculite asbestos removal/enclosure/abatement as needed.
$ NA If Present	Room 1, Front Porch, Side C: Remove and discard portions of wall and complete insulation/vermiculite asbestos removal/enclosure/abatement as needed; OR – provide consultation to project manager or remedies for adding insulation to the wall cavities without abatement.
$ NA If Present	Room 1, Front Porch, Sides A, B and D, Lower Walls: Remove and discard portions of wall and complete insulation/vermiculite asbestos removal/enclosure/abatement as needed.
$ NA If Present	Room 2, Side C, Plaster Wall: *This wall is to be removed.* Remove and discard entire plaster wall and wood studs to complete insulation/vermiculite asbestos removal/enclosure/abatement as needed.
$ NA If Present	Room 6, Plaster Walls (All Sides): Remove and discard portions of plaster walls to complete insulation/vermiculite asbestos removal/enclosure/abatement as needed.
$ 2,500 If Present	Room 11, Back Porch, Ceiling: Remove and discard portions of ceiling and complete insulation/vermiculite asbestos removal/enclosure/abatement as needed.

Client Date Contractor Date Project Manager Date

$ If Present N/A	Room 11, Back Porch, Side A: Remove and discard portions of wall and complete insulation/vermiculite asbestos removal/enclosure/abatement as needed; OR – provide consultation to project manager or remedies for adding insulation to the wall cavities without abatement.
$ N/A If Present	Room 11, Back Porch, Sides B, C and D, Lower Walls: Remove and discard portions of wall and complete insulation/vermiculite asbestos removal/enclosure/abatement as needed.
-- N/A	Glazing on Wood Windows is positive for asbestos but not considered friable. Lead Contractor to complete removal and disposal.

Existing floor plan for reference only



Client Date Contractor Date Project Manager Date

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 01/10/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER White & Associates Insurance 52 West Main Street Fremont, MI 49412	CONTACT NAME: Karen Fisk PHONE (A/C, No, Ext): 231-824-3100 FAX (A/C, No): E-MAIL ADDRESS: sschmidt@whiteagency.com
	INSURER(S) AFFORDING COVERAGE — NAIC #
	INSURER A: Frankenmuth Mutual Ins Company — 13986
INSURED BADGEROW'S BUILDING AND REMODELING LLC 607 S LAFAYETTE ST GREENVILLE, MI 48838	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	✔ COMMERCIAL GENERAL LIABILITY	Y	Y	6672771	01/21/2025	01/21/2026	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE ✔ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY	Y	Y	6672770	01/21/2025	01/21/2026	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	✔ ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		Y	6672769	01/21/2025	01/21/2026	✔ PER STATUTE OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N N / A (Mandatory in NH)						E.L. EACH ACCIDENT	$ 500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 500,000
							E.L. DISEASE - POLICY LIMIT	$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

When required in contract, the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents are included as additional insureds for general liability and automobile liability, and a waiver of subrogation applies.

CERTIFICATE HOLDER

Email: campbellm22@michigan.gov

Michigan Dept. of Health & Human Services, Lead Service Sect
333 S Grand Ave
Lansing, MI 48933

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 09/11/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Kurtis Nestle	
Kurtis Nestle/FB Partners Farm Bureau Insurance PO Box 30400 Lansing, MI 48909	PHONE (A/C, No, Ext): 616-421-8505	FAX (A/C, No): 616-421-8506
	E-MAIL ADDRESS: 5351staff@fbinsmi.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Westchester Surplus Lines Insurance Company	
INSURED Randall Badgerow 12885 16 Mile Rd Gowen, MI 49326	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR ☒ Pollution Liability GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER:	X		G28219064 006	09/16/2025	09/16/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG $	$ 1,000,000 $ $ $ $ 2,000,000 $ $
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) $	$ $ $ $ $
	☐ UMBRELLA LIAB ☐ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION $						EACH OCCURRENCE AGGREGATE $	$ $ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The State of Michigan, its departments, division, agencies, offices, commissions, officers, employees, and agents are listed as additional insured.

CERTIFICATE HOLDER

State of Michigan
235 S. Grand Ave
Lansing, MI 48909

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Rachael Lockner

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GRETCHEN WHITMER
Governor

Michigan Department of Licensing and Regulatory Affairs
Bureau of Construction Codes
Company Builder License

0912122

BADGEROWS BUILDING AND REMODELING
12885 16 MILE RD.
GOWEN, MI 49326

Qualifying Officer:
Jamie L Badgerow
Qualifying Officer #
2101217469

MUST BE DISPLAYED IN A CONSPICUOUS PLACE

License No.
2102218345

Expiration Date:
05/31/2027

This document is duly issued under the laws of the State of Michigan

Product Thickness (mm)	12 mm

Details

AC Rating	AC4: Commercial Medium Traffic
Antimicrobial	Non-antimicrobial
Color Family	Beige
Color/Finish	Cradle Rock Oak
Commercial/Residential	AC4:
Edge Type	Micro-Beveled
Finish Type	Textured
Flooring and Tile Look	Wood Look
Flooring Product Type	Laminate Wood Plank
Gloss	Low Gloss

Installs Over Subfloor	Concrete, Wood
Laminate Flooring Features	Easy Install, Floating, Sample Available, Scratch resistant
Location	Bedroom, Hallway, Living Room
Material	Laminate
Minimum Acclimation Period	No Acclimation Required
Plank Length	Standard Length
Plank Width	Wide plank (7+ in)
Returnable	90-Day
Underlayment Options	Underlayment Required - Included
Water Protection	Waterproof

Warranty / Certifications

LËARVŪE
ABINETRY

land®

yle: Melamine Slab

aterial: Engineered Wood

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Security Software for Computers and Users
Submitted by: Jason Boes, IT Director	**Department:** Information Technology

Brief Summary:
The Information Technology Department is seeking to improve network-wide cybersecurity protection for all computers and user accounts. Our current software solution no longer provides adequate protection. We are recommending Crowdstrike as the security solution for protecting computers and user accounts going forward. This recommended purchase is for a 3-year subscription.

Detailed Summary & Background:
Information Technology is continually seeking ways to strengthen our security against the ever-evolving cybersecurity threat landscape. The computers, virtual servers, and user accounts on our network are critical components that require optimal protection to keep the City's computer systems functioning. The Crowdstrike bundle we are recommending provides a well-rounded set of security tools to efficiently fight malicious threats. Procured grant funding from the SLCGP (State and Local Cybersecurity Grant Program) will help offset a little over half of the cost by reimbursing the City during the grant's performance period, running through August 2027. This will account for $32,202 of the purchase price of the 3-year term (the total for the 3-year contract is $61,013.29).

Goal/Action Item:
2027 GOAL 4: FINANCIAL INFRASTRUCTURE - Maximized efficient use of existing infrastructure

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested:
$61,013.29

Budgeted Item:

Yes	X	No		N/A		

Fund(s) or Account(s):
101-228-980

Budget Amendment Needed:

Yes		No	X	N/A		

Recommended Motion:
I move to approve the purchase of the Crowdstrike security software bundle.

Approvals:

Immediate Division Head	X	
Information	X	

Name the Policy/Ordinance Followed:

Technology		
Other Division Heads		
Communication		
Legal Review		

We have prepared a quote for you

Crowdstrike

Quote # 012063

Prepared for:

City Of Muskegon

Jason Boes
jason.boes@shorelinecity.com

Appendix A

-

This Appendix A is governed by the Master Services Agreement by and between Sentinel Technologies, Inc., (Contractor) with principal offices at 2550 Warrenville Road, Downers Grove, Illinois 60515, and City of Muskegon (Customer) with principal offices at 933 Terrace St, Muskegon, MI 49440-1348.

Hardware/Software Only

-

Hardware/Software only purchase of items listed in the Pricing Summary. No installation or professional services provided.

Crowdstrike 36 Months

Product Description	Qty	Price	Ext. Price
Initial Term: 36 Months **| Requested Start Date**: Upon Booking **| Billing Model**: Prepaid **| Renewal Term**: Requote			
Solution Subscriptions - *Unless explicitly indicated otherwise within this contract, the below term for these subscription services will automatically renew, absent at least ninety (90) days' notice of cancelation by Customer before the start of the renewal term. For subscription services that do not automatically renew, Customer must provide Sentinel with at least ninety (90) days' notice of its intention to renew the services and shall hold Sentinel harmless from any service interruption to result from the cessation of services due to Customer's failure to provide timely notice as stated herein.*			
Falcon Endpoint, Protection Enterprise, flexible Bundle	220	$66.48	$14,625.60
Threat Graph Standard	220	$23.37	$5,141.40
Prevent	220	$0.00	$0.00
Insight	220	$0.00	$0.00
Falcon Adversary OverWatch Endpoint	220	$54.97	$12,093.40
Falcon Device Control Bundle Promo	220	$7.10	$1,562.00
Express Support	1	$5,025.49	$5,025.49
Falcon Spotlight	220	$25.05	$5,511.00
Discover	220	$15.27	$3,359.40
Identity Threat Protection (Accounts)	300	$45.65	$13,695.00
		Subtotal:	**$61,013.29**

Invoicing, General Terms and Assumptions

Subscription/License Invoicing

☑ At the beginning of the contract - In Full

By issuing a purchase order in response to this quote or contract, Customer hereby agrees to be bound by the below terms and conditions, which shall prevail in the event of a conflict with any terms and conditions included within Customer's purchase order.

- The manufacturer/support provider has the right to inspect any products that have either never had support coverage or have not had support coverage for an extended period to determine their eligibility for maintenance/support. Devices subject to inspection will be flagged as such and are subject to a non-refundable inspection fee, which shall be the responsibility of Customer. Sentinel will work with the manufacturer/support provider on Customer's behalf until device eligibility is determined. Devices that do not pass the inspection will be ineligible for support.
- For products purchased pursuant to this agreement, Contractor agrees to provide storage at no additional charge for up to 90 days. If the storage period exceeds 90 days, Customer agrees to the following: a.) Customer will be responsible to pay a fee of 2% per month for storage of purchased products from that point forward, b.) Customer will be invoiced and will be responsible to pay the unpaid balance for any products purchased from Contractor that have not been paid in full and, c.) Ownership will transfer from Contractor to Customer.
- For all products purchased, it is assumed that prior to order execution with Contractor, Customer has reviewed, understood, and agreed to each manufacturer's respective terms and conditions governing the purchase of products, including, but not limited to, applicable warranties, order cancellation, and return policies. In the event of a return request, Sentinel may assist Customer by facilitating the request between Customer and the manufacturer. In addition, product return requests will be subject to Sentinel's own return policies, which may include restocking fees and/or shipping and handling costs.
- Under no circumstances will Customer have the right to withhold payment to Sentinel due to an alleged breach of any express or implied warranties with regard to the products purchased herein. Any such claim shall be handled directly between the manufacturer and Customer. If Contractor receives any financial relief or incentives intended for Customer as a result of a settlement between Customer and the manufacturer, Contractor agrees to pass through the incentives or financial relief to Customer.
- Taxes, shipping, handling, and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.
- Regarding the resale of any products, pricing may be subject to a manufacturer price increase before the expiration date of the quote.
- Total Project - Project Total Cost is based on the combined purchase of all Hardware/Software, Professional Services and Solution Maintenance from Sentinel as detailed in the attached Bill of Materials. Unbundling or materially reducing any of these essential elements of the solution may result in modifications to the cost of the remaining elements.
- If a product manufacturer is providing any third-party services, all such services warranties will be provided solely by the manufacturer and will be passed through to the customer by Sentinel.

