

CITY OF MUSKEGON

CITY COMMISSION WORKSESSION

March 9, 2026 @ 5:30 PM

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

CALL TO ORDER:

NEW BUSINESS:

A. Muskegon Lighthouse Restoration Progress - Save Our Light Capital Campaign City Clerk

B. Beach Shuttle Service Recommendation Manager's Office

C. Discussion of Utility Bill Auto-pay Program Treasury

D. Presentation on Muskegon Infill Housing Program - Progress and Next Steps Economic Development

E. Parks Acquisition Opportunities Public Works

PUBLIC COMMENT:

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: March 9, 2026	Title: Muskegon Lighthouse Restoration Progress - Save Our Light Capital Campaign															
Submitted by: Ann Meisch, City Clerk	Department: City Clerk															
Brief Summary: Kim Lange and Don Kalisz will be present to give an update on the Muskegon Lighthouse Restoration progress.																
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: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">N/A</td> <td style="width: 25%;"></td> </tr> </table>	Yes	No	N/A												
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Information Technology																
Other Division Heads																
Communication																
Legal Review																



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: March 9, 2026	Title: Beach Shuttle Service Recommendation
Submitted by: LeighAnn Mikesell, Deputy City Manager	Department: Manager's Office
Brief Summary: Staff is seeking direction on the beach shuttle service proposal for the 2026 beach season.	
Detailed Summary & Background: Staff conducted a 2025 season follow-up meeting with Muskegon Area Transit System (MATS) and Pioneer Resources where Pioneer expressed that the work did not align well with their service model, and they declined to participate in the 2026 season. This winter, staff has been working with MATS to develop an updated transit service proposal for service to and among our beaches. Details of the proposal can be found in the packet. Both the beach circulator and downtown to beach connector services are provided by MATS, allowing all users to use online services to track buses and see route maps and schedules. In addition, all buses will be equipped with bike racks. The beach circulator option, known as the Tan Line, will connect users to beach parks including Harbour Towne, Margaret Drake Eliot, Pere Marquette, Beachwood, and Kruse Parks. The downtown to beach connector, known as the Town Line, provides service from downtown and Lakeside high tourist destinations to Pere Marquette Park. Adjustments were made to each of the routes based on feedback through surveys, data on ridership, and other input given during the pilot season in 2025. It should be noted that service times have been modified to better align with MATS staffing availability. The proposed transit cost is \$48,800 which is less than the total cost of \$70,200 paid last year. Costs for the service will be expensed to the Parking Department. There will be some minor additional costs for marketing materials. Due to new ADA requirements, some stops will require upgrades. MATS has funding for the work and will coordinate with the city to accomplish it. Staff also recommends continuing to conduct surveys during the summer service to understand how the changes are received and what further modifications should be considered for the future. Once commissioners agree on the service proposal, a formal contract will be developed and follow the approval process per the purchasing policy.	
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:

\$48,800 to be budgeted in FY 26/27 and through a budget amendment to the current year for June expenses

Budgeted Item:

Yes	X	No		N/A		
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Fund(s) or Account(s):

101-772-801

Budget Amendment Needed:

Yes	X	No		N/A		
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Recommended Motion:

Discussion only

Approvals:

Immediate Division Head		
Information Technology		
Other Division Heads		
Communication		
Legal Review		

Name the Policy/Ordinance Followed:

City of Muskegon
Summer Season Transportation 2026
Service Concept

Start/End Dates: May 22, 2026 to September 6, 2026 (16 weekends duration)

Days/Hours of Service: Friday, 12pm to 8pm
Saturday, 12pm to 8pm
Sunday, 12pm to 6pm

Services Proposed: Two Seasonal Fixed Routes, with required ADA paratransit complement

Tan Line (Route 41) -- Stops located as follows, subject to field verification:

- Kruse Park Picnic area
- Kruse Park Beach area, Beachwood Park area
- Beach Street "Area 13" staircase area
- Beach Street "Kite Shack" area
- Beach Street @ Woodlawn Ct.
- Beach Street @ Indiana St.
- Margaret Drake Elliot Park area
- Harbor Towne Beach parking area

Stop locations will be bi-directionally served (north and south)

Route circuit will depart Kruse park at :00 and :30, serving stops 2x hourly

Individual stops will not be "timed" due to varying traffic conditions

Bus will remain on roads (not parking areas) except Kruse Park

All boarding/alighting activity will occur at designated stops

Town Line (Route 42) -- Stops located as follows, subject to field verification

- Herman Ivory Terminal
- Morris @ Terrace
- Shoreline Inn
- Western @ Third/Fourth
- Western @ Sixth
- near Western/Franklin
- Downtown Lakeside
- Grand Trunk Parking Area
- Lakeshore near Sherin
- Beach Street @ Indiana St.

Stop locations will be bi-directionally served (east and west)

Route circuit will depart Herman Ivory Terminal once hourly, serving all stops 1x hourly

Individual stops will not be "timed" due to varying traffic conditions

Bus will remain on roads (not parking areas) except Grand Trunk Parking area

All boarding/alighting activity will occur at designated stops

ADA Complementary Paratransit

In adherence to the Americans with Disabilities Act requirements when fixed route bus operations occur, MATS will operate its Complementary Paratransit service to provide trips on a pre-scheduled, next-day basis for all eligible and certified persons with

disabilities that are traveling within a zone extending 3/4 miles around the designated seasonal fixed routes during the days and times that these routes are in operation. ADA service complementary to these seasonal routes will be free of charge, as are these fixed route services.