Invoicing, General Terms and Assumptions

Sentinel North America Standard

The Standard applies to Sentinel owned locations, and facilities in North America. These standards are based on the Universal Declaration for Human Rights and certain conventions of International Labor Organization. These standards may be revised from time to time by Sentinel, and notice of such modifications will be posted in Sentinel's client proposals.

- **Legal Compliance**: Sentinel undertakes to adhere to all applicable laws of the countries in which it operates, including those pertaining to employee health and safety, terms and conditions of employment and the environment.
- **Employee Health and Safety:** Sentinel undertakes to provide a safe operating environment that meets the higher of either the applicable legal standards or industry workplace standards.
- **Employment standards - Sentinel undertakes to comply with the following**:
  - **Minimum age of workers:** Sentinel will not employ workers that are younger than 14 years of age or the minimum age established by law, whichever is greater. Sentinel will observe all legal requirements for work of employees under 18 years of age, including those pertaining to hours of work and working conditions.
  - **Voluntary employment**: Sentinel will not use involuntary or forced labor, indentured, bonded or otherwise. Sentinel will not participate in human trafficking or unfair detainment.
  - **Wages and employment benefits**: Sentinel will pay at least minimum total compensation required by applicable local law, including any and all applicable mandated wages and overtime rates, allowances and benefits.
  - **Working hours:** Sentinel will maintain reasonable employee work hours in compliance with applicable law.
  - **Non-Discrimination:** Sentinel is an equal opportunity/affirmative action employer committed to a diverse and inclusive workplace. All hiring decisions are based on nondiscriminatory factors without regard to person's race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, marital status, genetics, disability, pregnancy, veteran status or any other basis protected by law. In addition, Sentinel Technologies, Inc. engages in affirmative action efforts, where appropriate, to employ, train and promote qualified minorities, women, the disabled, and veterans.
  - **Freedom of association:** Sentinel recognizes and respects the right of its workers to exercise lawful rights of free association, including joining or not joining any association.
  - **Fair treatment:** Sentinel will provide a work environment free of harassment, abuse or corporal punishment in any form.
- **Environment:** Sentinel will adhere to all applicable environmental laws of the country, region and city of operation. Sentinel will strive to surpass such requirements so as to reduce the environmental impact of their operations. Sentinel is committed to providing a safe workplace.
- **Ethics:** Sentinel has developed a policy and procedure establishing a Code of Business Conduct and Ethics. Sentinel strives to uphold the highest ethical standards.
- **Management Systems:** Sentinel has developed management systems to ensure compliance with all applicable law, regulation and any particular contractual requirements.

Payment Terms - Hardware

-

Hardware/Software: For orders over $100K, 50% at contract execution, balance upon shipment from manufacturer

All Invoices: Net 30

Crowdstrike

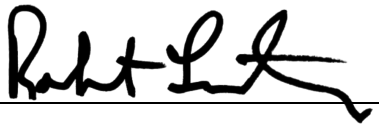
Prepared by:	Prepared for:	Quote Information:
Sentinel Technologies, Inc	**City Of Muskegon**	**Quote # 012063**
Patrick Elkins pelkins@sentinel.com	933 Terrace St Muskegon, MI 49440-1348 Jason Boes +12317243345 jason.boes@shorelinecity.com	Version: 7 Delivery Date: 01/20/2026 Expiration Date: 01/29/2026

Quote Summary

Description	Amount
Crowdstrike 36 Months	$61,013.29
Total:	**$61,013.29**

Taxes, shipping, handling, and other fees may apply. We reserve the right to cancel order arising from pricing or other errors.

Sentinel Technologies, Inc

Signature: 

Name: Robert Lenartowicz

Title: Chief Operating Officer

Date: 01/20/2026

City Of Muskegon

Signature: _____

Name: _____

Title: _____

Date: _____

Michigan State Police
Emergency Management
and
Homeland Security
Division

Grant Agreement

FEDERAL AWARD IDENTIFICATION

SUBRECIPIENT NAME	GRANT NAME	Assistance Listings Number
City of Muskegon	State and Local Cybersecurity Grant Program	97.137
SUBRECIPIENT IRS/VENDOR NUMBER	**FEDERAL AWARD IDENTIFICATION NUMBER (FAIN)**	**FEDERAL AWARD DATE**
CV0047621	EMW-2023-CY-00003	12/17/2023
SUBRECIPIENT UEI	**SUBAWARD PERFORMANCE PERIOD / BUDGET PERIOD**	**FROM / TO**
NVASZGCGV2Z5	8/29/2025 – 8/31/2027 8/29/2025 – 8/31/2027	
RESEARCH & DEVELOPMENT	**Funding**	**Total**
N/A	Federal Funds Obligated by this Action	$57,500.00
INDIRECT COST RATE	Total Federal Funds Obligated to Subrecipient	$57,500.00
None on file	Total Amount of Federal Award	$57,500.00

FEDERAL AWARD PROJECT DESCRIPTION

2023 State and Local Cybersecurity Grant Program (SLCGP)

DETAILS

FY 2023 SLCGP funds for cybersecurity assessments. Funding requirements are found on page 2 (Section III) of the grant agreement.

FEDERAL AWARDING AGENCY	PASS-THROUGH ENTITY (RECIPIENT) NAME
Federal Emergency Management Agency - GPD 400 C Street, SW, 3rd Floor Washington, DC 20472-3645	Michigan State Police Emergency Management and Homeland Security Division PO Box 30634 Lansing, MI 48909

State of Michigan
Fiscal Year 2023
State and Local Cybersecurity Grant Program
Grant Agreement

August 29, 2025 to August 31, 2027

Assistance Listing Number: 97.137
Grant Number:
EMW-2023-CY-00003

This Fiscal Year (FY) 2023 State and Local Cybersecurity Grant (SLCGP) grant agreement is hereby entered into between the Michigan Department of State Police, Emergency Management and Homeland Security Division (hereinafter called the Recipient), and the

CITY OF MUSKEGON
(hereinafter called the Subrecipient)

I. Purpose

The purpose of this grant agreement is to provide federal pass-through funds to the Subrecipient for the development of projects that align with the objectives of the SLCGP.

The goal of the SLCGP is to assist State, Local, and Tribal governments with managing and reducing systemic cyber risk. Allocation of funds must align with the approved cybersecurity plan, and one of the projects outlined in the approved Investment Justifications. The FY 2023 SLCGP focuses on the following program objectives:

- Objective 1: Develop and establish appropriate governance structures, including developing, implementing, or revising cybersecurity plans, to improve capabilities to respond to cybersecurity incidents and ensure continuity of operations.
- Objective 2: Understand their current cybersecurity posture and areas for improvement based on continuous testing, evaluation, and structured assessments.
- Objective 3: Implement security protections commensurate with risk.
- Objective 4: Ensure organization personnel are appropriately trained in cybersecurity, commensurate with responsibility.

For guidance on allowable costs and program activities, please refer to the *FY 23 SLCGP Notice of Funding Opportunity* (NOFO) located at http://www.fema.gov/grants.

II. Statutory Authority

Funding for the FY 23 SLCGP is authorized by Section 2220A of the Homeland Security Act of 2002, as amended (Pub. L. No. 107-296) (6 U.S.C. § 665g).

Appropriate Authority is authorized by Infrastructure Investments and Jobs Appropriations Act (Pub. L. No. 117-58).

The Subrecipient agrees to comply with all FY 23 SLCGP requirements in accordance with the *FY 23 SLCGP Notice of Funding Opportunity* located at http://www.fema.gov/grants , the U.S. Department of Homeland Security (DHS) Standard Administrative Terms and Conditions located at https://www.dhs.gov/publication/fy15-dhs-

standard-terms-and-conditions, and the FY 2023 SLCGP Agreement Articles Applicable to Subrecipients. The *FY 23 SLCGP Articles Applicable to Subrecipients* document is included for reference in the grant agreement packet.

The Subrecipient shall also comply with the most recent version of:

A. 2 C.F.R., Part 200 of the Code of Federal Regulations (C.F.R.), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* located at http://www.ecfr.gov.

B. Federal Emergency Management Agency (FEMA) Policy #108-023-1 *Grant Programs Directorate Environmental Planning and Historic Preservation Policy Guidance*.

III. Award Amount and Restrictions

The **City of Muskegon** is awarded $57,500.00 under the FY 2023 SLCGP. The grant agreement shall be administered based on the Subrecipient's policies and procedures, provided they conform to state and federal rules, laws, and/or regulations. Please note, no personnel costs are approved under this award. The table below outlines the approved projects and respective funding amounts.

Project Number	Project Area	Project Allocation
1	EDR/MDR/XDR	$57,500.00

A. The FY 2023 SLCGP has a 20% cost share (cash or in-kind) requirement, as authorized by the Infrastructure Investment and Jobs Appropriations Act. The State of Michigan is providing the 20% cost share for the subrecipient. There is no cost share requirement for the Subrecipient under the FY 2023 SLCGP.

B. The FY 23 SLCGP covers eligible costs from August 29, 2025 to August 31, 2027. The funds awarded in the grant agreement shall only be used to cover allowable costs that are incurred during the agreement period.

C. The Subrecipient may only fund projects which directly support SLCGP objectives and were included in the approved FY 23 SLCGP subrecipient application and the federal FY 23 SLCGP Investment Justifications.

D. Any proposed change to the scope of work provided in the approved grant project requires prior approval.

E. Except as otherwise specifically set forth in this grant agreement, the Recipient (not the Subrecipient) shall make the final determination on how funds awarded under this grant agreement are allocated and/or spent.

F. For any activities involving construction, demolition, ground disturbance, or installations of equipment, an Environmental and Historic Preservation (EHP) Review must be completed prior to any work being done. Some training and exercise activities that required any type of land, water, or vegetation disturbance or building of temporary structures or that are not located at facilities designated for training and exercises may require an EHP. **Any activities that have been initiated without the necessary EHP review and approval will result in a non-compliance finding and will not be eligible for federal funding.**

Subrecipients are prohibited from using SLCGP funds to construct, remodel, or perform alterations of buildings and other physical facilities. However, subrecipients may use SLCGP funding to perform minor modifications that do not substantially affect a building's, or other physical facility's, structure, layout, or systems. Reference the FEMA Grant Programs Directorate Information Bulletins | FEMA.gov No. 523 for additional information.

G. In the event that the U.S. Department of Homeland Security (DHS) determines that changes are necessary to the award document after an award has been made, including but not limited to, changes to period of

performance or terms and conditions, Subrecipients will be notified of the changes in writing. Once notification has been made, any subsequent request for funds will indicate Subrecipient acceptance of the changes to the award.

IV. Responsibilities of the Subrecipient

A. **Grant funds must supplement, not supplant, state or local funds**. Federal funds must be used to supplement existing funds, not replace (supplant) funds that have been appropriated for the same purpose. Potential supplanting will be carefully reviewed in subsequent monitoring reviews and audits. Subrecipients may be required to supply documentation certifying that a reduction in non-federal resources occurred for reasons other than the receipt or expected receipt of federal funds.

B. The Subrecipient agrees to comply with all applicable federal and state regulations; the FY 2023 SLCGP NOFO, located at: www.fema.gov/grants; and the Agreement Articles Applicable to Subrecipients, included in the grant agreement package for reference.

C. The Subrecipient shall not use FY 23 SLCGP funds to generate program income.

D. In addition to this grant agreement, the Subrecipient shall complete, sign, and submit to the Recipient the following documents, which are incorporated by reference into this grant agreement:
   1. Subrecipient Risk Assessment Certification;
   2. Standard Assurances;
   3. Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements;
   4. Audit Certification (EMHSD-053);
   5. Request for Taxpayer Identification Number and Certification (W-9);
   6. CISA Services Certification (EMHSD-075);
   7. Other documents that may be required by federal or state officials.

E. The Subrecipient agrees to comply with all applicable federal and state regulations, including, but not limited to, the following:

   1. Make all purchases in accordance with federal, state, and local purchasing policies.

   2. The Subrecipient is required to submit reports to the Recipient on the status of all projects and funding. Reporting must follow the format and schedule specified by the Recipient.

   3. Submit projects to the Recipient in the format specified by the Recipient prior to starting a project. Individual solution area costs must also be submitted to the Recipient for alignment and allowability evaluation prior to starting a project. All grant expenditures must meet DHS and Recipient grant guidelines and must directly support one of the FY 23 SLCGP Investments. Any project that proposes a change in scope of work during the grant performance period must be resubmitted to the Recipient for evaluation and approval. Any funds spent on a project prior to receiving Recipient approval may be ineligible for reimbursement.

   4. Create and maintain an inventory of all equipment purchases in accordance with 2 C.F.R., Part 200.313 located at http://www.ecfr.gov. **Within 30 days of the end of the Subrecipient's fiscal year, the Subrecipient must supply a copy of this inventory to the Michigan State Police, Emergency Management and Homeland Security Division, Audit Unit, by email to msp-emhsd-audit@michigan.gov or by mail to: P.O. Box 30634, Lansing, Michigan 48909**. An Equipment Tracking Form is available to assist the Subrecipient in meeting these requirements.

   5. The Subrecipient agrees to prepare and submit reimbursement requests to the Recipient in a timely manner. Reimbursement requests must include all required supporting documentation, including proof of payment. **All reimbursement requests must be submitted to the Recipient no later than 30 days after the end of the performance period identified in this grant agreement.**

6. Current forms and instructions are located at http://www.michigan.gov/emhsd (select Grant Programs) or can be requested by sending an email to EMD_HSGP@michigan.gov.

7. Comply with applicable financial and administrative requirements set forth in the current edition of 2 C.F.R., Part 200, including, but not limited to, the following provisions:

   a. Account for receipts and expenditures, maintain adequate financial records, and refund expenditures disallowed by federal or state audit.

   b. Retain all financial records, statistical records, supporting documents, and other pertinent materials for at least three years after the grant is closed by the awarding federal agency for purposes of federal and/or state examination and audit. All equipment dispositions must follow MSP/EMHSD's equipment disposition policy.

   c. Non-federal organizations which expend $1,000,000 or more in federal funds during their current fiscal year are required to have an audit performed in accordance with the Single Audit Act of 1984, as amended, and 2 C.F.R. 200, Subpart F.

8. Subrecipients must carry out their programs and activities in a manner that respects and ensures the protection of civil rights for protected populations. These populations include but are not limited to individuals with disabilities and others with access and functional needs, individuals with limited English proficiency, and other diverse racial and ethnic populations, in accordance with Section 504 of the *Rehabilitation Act of 1973*, Title VI of the *Civil Rights Act of 1964*, and Executive Order 13347.

9. **Environmental and Historic Preservation (EHP) Compliance.** The federal government is required to consider the effects on the environment and/or historic properties of any federally funded activities and programs, including grant funded projects. The EHP Program engages in a review process to ensure that federally funded activities comply with federal EHP regulations, laws, and executive orders as applicable. The goal of these compliance requirements is to protect the nation's environmental, historic, and cultural resources. The Subrecipient shall not undertake any project having the potential to impact EHP resources without prior approval.

   Any activities that have been initiated without the necessary EHP review and approval will result in a non-compliance finding and will not be eligible for federal funding.

   Subrecipients are prohibited from using SLCGP funds to construct, remodel, or perform alterations of buildings and other physical facilities. However, subrecipients may use SLCGP funding to perform minor modifications that do not substantially affect a building's, or other physical facility's, structure, layout, or systems. Reference the FEMA Grant Programs Directorate Information Bulletins | FEMA.gov No. 523 for additional information.

10. Comply with the *Davis-Bacon Act* (40 U.S.C. 3141 *et seq*.) for grant funded construction projects. The Subrecipient must ensure that contractors or subcontractors for construction projects pay workers employed directly at the worksite no less than the prevailing wages and fringe benefits paid on projects of a similar character. Additional information, including Department of Labor wage determinations, is located at http://www.dol.gov/whd/govcontracts/dbra.htm.

11. Comply with all reporting requirements, including special reporting, data collection, and evaluation requirements, as prescribed by law or program guidance.

12. Maintain a valid Unique Entity Identifier (UEI) through https://sam.gov/ at all times during the performance period of this grant.

13. The Subrecipient must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff. The Subrecipient also agrees to require any subrecipients, contractors, successors, transferees, and assignees to acknowledge and agree to comply with these same provisions. Detailed information on record access provisions can be found in the *DHS Standard Terms and Conditions* located at

https://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions, specifically in the DHS Specific Acknowledgements and Assurances on page 1.

14. Subrecipients are required to participate in the following free services and memberships offered by Cyber and Infrastructure Security Agency (CISA):

    a. Cyber Hygiene Services

        i. Web Application Scanning is an "internet scanning-as-a-service." This service assesses the "health" of your publicly accessible web applications by checking for known vulnerabilities and weak configurations. Additionally, CISA can recommend ways to enhance security in accordance with industry and government best practices and standards.

        ii. Vulnerability Scanning evaluates external network presence by executing continuous scans of public, static IPs for accessible services and vulnerabilities. This service provides weekly vulnerability reports and ad-hoc alerts.

    To register for these services, email vulnerability_info@cisa.dhs.gov with the subject line "Requesting Cyber Hygiene Services – SLCGP" to get started. Indicate in the body of your email that you are requesting this service as part of the SLGCP. For more information, visit Cyber Hygiene Services | CISA.

    b. Nationwide Cybersecurity Review (NCSR)

        i. The NCSR is a free, anonymous, annual self-assessment designed to measure gaps and capabilities of a SLT's cybersecurity programs. It is based on the National Institute of Standards and Technology Cybersecurity Framework and is sponsored by DHS and the MS-ISAC. Entities and their subrecipients should complete the NCSR, administered by the MS-ISAC, during the first year of the award/subaward period of performance and annually. For more information, visit https://www.cisecurity.org/ms-isac/services/ncsr.

    The FY 23 SLCGP NOFO outlines additional services, memberships, and resources that are strongly encouraged or recommended. Please refer to the FY 23 SLCGP NOFO for additional information.

V. Responsibilities of the Recipient

The Recipient, in accordance with the general purposes and objectives of this grant agreement, will:

A. Administer the grant in accordance with all applicable federal and state regulations and guidelines and submit required reports to the awarding federal agency.

B. Provide direction and technical assistance to the Subrecipient.

C. Provide to the Subrecipient any special report forms and reporting formats (templates) required for administration of the program.

D. Reimburse the Subrecipient, in accordance with this grant agreement, based on appropriate documentation submitted by the Subrecipient.

E. At its discretion, independently, or in conjunction with the federal awarding agency, conduct random on-site reviews of the Subrecipient(s).

VI. Reporting Procedures

The Subrecipient is required to submit reports to the Recipient on the status of all projects and funding. Reporting must follow the format and schedule specified by the Recipient. Current forms and instructions can be requested by sending an email to EMD_HSGP@michigan.gov.

Reporting on funding status is mandated by the federal government. Failure by the Subrecipient to fulfill reporting requirements, in compliance with federal grant rules, shall result in the suspension of grant activities until reports are received and may jeopardize future federal funding.

VII. Payment Procedures

The Subrecipient agrees to prepare and submit the Reimbursement Cover Sheet (EMD-054) with all required supporting documentation attached, including proof of payment. The Subrecipient will submit **one Reimbursement Cover Sheet and related forms for each grant project, solution area, allocation type, and individual exercise.** Reimbursement Cover Sheets must be filled out completely. Instructions are provided with each of the reimbursement forms. The Reimbursement Cover Sheet and other reimbursement forms can be found on the MSP/EMHSD website located at http://www.michigan.gov/emhsd. The Subrecipient will not be reimbursed for funds until all required signed documents and reimbursement documentation are received. **All reimbursement requests must be submitted to the Recipient no later than 30 days after the end of the performance period identified in this grant agreement.**

Drawdown of Funds in Advance. Up to 90 days **prior** to expenditure, the Subrecipient may request funds for purchases of $10,000 or more. All the following requirements must be met when obtaining advanced funds:

A. The Subrecipient must submit advance requests with a copy of approved purchase orders and a copy of approved Alignment and Allowability Forms.

B. The Subrecipient must place advanced funds in an interest-bearing account.

C. The Subrecipient may keep interest up to $500 per year (2 C.F.R., Part 200.305) for administrative expenses for all federal grants combined.

D. The Subrecipient must notify the Recipient quarterly, in writing, of any interest earned over $500.

E. The Subrecipient must promptly, but at least quarterly, remit any interest earned over $500 to: Michigan State Police, Emergency Management and Homeland Security Division, Financial Management and Audit Section, P.O. Box 30634, Lansing, Michigan 48909.

F. The Subrecipient must liquidate each advance **by the date specified by the Recipient** (usually within 90 days).

G. The Subrecipient must ensure all invoices and proof of payment documents are dated **after the date the advance was issued by the Recipient**.

VIII. Employment Matters

The Subrecipient shall comply with Title VI of the *Civil Rights Act of 1964*, as amended; Title VIII of the *Civil Rights Act of 1968*; Title IX of the *Education Amendments of 1972 (Equal Opportunity in Education Act)*; the *Age Discrimination Act of 1975*; Titles I, II and III of the *Americans with Disabilities Act of 1990*; the *Elliott-Larsen Civil Rights Act*, 1976 PA 453, as amended, MCL 37.2101 *et seq*.; the *Persons with Disabilities Civil Rights Act*, 1976 PA 220, as amended, MCL 37.1101 *et seq*., and all other federal, state and local fair employment practices and equal opportunity laws and covenants. The Subrecipient shall not discriminate against any employee or applicant for employment, to be employed in the performance of this grant agreement, with respect to their hire, tenure, terms, conditions, or privileges of employment; or any matter directly or indirectly related to employment because of their race, religion, color, national origin, age, sex, height, weight, marital status, limited English proficiency, or handicap that is unrelated to the individual's ability to perform the duties of a particular job or position. The Subrecipient agrees to include in every contract or subcontract entered into for the performance of this grant agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of the grant agreement.

The Subrecipient shall ensure that no subcontractor, manufacturer, or supplier of the Subrecipient for projects related to this grant agreement appears on the Federal Excluded Parties List System located at https://www.sam.gov.

IX. Limitation of Liability

The Recipient and the Subrecipient to this grant agreement agree that each must seek its own legal representative and bear its own costs, including judgments, in any litigation that may arise from performance of this contract. It is specifically understood and agreed that neither party will indemnify the other party in such litigation.

This is not to be construed as a waiver of governmental immunity for either party

X. Third Parties

This grant agreement is not intended to make any person or entity, not a party to this grant agreement, a third-party beneficiary hereof or to confer on a third party any rights or obligations enforceable in their favor.

XI. Grant Agreement Period

This grant agreement is in full force and effect from August 29, 2025 to August 31, 2027. No costs eligible under this grant agreement shall be incurred before the starting date of this grant agreement, except with prior written approval. This grant agreement may be terminated by either party by giving 30 days written notice to the other party stating reasons for termination and the effective date, or upon the failure of either party to carry out the terms of the grant agreement. Upon any such termination, the Subrecipient agrees to return to the Recipient any funds not authorized for use, and the Recipient shall have no further obligation to reimburse the Subrecipient.

XII. Entire Grant Agreement

This grant agreement is governed by the laws of the State of Michigan and supersedes all prior agreements, documents, and representations between the Recipient and the Subrecipient, whether expressed, implied, or oral. This grant agreement constitutes the entire agreement between the parties and may not be amended except by written instrument executed by both parties prior to the grant end date. No party to this grant agreement may assign this grant agreement or any of their/its rights, interest, or obligations hereunder without the prior consent of the other party. The Subrecipient agrees to inform the Recipient in writing immediately of any proposed changes of dates, budget, or services indicated in this grant agreement, as well as changes of address or personnel affecting this grant agreement. Changes in dates, budget, or services are subject to prior written approval of the Recipient. If any provision of this grant agreement shall be deemed void or unenforceable, the remainder of the grant agreement shall remain valid.

The Recipient may suspend or terminate grant funding to the Subrecipient, in whole or in part, or other measures may be imposed for any of the following reasons:

A. Failure to expend funds in a timely manner consistent with the grant milestones, guidance, and assurances.
B. Failure to comply with the requirements or statutory objectives of federal or state law.
C. Failure to follow grant agreement requirements or special conditions.
D. Proposal or implementation of substantial plan changes to the extent that, if originally submitted, the project would not have been approved for funding.
E. Failure to submit required reports.
F. Filing of a false certification in the application or other report or document.
G. Failure to adequately manage, monitor or direct the grant funded activities.

Before taking action, the Recipient will provide the Subrecipient reasonable notice of intent to impose corrective measures and will make every effort to resolve the problem informally.

XIII. Business Integrity Clause

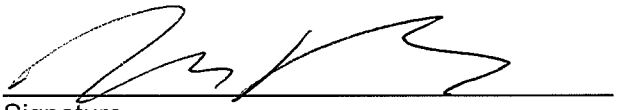
The Recipient may immediately cancel the grant without further liability to the Recipient or its employees if the Subrecipient, an officer of the Subrecipient, or an owner of a 25% or greater share of the Subrecipient is convicted of a criminal offense incident to the application for or performance of a state, public, or private grant or subcontract; or convicted of a criminal offense, including, but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under state or federal antitrust statutes; or convicted of any other criminal offense which, in the sole discretion of the Recipient, reflects on the Subrecipient's business integrity.

XIV. Freedom of Information Act

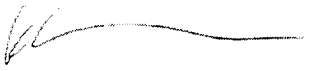
Much of the information submitted in the course of applying for funding under this program, or provided in the course of grant management activities, may be considered law enforcement-sensitive or otherwise critical to national security interests. This may include threat, risk, and needs assessment information, and discussions of demographics, transportation, public works, and industrial and public health infrastructures. Therefore, each Subrecipient agency Freedom of Information Officer will need to determine what information is to be withheld on a case-by-case basis. The Subrecipient should be familiar with the regulations governing Protected Critical Infrastructure Information (6 C.F.R., Part 29) and Sensitive Security Information (49 C.F.R., Part 1520), as these designations may provide additional protection to certain classes of homeland security information.

XV. Official Certification

For the Subrecipient
The individual or officer signing this grant agreement certifies by their signature that they are authorized to sign this grant agreement on behalf of the organization they represent. The Subrecipient agrees to complete all requirements specified in this grant agreement.

City of Muskegon	NVASZGCGV2Z5
Subrecipient Name	Subrecipient's UEI Number
Jason Boes	Information Technology Director
Printed Name	Title
	09/18/2025
Signature	Date

For the Recipient (Michigan State Police, Emergency Management and Homeland Security Division)

Capt. Kevin Sweeney,	Commander, Emergency Management and Homeland Security
Printed Name	Title
	9/17/2025
Signature	Date

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Workforce Housing Restrictive Covenant - Ledeboer Family
Submitted by: Jake Eckholm, Development Services Director	**Department:** Economic Development

Brief Summary:
Jeffery and Nicole Ledeboer request a Workforce Housing PILOT for a duplex and accessory dwelling unit at 447 Oak Avenue. This restrictive covenant establishes the terms of the project and restricts the properties use to workforce housing for the statutory term.

Detailed Summary & Background:
Jeffery and Nicole Ledeboer are working with Mrs. Kara Novak as the lender and developer along with Mr. Derek Sjaarda as the builder to add to our stock of income restricted workforce housing in the community. If approved, this parcel will feature a duplex and an accessory dwelling unit, utilizing our 2024 Zoning Reforms to increase density to meet the housing need. These units will be restricted to families or individuals that fall below 120% AMI for their household size, per MSHDA's annual rent limits for Muskegon County. The term of the restricted use is 15 years, along with the companion resolution establishing the Payment in Lieu of Taxes (PILOT) in this agenda.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: N/A	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): N/A	**Budget Amendment Needed:** Yes ☐ No ■ N/A ☐

Recommended Motion:
Motion to approve the Workforce Housing Restrictive Covenant between the City of Muskegon and Jeffery and Nicole Ledeboer and to authorize the Mayor and Clerk to sign.

Approvals: Immediate Division Head ■	**Name the Policy/Ordinance Followed:**

Information Technology		
Other Division Heads		
Communication		
Legal Review		

WORKFORCE HOUSING RESTRICTIVE COVENANT

This Workforce Housing Restrictive Covenant ("Restrictive Covenant") is made by and between the City of Muskegon, Michigan ("Municipality") and Jeffrey and Nicole Ledeboer, presently of 3025 Garrison Rd Altus, OK 73521 (the "Sponsor") as of January 27th, 2026.

R E C I T A L S:

A. Sponsor is the owner of certain real property located in the City of Muskegon, County of Muskegon, State of Michigan, and more particularly described on the attached Exhibit A (the "Property"), which is attached hereto and incorporated by reference into this Agreement.

B. Sponsor has offered to provide three "Workforce housing" units as defined by MCL 125.1415a(10)(d) on the Property (the "Project") and has applied to Municipality for a workforce housing exemption from *ad valorem* property taxes under Section 15a of the State Housing Development Authority Act, being Public Act 346 of 1966, as amended (the "Act").

C. In consideration of Sponsor's offer to undertake the Project, Municipality has agreed to exempt the Property from all *ad valorem* property taxes imposed by any taxing jurisdiction and to accept in lieu thereof payment of an annual service charge for a period of 15-years as provided by Chapter 82 of the City Code of Ordinances, as amended (the "Ordinance").

D. Upon completion of the Project, the annual service charge paid in lieu of all *ad valorem* property taxes shall be equal to ten percent (10%) of the annual shelter rents collected from the Project and shall be paid as provided in the Ordinance.

E. Sponsor and Municipality agree that the economic feasibility of the Project depends upon the continuing effect of the annual service charge in lieu of all *ad valorem* taxes approved by Municipality for the 15-year exemption period.

F. Accordingly, upon recording with the Muskegon County Register of Deeds, this Restrictive Covenant will restrict use of the Property to Workforce housing for the 15-year exemption period.

NOW, THEREFORE, in consideration of Municipality's acceptance of payment of the annual service charge in lieu of all *ad valorem* property taxes and Sponsor's commitment to construct or rehabilitate the Project, Sponsor and Municipality hereby covenant as follows:

1. **Recitals.** The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. **Definitions**. All words and phrases used in this Restrictive Covenant have the same meaning as defined in the Act or the Ordinance.

3. **Workforce Housing Covenant**. The Project will, upon completion of the proposed construction or rehabilitation, constitute workforce housing for households for persons and families whose household income is not greater than 120% of the area median income, as published by the Michigan State Housing Development Authority ("the Authority) for Muskegon County, adjusted for family size. All of the housing units in the Project will be rented, or available for rental, on a continuous basis to members of the general public throughout the term of this Restrictive Covenant.

4. **Term of Exemption**. The exemption from *ad valorem* property taxes approved by Municipality shall remain in effect in accordance with this Restrictive Covenant restricting use of the Project to workforce housing for a period of 15-years, ending on December 31, 2041, or so long as the Project is used as workforce housing, whichever is less.

5. **No Violation**. Sponsor agrees that it will not knowingly take or permit any action that would result in a violation of the requirements of this Restrictive Covenant or the Ordinance, which is incorporated herein as if a part of this Restrictive Covenant. Further, Sponsor agrees to take any required action, including the amendment of this Restrictive Covenant, as may be necessary, in the determination of the Municipality or of the Authority, to comply with the Ordinance. If Municipality determines that the Project is not in compliance with the requirements of this Restrictive Covenant, and Sponsor, after receiving written notice of the non-compliance from Municipality, does not correct such non-compliance within thirty (30) days, Municipality shall be entitled to take such actions as it deems necessary to enforce the provisions of this Restrictive Covenant.

6. **Sponsor to Demonstrate Compliance**. Sponsor will provide Municipality with such certifications, reports and other information as are required by Municipality to demonstrate compliance with the Ordinance. Sponsor will provide Municipality and Authority with an annual verification of compliance with this Restrictive Covenant, in a form specified by the Authority.

7. **Transfer of Ownership**. Sponsor will, prior to a sale or other voluntary transfer of ownership of the Project or any part thereof, notify Municipality in writing, and will enter into any agreements with the purchaser or transferee as may be prescribed by Municipality to ensure such purchaser's or transferee's compliance with this Restrictive Covenant and Michigan law.

8. **Enforceability**. This Restrictive Covenant is enforceable in any court in the State of Michigan having jurisdiction thereof, by Municipality, and to the extent required by the Ordinance, by any individuals who are tenants of the Project.

9. **Covenant Running with the Land; Binding Effect**. The foregoing covenant shall constitute and be enforced as a covenant running with the land under Michigan law and shall be binding on all successors or assigns of Sponsor or Municipality and any future owner or operator of the Project for the full 15-year exemption period.

10. **Miscellaneous**. In the event of any conflict between the terms of this Restrictive Covenant and the requirements of the Ordinance the requirements of the Ordinance shall prevail. This Restrictive Covenant may only be amended or terminated by a writing signed by both Sponsor and Municipality. The invalidity of any clause or provision of this Restrictive Covenant shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, is this Covenant is effective as of January 27th, 2026.

[Signature Pages Follow]

CITY OF MUSKEGON

By: _____

Its: _____

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this day of January 27th, 2026 by Kenneth Johnson, as Mayor of the City of Muskegon, a municipal corporation of the State of Michigan.

_____

Notary Public, _____County, MI
My Commission Expires: _____
Acting in _____ County, MI

SPONSOR
Jeffrey and Nicole Ledeboer

By: _____

Its:

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____, as the manager/authorized member of the aforementioned Sponsor.

_____

Notary Public, _____County, MI
My Commission Expires: _____
Acting in _____County, MI

DRAFTED BY:

WHEN RECORDED RETURN TO:

EXHIBIT A

Legal Description of Property

447 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
LOTS 5 & 6 BK 45
EXC S 12 FT FOR ALLEY

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Resolution for Housing Tax Exemption - Ledeboer Family
Submitted by: Jake Eckholm, Development Services Director	**Department:** Economic Development

Brief Summary:
The Ledeboer family is requesting a Payment in Lieu of Taxes for their workforce housing project at 447 Oak Avenue, which requires a resolution setting the annual PILOT rate.

Detailed Summary & Background:
Jeffery and Nicole Ledeboer are working with Mrs. Kara Novak as the lender and developer along with Mr. Derek Sjaarda as the builder to add to our stock of income restricted workforce housing in the community. If approved, this parcel will feature a duplex and an accessory dwelling unit, utilizing our 2024 Zoning Reforms to increase density to meet the housing need. These units will be restricted to families or individuals that fall below 120% AMI for their household size, per MSHDA's annual rent limits for Muskegon County. The term of the restricted use is 15 years, along with the companion Workforce Housing Restrictive Covenant in this agenda packet.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: N/A	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): N/A	**Budget Amendment Needed:** Yes ☐ No ■ N/A ☐

Recommended Motion:
Motion to approve the Resolution establishing the Workforce Housing annual service fee as presented and to authorize the Clerk to sign.

Approvals:

Immediate Division Head	■	
Information	☐	

Name the Policy/Ordinance Followed:
Chapter 82-52 of the Muskegon Code of Ordinances

Technology		
Other Division Heads		
Communication		
Legal Review		

Resolution Setting Annual Service Fee
for the Workforce Housing Development
by Jeffrey and Nicole Ledeboer

Whereas, Jeffrey and Nicole Ledeboer (the "Sponsor"), has applied to the City of Muskegon for a determination that a proposed workforce housing project sponsored by it at various properties represented on Exhibit A is entitled to the exemption from taxes authorized by Chapter 82 of the City of Muskegon Code of Ordinances; now therefore, be it

Resolved, that the proposed workforce housing project is within the class of housing developments entitled to an exemption under Chapter 82, if it meets the following contingencies:

a. Sponsor shall provide documentation to the City substantiating ownership of the subject properties.
b. Construction of at least 3 units of the proposed workforce housing project shall be commenced within twelve (12) months from the date of the Michigan State Housing Development Authority's ("MSHDA") notification of exemption, or this resolution shall be void and of no effect.
c. For the life of this Workforce Housing Resolution, 100% of the dwelling units in the proposed workforce housing project will be restricted to rental units or other housing options that are reasonably affordable to, and occupied by, a household whose total household income is not greater than 120% of the area median income published by the Michigan Statewide Housing Development Authority.
d. The Sponsor shall submit an affidavit to MSHDA in the form required by MSHDA for certification that the workforce housing project is eligible for the workforce housing exemption.
e. Upon receipt of notification from MSHDA that the workforce housing project is eligible for a workforce housing exemption, the Sponsor shall file the certified notification of exemption with the City Assessor before November 1 of the year preceding the tax year in which the exemption is to be effective; and,
f. Sponsor shall record a restrictive covenant in a form acceptable to the City Attorney. The restrictive covenant shall be recorded in the register of deeds for the county in which the workforce housing project is located and shall comply with the requirements of Chapter 82; and, further be it

Resolved, that in lieu of ad valorem property taxes, the Sponsor shall pay an annual service charge equal to ten percent (10%) of the "Annual Shelter Rents" as defined in Section 82-52 for that portion of the workforce housing project occupied for Workforce Housing; and, further be it

Resolved, that annually, no later than April 29, the Sponsor shall provide the City Assessor the Sponsor's budget for Annual Shelter Rent for the current calendar year and a copy of Sponsor's financial statements for the preceding calendar year, prepared in accordance with generally accepted auditing standards or, if Sponsor is not subject to an audit requirement, Sponsor's compiled financial statements for the preceding calendar year prepared in accordance with generally accepted accounting principles and certified by Sponsor; and, further be it

Resolved, that the tax exempt status granted by this Resolution shall remain in effect for 15 years, unless otherwise terminated pursuant to Chapter 82 or this Resolution; and, further be it

Resolved, that all portions of Chapter 82 are hereby incorporated by reference; and, further be it

Resolved, that this Resolution may be assigned by the Sponsor only to subsequent owners of the workforce housing project who shall agree to abide to its terms. If not assigned, to and accepted by subsequent owners of the workforce housing project, it shall automatically terminate; and further be it

Resolved, that the Mayor and City Clerk execute a contract with the Sponsor providing the tax exemption and acceptance of payments in lieu of taxes as defined within this resolution and its application, such contract subject to approval as to substance by the City Manager and as to form by the City Attorney.

YEAS: _____

NAYS: _____

I hereby certify that the above Resolution was adopted by the City Commission of the City of Muskegon at its regular meeting held on _____, in the Commission Chambers, City Hall, 933 Terrace, Muskegon, Michigan.

_____

Ann Meisch, City Clerk

EXHIBIT A

447 OAK AVENUE - CITY OF MUSKEGON REVISED PLAT OF 1903 LOTS 5 & 6 BK 45 EXC S 12 FT FOR ALLEY

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Workforce Housing Restrictive Covenant - HAPCE LLC
Submitted by: Jake Eckholm, Development Services Director	**Department:** Economic Development

Brief Summary:
Tim Van Der Kolk, through his HAPCE LLC, requests a Workforce Housing PILOT for 2 duplexes and 2 accessory dwelling units at 625 and 635 Oak Avenue. This restrictive covenant establishes the terms of the project and restricts the properties use to workforce housing for the statutory term.

Detailed Summary & Background:
Tim Van Der Kolk, as HAPCE LLC, is working with Mrs. Kara Novak as the lender and developer along with Mr. Derek Sjaarda as the builder to add to our stock of income restricted workforce housing in the community. If approved, these parcels will each feature a duplex and an accessory dwelling unit, utilizing our 2024 Zoning Reforms to increase density to meet the housing need. These units will be restricted to families or individuals that fall below 120% AMI for their household size, per MSHDA's annual rent limits for Muskegon County. The term of the restricted use is 15 years, along with the companion resolution establishing the Payment in Lieu of Taxes (PILOT) in this agenda.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: N/A	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): N/A	**Budget Amendment Needed:** Yes ☐ No ■ N/A ☐

Recommended Motion:
Motion to approve the Workforce Housing Restricted Covenant between the City of Muskegon and HAPCE, LLC as presented and to authorize the Mayor and Clerk to sign.

Approvals: Immediate Division Head ■	**Name the Policy/Ordinance Followed:** Chapter 82-52 of the City of Muskegon Code of Ordinances

Information Technology		
Other Division Heads		
Communication		
Legal Review		

WORKFORCE HOUSING RESTRICTIVE COVENANT

This Workforce Housing Restrictive Covenant ("Restrictive Covenant") is made by and between the City of Muskegon, Michigan ("Municipality") and HAPCE LLC, a Limited Liability Company, presently of 4344 Oakland Hills Dr, Dorr, MI 49323 (the "Sponsor") as of January 27th, 2026.

R E C I T A L S:

A. Sponsor is the owner of certain real property located in the City of Muskegon, County of Muskegon, State of Michigan, and more particularly described on the attached Exhibit A (the "Property"), which is attached hereto and incorporated by reference into this Agreement.

B. Sponsor has offered to provide six "Workforce housing" units as defined by MCL 125.1415a(10)(d) on the Property (the "Project") and has applied to Municipality for a workforce housing exemption from *ad valorem* property taxes under Section 15a of the State Housing Development Authority Act, being Public Act 346 of 1966, as amended (the "Act").

C. In consideration of Sponsor's offer to undertake the Project, Municipality has agreed to exempt the Property from all *ad valorem* property taxes imposed by any taxing jurisdiction and to accept in lieu thereof payment of an annual service charge for a period of 15-years as provided by Chapter 82 of the City Code of Ordinances, as amended (the "Ordinance").

D. Upon completion of the Project, the annual service charge paid in lieu of all *ad valorem* property taxes shall be equal to ten percent (10%) of the annual shelter rents collected from the Project and shall be paid as provided in the Ordinance.

E. Sponsor and Municipality agree that the economic feasibility of the Project depends upon the continuing effect of the annual service charge in lieu of all *ad valorem* taxes approved by Municipality for the 15-year exemption period.

F. Accordingly, upon recording with the Muskegon County Register of Deeds, this Restrictive Covenant will restrict use of the Property to Workforce housing for the 15-year exemption period.

NOW, THEREFORE, in consideration of Municipality's acceptance of payment of the annual service charge in lieu of all *ad valorem* property taxes and Sponsor's commitment to construct or rehabilitate the Project, Sponsor and Municipality hereby covenant as follows:

1. **Recitals.** The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. **Definitions**. All words and phrases used in this Restrictive Covenant have the same meaning as defined in the Act or the Ordinance.

3. **Workforce Housing Covenant**. The Project will, upon completion of the proposed construction or rehabilitation, constitute workforce housing for households for persons and families whose household income is not greater than 120% of the area median income, as published by the Michigan State Housing Development Authority ("the Authority) for Muskegon County, adjusted for family size. All of the housing units in the Project will be rented, or available for rental, on a continuous basis to members of the general public throughout the term of this Restrictive Covenant.

4. **Term of Exemption**. The exemption from *ad valorem* property taxes approved by Municipality shall remain in effect in accordance with this Restrictive Covenant restricting use of the Project to workforce housing for a period of 15-years, ending on December 31, 2041, or so long as the Project is used as workforce housing, whichever is less.

5. **No Violation**. Sponsor agrees that it will not knowingly take or permit any action that would result in a violation of the requirements of this Restrictive Covenant or the Ordinance, which is incorporated herein as if a part of this Restrictive Covenant. Further, Sponsor agrees to take any required action, including the amendment of this Restrictive Covenant, as may be necessary, in the determination of the Municipality or of the Authority, to comply with the Ordinance. If Municipality determines that the Project is not in compliance with the requirements of this Restrictive Covenant, and Sponsor, after receiving written notice of the non-compliance from Municipality, does not correct such non-compliance within thirty (30) days, Municipality shall be entitled to take such actions as it deems necessary to enforce the provisions of this Restrictive Covenant.

6. **Sponsor to Demonstrate Compliance**. Sponsor will provide Municipality with such certifications, reports and other information as are required by Municipality to demonstrate compliance with the Ordinance. Sponsor will provide Municipality and Authority with an annual verification of compliance with this Restrictive Covenant, in a form specified by the Authority.

7. **Transfer of Ownership**. Sponsor will, prior to a sale or other voluntary transfer of ownership of the Project or any part thereof, notify Municipality in writing, and will enter into any agreements with the purchaser or transferee as may be prescribed by Municipality to ensure such purchaser's or transferee's compliance with this Restrictive Covenant and Michigan law.

8. **Enforceability**. This Restrictive Covenant is enforceable in any court in the State of Michigan having jurisdiction thereof, by Municipality, and to the extent required by the Ordinance, by any individuals who are tenants of the Project.

9. **Covenant Running with the Land; Binding Effect**. The foregoing covenant shall constitute and be enforced as a covenant running with the land under Michigan law and shall be binding on all successors or assigns of Sponsor or Municipality and any future owner or operator of the Project for the full 15-year exemption period.

10. **Miscellaneous**. In the event of any conflict between the terms of this Restrictive Covenant and the requirements of the Ordinance the requirements of the Ordinance shall prevail. This Restrictive Covenant may only be amended or terminated by a writing signed by both Sponsor and Municipality. The invalidity of any clause or provision of this Restrictive Covenant shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, is this Covenant is effective as of January 27th, 2026.

[Signature Pages Follow]

CITY OF MUSKEGON

By: _____

Its: _____

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this day of January 27th, 2026 by Kenneth Johnson, as Mayor of the City of Muskegon, a municipal corporation of the State of Michigan.

_____

Notary Public, _____County, MI
My Commission Expires: _____
Acting in _____ County, MI

SPONSOR
HAPCE, LLC

By: _____

Its:

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____, as the manager/authorized member of the aforementioned Sponsor.

_____

Notary Public, _____County, MI
My Commission Expires: _____
Acting in _____County, MI

DRAFTED BY:

WHEN RECORDED RETURN TO:

EXHIBIT A

Legal Description of Property

625 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
N 1/2 LOT 6 BLK 49

635 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
N 1/2 LOT 5 BLK 49

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Resolution for Housing Tax Exemption - HAPCE LLC
Submitted by: Jake Eckholm, Development Services Director	**Department:** Economic Development

Brief Summary:
Tim Van Der Kolk, through HAPCE, LLC is requesting a Payment in Lieu of Taxes for their workforce housing project at 625 and 635 Oak Avenue, which requires a resolution setting the annual PILOT rate.

Detailed Summary & Background:
Tim Van Der Kolk, as HAPCE LLC is working with Mrs. Kara Novak as the lender and developer along with Mr. Derek Sjaarda as the builder to add to our stock of income restricted workforce housing in the community. If approved, these parcels will each feature a duplex and an accessory dwelling unit, utilizing our 2024 Zoning Reforms to increase density to meet the housing need. These units will be restricted to families or individuals that fall below 120% AMI for their household size, per MSHDA's annual rent limits for Muskegon County. The term of the restricted use is 15 years, along with the companion Workforce Housing Restrictive Covenant in this agenda packet.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: NA	**Budgeted Item:** Yes [ ] No [ ] N/A [■]
Fund(s) or Account(s): NA	**Budget Amendment Needed:** Yes [ ] No [■] N/A [ ]

Recommended Motion:
Motion to approve the Resolution for Housing Tax Exemption for HAPCE, LLC as presented and to authorize the Clerk to sign.

Approvals: Immediate Division Head [■]	**Name the Policy/Ordinance Followed:** Chapter 82-52 of the City of Muskegon Code of Ordinances

Information Technology		
Other Division Heads		
Communication		
Legal Review		

Resolution Setting Annual Service Fee
for the Workforce Housing Development
by HAPCE, LLC

Whereas, HAPCE, LLC (the "Sponsor"), has applied to the City of Muskegon for a determination that a proposed workforce housing project sponsored by it at various properties represented on Exhibit A is entitled to the exemption from taxes authorized by Chapter 82 of the City of Muskegon Code of Ordinances; now therefore, be it

Resolved, that the proposed workforce housing project is within the class of housing developments entitled to an exemption under Chapter 82, if it meets the following contingencies:

a. Sponsor shall provide documentation to the City substantiating ownership of the subject properties.
b. Construction of at least 6 units of the proposed workforce housing project shall be commenced within twelve (12) months from the date of the Michigan State Housing Development Authority's ("MSHDA") notification of exemption, or this resolution shall be void and of no effect.
c. For the life of this Workforce Housing Resolution, 100% of the dwelling units in the proposed workforce housing project will be restricted to rental units or other housing options that are reasonably affordable to, and occupied by, a household whose total household income is not greater than 120% of the area median income published by the Michigan Statewide Housing Development Authority.
d. The Sponsor shall submit an affidavit to MSHDA in the form required by MSHDA for certification that the workforce housing project is eligible for the workforce housing exemption.
e. Upon receipt of notification from MSHDA that the workforce housing project is eligible for a workforce housing exemption, the Sponsor shall file the certified notification of exemption with the City Assessor before November 1 of the year preceding the tax year in which the exemption is to be effective; and,
f. Sponsor shall record a restrictive covenant in a form acceptable to the City Attorney. The restrictive covenant shall be recorded in the register of deeds for the county in which the workforce housing project is located and shall comply with the requirements of Chapter 82; and, further be it

Resolved, that in lieu of ad valorem property taxes, the Sponsor shall pay an annual service charge equal to ten percent (10%) of the "Annual Shelter Rents" as defined in Section 82-52 for that portion of the workforce housing project occupied for Workforce Housing; and, further be it

Resolved, that annually, no later than April 29, the Sponsor shall provide the City Assessor the Sponsor's budget for Annual Shelter Rent for the current calendar year and a copy of Sponsor's financial statements for the preceding calendar year, prepared in accordance with generally accepted auditing standards or, if Sponsor is not subject to an audit requirement, Sponsor's compiled financial statements for the preceding calendar year prepared in accordance with generally accepted accounting principles and certified by Sponsor; and, further be it

Resolved, that the tax exempt status granted by this Resolution shall remain in effect for 15 years, unless otherwise terminated pursuant to Chapter 82 or this Resolution; and, further be it

Resolved, that all portions of Chapter 82 are hereby incorporated by reference; and, further be it

Resolved, that this Resolution may be assigned by the Sponsor only to subsequent owners of the workforce housing project who shall agree to abide to its terms. If not assigned, to and accepted by subsequent owners of the workforce housing project, it shall automatically terminate; and further be it

Resolved, that the Mayor and City Clerk execute a contract with the Sponsor providing the tax exemption and acceptance of payments in lieu of taxes as defined within this resolution and its application, such contract subject to approval as to substance by the City Manager and as to form by the City Attorney.

YEAS: _____

NAYS: _____

I hereby certify that the above Resolution was adopted by the City Commission of the City of Muskegon at its regular meeting held on _____, in the Commission Chambers, City Hall, 933 Terrace, Muskegon, Michigan.

_____

Ann Meisch, City Clerk

EXHIBIT A

625 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
N 1/2 LOT 6 BLK 49

635 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
N 1/2 LOT 5 BLK 49

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Workforce Housing Restrictive Covenant - Sue Ann Properties, LLC
Submitted by: Jake Eckholm, Development Services Director	**Department:** Economic Development

Brief Summary:
Eric Payne, through Sue Ann Properties, LLC, request a Workforce Housing PILOT for 3 duplexes and 3 accessory dwelling unit at 595 and 617 Oak Avenue, as well as 594 Orchard Avenue. This restrictive covenant establishes the terms of the project and restricts the property's use to workforce housing for the statutory term.

Detailed Summary & Background:
Eric Payne, through Sue Ann Properties, LLC is working with Mrs. Kara Novak as the lender and developer along with Mr. Derek Sjaarda as the builder to add to our stock of income-restricted workforce housing in the community. If approved, each of the three parcels will feature a duplex and an accessory dwelling unit, utilizing our 2024 Zoning Reforms to increase density to meet the housing need. These units will be restricted to families or individuals that fall below 120% AMI for their household size, per MSHDA's annual rent limits for Muskegon County. The term of the restricted use is 15 years, along with the companion resolution establishing the Payment in Lieu of Taxes (PILOT) in this agenda.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: NA	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): NA	**Budget Amendment Needed:** Yes ☐ No ■ N/A ☐

Recommended Motion:
Motion to approve the workforce housing restrictive covenant between the city of Muskegon and Sue Ann Properties, LLC and to authorize the mayor and clerk to sign.

Approvals: Immediate Division ■	**Name the Policy/Ordinance Followed:** Chapter 82-52 of the City of Muskegon Code of Ordinances

Head	[redacted]	
Information Technology		
Other Division Heads		
Communication		
Legal Review	[redacted]	

WORKFORCE HOUSING RESTRICTIVE COVENANT

This Workforce Housing Restrictive Covenant ("Restrictive Covenant") is made by and between the City of Muskegon, Michigan ("Municipality") and Sue Ann Properties, LLC, a Limited Liability Company, presently of 9321 Port Sheldon St, Zeeland MI 49464 (the "Sponsor") as of January 27th, 2026.

R E C I T A L S:

A. Sponsor is the owner of certain real property located in the City of Muskegon, County of Muskegon, State of Michigan, and more particularly described on the attached Exhibit A (the "Property"), which is attached hereto and incorporated by reference into this Agreement.

B. Sponsor has offered to provide nine "Workforce housing" units as defined by MCL 125.1415a(10)(d) on the Property (the "Project") and has applied to Municipality for a workforce housing exemption from *ad valorem* property taxes under Section 15a of the State Housing Development Authority Act, being Public Act 346 of 1966, as amended (the "Act").

C. In consideration of Sponsor's offer to undertake the Project, Municipality has agreed to exempt the Property from all *ad valorem* property taxes imposed by any taxing jurisdiction and to accept in lieu thereof payment of an annual service charge for a period of 15-years as provided by Chapter 82 of the City Code of Ordinances, as amended (the "Ordinance").

D. Upon completion of the Project, the annual service charge paid in lieu of all *ad valorem* property taxes shall be equal to ten percent (10%) of the annual shelter rents collected from the Project and shall be paid as provided in the Ordinance.

E. Sponsor and Municipality agree that the economic feasibility of the Project depends upon the continuing effect of the annual service charge in lieu of all *ad valorem* taxes approved by Municipality for the 15-year exemption period.

F. Accordingly, upon recording with the Muskegon County Register of Deeds, this Restrictive Covenant will restrict use of the Property to Workforce housing for the 15-year exemption period.

NOW, THEREFORE, in consideration of Municipality's acceptance of payment of the annual service charge in lieu of all *ad valorem* property taxes and Sponsor's commitment to construct or rehabilitate the Project, Sponsor and Municipality hereby covenant as follows:

1. **Recitals.** The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. **Definitions**. All words and phrases used in this Restrictive Covenant have the same meaning as defined in the Act or the Ordinance.

3. **Workforce Housing Covenant**. The Project will, upon completion of the proposed construction or rehabilitation, constitute workforce housing for households for persons and families whose household income is not greater than 120% of the area median income, as published by the Michigan State Housing Development Authority ("the Authority) for Muskegon County, adjusted for family size. All of the housing units in the Project will be rented, or available for rental, on a continuous basis to members of the general public throughout the term of this Restrictive Covenant.

4. **Term of Exemption**. The exemption from *ad valorem* property taxes approved by Municipality shall remain in effect in accordance with this Restrictive Covenant restricting use of the Project to workforce housing for a period of 15-years, ending on December 31, 2041, or so long as the Project is used as workforce housing, whichever is less.

5. **No Violation**. Sponsor agrees that it will not knowingly take or permit any action that would result in a violation of the requirements of this Restrictive Covenant or the Ordinance, which is incorporated herein as if a part of this Restrictive Covenant. Further, Sponsor agrees to take any required action, including the amendment of this Restrictive Covenant, as may be necessary, in the determination of the Municipality or of the Authority, to comply with the Ordinance. If Municipality determines that the Project is not in compliance with the requirements of this Restrictive Covenant, and Sponsor, after receiving written notice of the non-compliance from Municipality, does not correct such non-compliance within thirty (30) days, Municipality shall be entitled to take such actions as it deems necessary to enforce the provisions of this Restrictive Covenant.

6. **Sponsor to Demonstrate Compliance**. Sponsor will provide Municipality with such certifications, reports and other information as are required by Municipality to demonstrate compliance with the Ordinance. Sponsor will provide Municipality and Authority with an annual verification of compliance with this Restrictive Covenant, in a form specified by the Authority.

7. **Transfer of Ownership**. Sponsor will, prior to a sale or other voluntary transfer of ownership of the Project or any part thereof, notify Municipality in writing, and will enter into any agreements with the purchaser or transferee as may be prescribed by Municipality to ensure such purchaser's or transferee's compliance with this Restrictive Covenant and Michigan law.

8. **Enforceability**. This Restrictive Covenant is enforceable in any court in the State of Michigan having jurisdiction thereof, by Municipality, and to the extent required by the Ordinance, by any individuals who are tenants of the Project.

9. **Covenant Running with the Land; Binding Effect**. The foregoing covenant shall constitute and be enforced as a covenant running with the land under Michigan law and shall be binding on all successors or assigns of Sponsor or Municipality and any future owner or operator of the Project for the full 15-year exemption period.

10. **Miscellaneous**. In the event of any conflict between the terms of this Restrictive Covenant and the requirements of the Ordinance the requirements of the Ordinance shall prevail. This Restrictive Covenant may only be amended or terminated by a writing signed by both Sponsor and Municipality. The invalidity of any clause or provision of this Restrictive Covenant shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, is this Covenant is effective as of January 27th, 2026.

[Signature Pages Follow]

CITY OF MUSKEGON

By: _____

Its: _____

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this day of January 27th, 2026 by Kenneth Johnson, as Mayor of the City of Muskegon, a municipal corporation of the State of Michigan.

_____

Notary Public, _____County, MI
My Commission Expires: _____
Acting in _____ County, MI

SPONSOR
SUE ANN PROPERTIES, LLC

By: _____

Its:

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____, as the manager/authorized member of the aforementioned Sponsor.

_____

Notary Public, _____County, MI
My Commission Expires: _____
Acting in _____County, MI

DRAFTED BY:

WHEN RECORDED RETURN TO:

EXHIBIT A

Legal Description of Property

595 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
W 60 FT OF E 66 FT LOT 11 BLK 49

617 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
N 1/2 LOT 7
ALSO E 40 FT OF LOT 8
BLK 49

594 ORCHARD AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
E 66 FT LOT 16 BLK 49
EXC S 2 RODS

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Resolution for Housing Tax Exemption - Sue Ann Properties LLC
Submitted by: Jake Eckholm, Development Services Director	**Department:** Economic Development

Brief Summary:
Eric Payne, through Sue Ann Properties, LLC is requesting a Payment in Lieu of Taxes for their workforce housing project at 595 and 617 Oak Avenue, as well as 594 Orchard Avenue, which requires a resolution setting the annual PILOT rate.

Detailed Summary & Background:
Eric Payne, through Sue Ann Properties, LLC is working with Mrs. Kara Novak as the lender and developer along with Mr. Derek Sjaarda as the builder to add to our stock of income restricted workforce housing in the community. If approved, these parcels will each feature a duplex and an accessory dwelling unit, utilizing our 2024 Zoning Reforms to increase density to meet the housing need. These units will be restricted to families or individuals that fall below 120% AMI for their household size, per MSHDA's annual rent limits for Muskegon County. The term of the restricted use is 15 years, along with the companion Workforce Housing Restrictive Covenant in this agenda packet.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: NA	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): NA	**Budget Amendment Needed:** Yes ☐ No ■ N/A ☐

Recommended Motion:
Motion to approve the resolution for housing tax exemption as presented and to authorize the clerk to sign.

Approvals: Immediate Division Head ■	**Name the Policy/Ordinance Followed:** Chapter 82-52 of the City of Muskegon Code of Ordinances

Information Technology		
Other Division Heads		
Communication		
Legal Review		

Resolution Setting Annual Service Fee
for the Workforce Housing Development
by Sue Ann Properties, LLC

Whereas, Sue Ann Properties, LLC (the "Sponsor"), has applied to the City of Muskegon for a determination that a proposed workforce housing project sponsored by it at various properties represented on Exhibit A is entitled to the exemption from taxes authorized by Chapter 82 of the City of Muskegon Code of Ordinances; now therefore, be it

Resolved, that the proposed workforce housing project is within the class of housing developments entitled to an exemption under Chapter 82, if it meets the following contingencies:

a. Sponsor shall provide documentation to the City substantiating ownership of the subject properties.
b. Construction of at least 9 units of the proposed workforce housing project shall be commenced within twelve (12) months from the date of the Michigan State Housing Development Authority's ("MSHDA") notification of exemption, or this resolution shall be void and of no effect.
c. For the life of this Workforce Housing Resolution, 100% of the dwelling units in the proposed workforce housing project will be restricted to rental units or other housing options that are reasonably affordable to, and occupied by, a household whose total household income is not greater than 120% of the area median income published by the Michigan Statewide Housing Development Authority.
d. The Sponsor shall submit an affidavit to MSHDA in the form required by MSHDA for certification that the workforce housing project is eligible for the workforce housing exemption.
e. Upon receipt of notification from MSHDA that the workforce housing project is eligible for a workforce housing exemption, the Sponsor shall file the certified notification of exemption with the City Assessor before November 1 of the year preceding the tax year in which the exemption is to be effective; and,
f. Sponsor shall record a restrictive covenant in a form acceptable to the City Attorney. The restrictive covenant shall be recorded in the register of deeds for the county in which the workforce housing project is located and shall comply with the requirements of Chapter 82; and, further be it

Resolved, that in lieu of ad valorem property taxes, the Sponsor shall pay an annual service charge equal to ten percent (10%) of the "Annual Shelter Rents" as defined in Section 82-52 for that portion of the workforce housing project occupied for Workforce Housing; and, further be it

Resolved, that annually, no later than April 29, the Sponsor shall provide the City Assessor the Sponsor's budget for Annual Shelter Rent for the current calendar year and a copy of Sponsor's financial statements for the preceding calendar year, prepared in accordance with generally accepted auditing standards or, if Sponsor is not subject to an audit requirement, Sponsor's compiled financial statements for the preceding calendar year prepared in accordance with generally accepted accounting principles and certified by Sponsor; and, further be it

Resolved, that the tax exempt status granted by this Resolution shall remain in effect for 15 years, unless otherwise terminated pursuant to Chapter 82 or this Resolution; and, further be it

Resolved, that all portions of Chapter 82 are hereby incorporated by reference; and, further be it

Resolved, that this Resolution may be assigned by the Sponsor only to subsequent owners of the workforce housing project who shall agree to abide to its terms. If not assigned, to and accepted by subsequent owners of the workforce housing project, it shall automatically terminate; and further be it

Resolved, that the Mayor and City Clerk execute a contract with the Sponsor providing the tax exemption and acceptance of payments in lieu of taxes as defined within this resolution and its application, such contract subject to approval as to substance by the City Manager and as to form by the City Attorney.

YEAS: _____

NAYS: _____

I hereby certify that the above Resolution was adopted by the City Commission of the City of Muskegon at its regular meeting held on _____, in the Commission Chambers, City Hall, 933 Terrace, Muskegon, Michigan.

_____

Ann Meisch, City Clerk

EXHIBIT A

595 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
W 60 FT OF E 66 FT LOT 11 BLK 49

617 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
N 1/2 LOT 7
ALSO E 40 FT OF LOT 8
BLK 49

594 ORCHARD AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
E 66 FT LOT 16 BLK 49
EXC S 2 RODS

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Workforce Housing Restrictive Covenant - Brinks and Arnoldink Properties, LLC
Submitted by: Jake Eckholm, Development Services Director	**Department:** Economic Development

Brief Summary:
Dave Arnoldink, through Brinks and Arnoldink Properties, LLC, request a Workforce Housing PILOT for a duplex and accessory dwelling unit at 502 Oak Avenue. This restrictive covenant establishes the terms of the project and restricts the properties use to workforce housing for the statutory term.

Detailed Summary & Background:
Dave Arnoldink, through Brinks and Arnoldink Properties, LLC are working with Mrs. Kara Novak as the lender and developer along with Mr. Derek Sjaarda as the builder to add to our stock of income restricted workforce housing in the community. If approved, this parcel will feature a duplex and an accessory dwelling unit, utilizing our 2024 Zoning Reforms to increase density to meet the housing need. These units will be restricted to families or individuals that fall below 120% AMI for their household size, per MSHDA's annual rent limits for Muskegon County. The term of the restricted use is 15 years, along with the companion resolution establishing the Payment in Lieu of Taxes (PILOT) in this agenda.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: NA	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): NA	**Budget Amendment Needed:** Yes ☐ No ■ N/A ☐

Recommended Motion:
Motion to approve the workforce housing restrictive covenant as presented and to authorize the Mayor and Clerk to sign

Approvals: Immediate Division Head ■	**Name the Policy/Ordinance Followed:** Chapter 82-52 of the City of Muskegon Code of Ordinances

Information Technology		
Other Division Heads		
Communication		
Legal Review		

WORKFORCE HOUSING RESTRICTIVE COVENANT

This Workforce Housing Restrictive Covenant ("Restrictive Covenant") is made by and between the City of Muskegon, Michigan ("Municipality") and Brinks and Arnoldink Properties, LLC, a Limited Liability Company, presently of 76 S River Avenue, Holland MI 49423 (the "Sponsor") as of January 27th, 2026.

R E C I T A L S:

A. Sponsor is the owner of certain real property located in the City of Muskegon, County of Muskegon, State of Michigan, and more particularly described on the attached Exhibit A (the "Property"), which is attached hereto and incorporated by reference into this Agreement.

B. Sponsor has offered to provide three "Workforce Housing" units as defined by MCL 125.1415a(10)(d) on the Property (the "Project") and has applied to Municipality for a workforce housing exemption from *ad valorem* property taxes under Section 15a of the State Housing Development Authority Act, being Public Act 346 of 1966, as amended (the "Act").

C. In consideration of Sponsor's offer to undertake the Project, Municipality has agreed to exempt the Property from all *ad valorem* property taxes imposed by any taxing jurisdiction and to accept in lieu thereof payment of an annual service charge for a period of 15-years as provided by Chapter 82 of the City Code of Ordinances, as amended (the "Ordinance").

D. Upon completion of the Project, the annual service charge paid in lieu of all *ad valorem* property taxes shall be equal to ten percent (10%) of the annual shelter rents collected from the Project and shall be paid as provided in the Ordinance.

E. Sponsor and Municipality agree that the economic feasibility of the Project depends upon the continuing effect of the annual service charge in lieu of all *ad valorem* taxes approved by Municipality for the 15-year exemption period.

F. Accordingly, upon recording with the Muskegon County Register of Deeds, this Restrictive Covenant will restrict use of the Property to Workforce housing for the 15-year exemption period.

NOW, THEREFORE, in consideration of Municipality's acceptance of payment of the annual service charge in lieu of all *ad valorem* property taxes and Sponsor's commitment to construct or rehabilitate the Project, Sponsor and Municipality hereby covenant as follows:

1. **Recitals.** The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. **Definitions**. All words and phrases used in this Restrictive Covenant have the same meaning as defined in the Act or the Ordinance.

3. **Workforce Housing Covenant**. The Project will, upon completion of the proposed construction or rehabilitation, constitute workforce housing for households for persons and families whose household income is not greater than 120% of the area median income, as published by the Michigan State Housing Development Authority ("the Authority) for Muskegon County, adjusted for family size. All of the housing units in the Project will be rented, or available for rental, on a continuous basis to members of the general public throughout the term of this Restrictive Covenant.

4. **Term of Exemption**. The exemption from *ad valorem* property taxes approved by Municipality shall remain in effect in accordance with this Restrictive Covenant restricting use of the Project to workforce housing for a period of 15-years, ending on December 31, 2041, or so long as the Project is used as workforce housing, whichever is less.

5. **No Violation**. Sponsor agrees that it will not knowingly take or permit any action that would result in a violation of the requirements of this Restrictive Covenant or the Ordinance, which is incorporated herein as if a part of this Restrictive Covenant. Further, Sponsor agrees to take any required action, including the amendment of this Restrictive Covenant, as may be necessary, in the determination of the Municipality or of the Authority, to comply with the Ordinance. If Municipality determines that the Project is not in compliance with the requirements of this Restrictive Covenant, and Sponsor, after receiving written notice of the non-compliance from Municipality, does not correct such non-compliance within thirty (30) days, Municipality shall be entitled to take such actions as it deems necessary to enforce the provisions of this Restrictive Covenant.

6. **Sponsor to Demonstrate Compliance**. Sponsor will provide Municipality with such certifications, reports and other information as are required by Municipality to demonstrate compliance with the Ordinance. Sponsor will provide Municipality and Authority with an annual verification of compliance with this Restrictive Covenant, in a form specified by the Authority.

7. **Transfer of Ownership**. Sponsor will, prior to a sale or other voluntary transfer of ownership of the Project or any part thereof, notify Municipality in writing, and will enter into any agreements with the purchaser or transferee as may be prescribed by Municipality to ensure such purchaser's or transferee's compliance with this Restrictive Covenant and Michigan law.

8. **Enforceability**. This Restrictive Covenant is enforceable in any court in the State of Michigan having jurisdiction thereof, by Municipality, and to the extent required by the Ordinance, by any individuals who are tenants of the Project.

9. **Covenant Running with the Land; Binding Effect**. The foregoing covenant shall constitute and be enforced as a covenant running with the land under Michigan law and shall be binding on all successors or assigns of Sponsor or Municipality and any future owner or operator of the Project for the full 15-year exemption period.

10. **Miscellaneous**. In the event of any conflict between the terms of this Restrictive Covenant and the requirements of the Ordinance the requirements of the Ordinance shall prevail. This Restrictive Covenant may only be amended or terminated by a writing signed by both Sponsor and Municipality. The invalidity of any clause or provision of this Restrictive Covenant shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, is this Covenant is effective as of January 27th, 2026.

[Signature Pages Follow]

CITY OF MUSKEGON

By: _____

Its: _____

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this day of January 27th, 2026 by Kenneth Johnson, as Mayor of the City of Muskegon, a municipal corporation of the State of Michigan.

_____

Notary Public, _____County, MI
My Commission Expires: _____
Acting in _____ County, MI

SPONSOR
BRINKS AND ARNOLDINK PROPERTIES, LLC

By: _____

Its:

STATE OF MICHIGAN)
) ss
COUNTY OF MUSKEGON)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____, as the manager/authorized member of the aforementioned Sponsor.

_____

Notary Public, _____County, MI
My Commission Expires: _____
Acting in _____County, MI

DRAFTED BY:

WHEN RECORDED RETURN TO:

EXHIBIT A

Legal Description of Property

502 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
LOT 10 BLK 41

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Resolution for Housing Tax Exemption - Brinks and Arnoldink Properties, LLC
Submitted by: Jake Eckholm, Development Services Director	**Department:** Economic Development

Brief Summary:
Dave Arnoldink, through Brinks and Arnoldink Properties LLC, is requesting a Payment in Lieu of Taxes for their workforce housing project at 502 Oak Avenue, which requires a resolution setting the annual PILOT rate.

Detailed Summary & Background:
Dave Arnoldink, through Brinks and Arnoldink Properties, LLC is working with Mrs. Kara Novak as the lender and developer along with Mr. Derek Sjaarda as the builder to add to our stock of income-restricted workforce housing in the community. If approved, this parcel will feature a duplex and an accessory dwelling unit, utilizing our 2024 Zoning Reforms to increase density to meet the housing need. These units will be restricted to families or individuals that fall below 120% AMI for their household size, per MSHDA's annual rent limits for Muskegon County. The term of the restricted use is 15 years, along with the companion Workforce Housing Restrictive Covenant in this agenda packet.

Goal/Action Item:
2027 Goal 2: Economic Development Housing and Business

Is this a repeat item?:
Explain what change has been made to justify bringing it back to Commission:

Amount Requested: NA	**Budgeted Item:** Yes ☐ No ☐ N/A ■
Fund(s) or Account(s): NA	**Budget Amendment Needed:** Yes ☐ No ■ N/A ☐

Recommended Motion:
Motion to approve the resolution for housing tax exemption as presented and to authorize the clerk to sign.

Approvals: Immediate Division Head ■	**Name the Policy/Ordinance Followed:** Chapter 82-52 of the City of Muskegon Code of Ordinances

Information Technology		
Other Division Heads		
Communication		
Legal Review		

Resolution Setting Annual Service Fee
for the Workforce Housing Development
by Brinks and Arnoldink Properties, LLC

Whereas, Brinks and Arnoldink Properties, LLC (the "Sponsor"), has applied to the City of Muskegon for a determination that a proposed workforce housing project sponsored by it at various properties represented on Exhibit A is entitled to the exemption from taxes authorized by Chapter 82 of the City of Muskegon Code of Ordinances; now therefore, be it

Resolved, that the proposed workforce housing project is within the class of housing developments entitled to an exemption under Chapter 82, if it meets the following contingencies:

a. Sponsor shall provide documentation to the City substantiating ownership of the subject properties.
b. Construction of at least 3 units of the proposed workforce housing project shall be commenced within twelve (12) months from the date of the Michigan State Housing Development Authority's ("MSHDA") notification of exemption, or this resolution shall be void and of no effect.
c. For the life of this Workforce Housing Resolution, 100% of the dwelling units in the proposed workforce housing project will be restricted to rental units or other housing options that are reasonably affordable to, and occupied by, a household whose total household income is not greater than 120% of the area median income published by the Michigan Statewide Housing Development Authority.
d. The Sponsor shall submit an affidavit to MSHDA in the form required by MSHDA for certification that the workforce housing project is eligible for the workforce housing exemption.
e. Upon receipt of notification from MSHDA that the workforce housing project is eligible for a workforce housing exemption, the Sponsor shall file the certified notification of exemption with the City Assessor before November 1 of the year preceding the tax year in which the exemption is to be effective; and,
f. Sponsor shall record a restrictive covenant in a form acceptable to the City Attorney. The restrictive covenant shall be recorded in the register of deeds for the county in which the workforce housing project is located and shall comply with the requirements of Chapter 82; and, further be it

Resolved, that in lieu of ad valorem property taxes, the Sponsor shall pay an annual service charge equal to ten percent (10%) of the "Annual Shelter Rents" as defined in Section 82-52 for that portion of the workforce housing project occupied for Workforce Housing; and, further be it

Resolved, that annually, no later than April 29, the Sponsor shall provide the City Assessor the Sponsor's budget for Annual Shelter Rent for the current calendar year and a copy of Sponsor's financial statements for the preceding calendar year, prepared in accordance with generally accepted auditing standards or, if Sponsor is not subject to an audit requirement, Sponsor's compiled financial statements for the preceding calendar year prepared in accordance with generally accepted accounting principles and certified by Sponsor; and, further be it

Resolved, that the tax exempt status granted by this Resolution shall remain in effect for 15 years, unless otherwise terminated pursuant to Chapter 82 or this Resolution; and, further be it

Resolved, that all portions of Chapter 82 are hereby incorporated by reference; and, further be it

Resolved, that this Resolution may be assigned by the Sponsor only to subsequent owners of the workforce housing project who shall agree to abide to its terms. If not assigned, to and accepted by subsequent owners of the workforce housing project, it shall automatically terminate; and further be it

Resolved, that the Mayor and City Clerk execute a contract with the Sponsor providing the tax exemption and acceptance of payments in lieu of taxes as defined within this resolution and its application, such contract subject to approval as to substance by the City Manager and as to form by the City Attorney.

YEAS: _____

NAYS: _____

I hereby certify that the above Resolution was adopted by the City Commission of the City of Muskegon at its regular meeting held on _____, in the Commission Chambers, City Hall, 933 Terrace, Muskegon, Michigan.

_____

Ann Meisch, City Clerk

EXHIBIT A

502 OAK AVENUE - CITY OF MUSKEGON
REVISED PLAT OF 1903
LOT 10 BLK 41

Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: January 27, 2026	**Title:** Approve CRC Recommendations
Submitted by: Jessica Grimm, Elections Coordinator	**Department:** City Clerk
Brief Summary: Recommendations from the January 26, 2026, CRC meeting.	
Detailed Summary & Background:	
Goal/Action Item:	
Is this a repeat item?: **Explain what change has been made to justify bringing it back to Commission:**	
Amount Requested:	**Budgeted Item:** Yes | | No | | N/A | X |
Fund(s) or Account(s):	**Budget Amendment Needed:** Yes | | No | | N/A | X |
Recommended Motion: Approve the CRC recommendations for board positions.	

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:

The Community Relations Committee recommends to the City Commission approval of the following:

Member Resignation:

- Ronald Jenkins – Lakeside Business Improvement District Board
- Cammi Horn – Citizens District Council CDBG
- Mary Louise LaBelle – Civil Service Commission
- Evelyn Hough – Parks and Recreation Advisory Committee

Member Appointments and *Member Reappointments

Board of Review

*Martha Bottomley – term expiring 01/31/2028

*Sherry Burt – term expiring 01/31/2028

*David Mendendorp – term expiring 01/31/2028

Citizens Police Review Board

*Deborah Sweet – Neighborhood Rep- term expiring 01/31/2028

Ruby Clark – Neighborhood Rep - term expiring 01/31/2028

Civil Service Commission

Austin Curtis – Citizen – term expiring 01/31/2032

Citizens District Council – Community Development Block Grant

No Business

Construction Code Board of Appeals

*Brion Boucher – Architect – term expiring 01/31/2028

*Michael McPhall – Fire – term expiring 01/31/2028

District Library Board

Jenna Lakos – term expiring – 06/30/2027

DDA/Brownfield Redevelopment Authority Board/Tax Increment Finance Authority

*Jeanette Moore – Citizen – term expiring - 01/31/2030

Joel Kamp – Resident of the District – 01/31/2030

Election Commission

*Casey Allard – term expiring – 01/31/2029

Equal Opportunity Committee

No Business

Farmers Market Advisory Board

Kemmie Sargent – Citizen – term expiring 01/31/2029

Historic District Commission

*Corbin Davis – "D" – term expiring 01/31/2029

*David Gregersen – "E" – term expiring 01/31/2029

Housing Code Board of Appeals

*Kim Burr – term expiring 01/31/2029

Walt Kubanek – term expiring 01/31/2030

Kemmie Sargent – term expiring 01/31/2029

Housing Commission

No Business

Income Tax Board of Review

No Business

Lakeside Business Improvement District

*Nils Bodman – term expiring 01/31/2029

*Margaret Smith – term expiring 01/31/2029

Jerome Johnson – term expiring 01/31/2028

Local Development Finance Authority

*Jeffery A. Burr – term expiring 01/31/2030

Local Officer's Compensation Commission

No Business

Parks and Recreation Advisory Committee

*Yancy Weaver – term expiring 01/31/2029

*Sidney Long – term expiring 01/31/2029

Planning Commission

*Bryon Mazade – term expiring – 01/31/2029

Margarita De La Garza – term expiring 01/31/2029

Zoning Board of Appeals

*Virginia Taylor – term expiring 01/31/2029

Thomas Foupht – term expiring 01/31/2029