- Vehicle: One small bus on each route (16 seats, or 3 wheelchairs + 6 seats)
- Guidelines: Open door public transportation service. All MATS requirements apply.
No unaccompanied minors <12 years of age, No pets
Coolers, beach gear, etc. permitted
- Customer Fare: No customer fare required. Donation to MATS drop box available.



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: March 9, 2026	Title: Discussion of Utility Bill Auto-pay Program									
Submitted by: Sarah Wilson, City Treasurer	Department: Treasury									
<p>Brief Summary: The City received notice that the current provider for the credit card portion of our utility bill auto-pay program will be ending its service on April 30, 2026. We would like to discuss with the Commission the options for moving forward with the program. We will review the program as it currently exists, and look at the best option to move forward.</p>										
<p>Detailed Summary & Background: The City received notice that the current provider for the credit card portion of our utility bill auto-pay program will be ending its service on April 30, 2026. We researched other options to replace this service provider and found two viable options; however, it needs to be noted that the costs are significantly higher than what we are currently paying. We will review the program as it exists, discuss the options that were found and the costs associated with those, and why the staff believes it is best to discontinue the credit card auto-pay option moving forward.</p>										
<p>Goal/Action Item: 2027 Goal 4: Financial Infrastructure</p>										
<p>Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:</p>										
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<p>Recommended Motion: Discussion only.</p>										
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Immediate Division Head	X									
Information Technology										
Other Division Heads	X									

Communication		
Legal Review	X	

CREDIT CARD AUTO PAY



CURRENT OPTIONS TO PAY Utility Bills



No Processing Fee for Consumer

Cash or Check
(At the Counter, DivDat, Mail, or Drop Boxes)

Auto-Pay
(Credit or Debit Card* or Bank Account)
Receives \$0.75 billing credit

Processing Fee for Consumer

Credit Cards
(At the Counter, DivDat, Online, Self-Enrolled Auto-Pay)

E-Checks Online

*City absorbs processing fee

AUTO-PAY PROGRAM

Current



- Customers complete enrollment form with Treasury
 - Bank account **OR** credit/debit card
- Customer receives \$0.75 monthly billing credit
- We absorb any associated processing fees:
 - Current credit/debit card annual fees are approx. \$2,200

AUTO-PAY PROGRAM

Problem



- Current provider is ending services on April 30, 2026
- Treasury found two viable options to replace the provider
- New provider processing costs are significantly higher

Possible Solutions



OPTION ONE | BS&A ONLINE PAYMENTS

- Offer a flat percentage fee based on the transaction dollar amount
- Equates to approx. \$26,000 annually

OPTION TWO | FIFTH THIRD BANK

- More complex pricing structure, pay separate fees for bank and card processing services
- Equates to approx. \$29,500 annually

AUTO-PAY PROGRAM

Direction



Does the City Commission want the city to continue the credit card auto-pay program considering the new proposed fees?

Do we want to absorb the \$26,000-\$29,000 when currently we absorb \$2,200?

AUTO-PAY PROGRAM STAFF

Recommendation



Discontinue the credit card option in the an auto-pay program due to the considerable cost.

Keep the bank account auto-pay option and keep offering the \$0.75 credit for bank accounts auto-pay.

CURRENT OPTIONS TO PAY Utility Bills



No Processing Fee for Consumer

Cash or Check
(At the Counter, DivDat, Mail, or Drop Boxes)

Auto-Pay
(~~Credit or Debit Card*~~ or Bank Account)
Receives \$0.75 billing credit

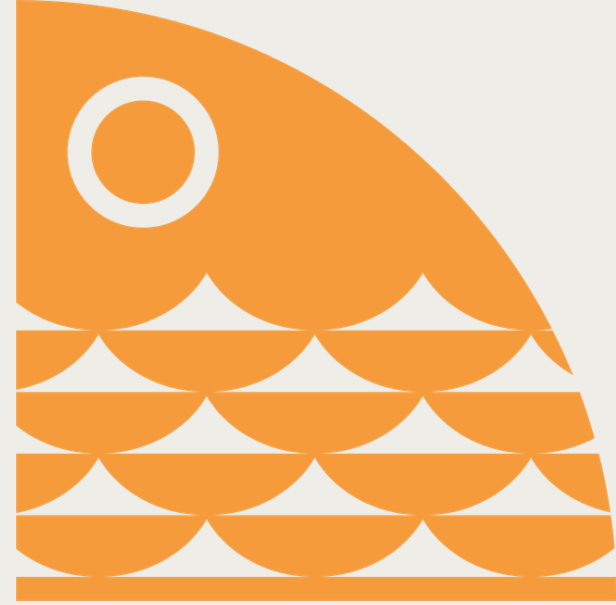
Processing Fee for Consumer

Credit Cards
(At the Counter, DivDat, Online, Self-Enrolled Auto-Pay)

E-Checks Online

*City absorbs processing fee

Points to Consider



- Other utility companies (DTE, Consumers Energy) are charging fees to use credit/debit cards.
- The fees would have to be absorbed by our water/sewer/general funds and could impact service costs.
- Customers can choose to stay enrolled in auto-pay by using their bank account; this would allow fee-free processing and a monthly billing credit.



Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: March 9, 2026	Title: Presentation on Muskegon Infill Housing Program - Progress and Next Steps															
Submitted by: Jake Eckholm, Development Services Director	Department: Economic Development															
Brief Summary: Staff has composed an updated presentation on the community's performance in the housing space relative to our 23-27 Housing Needs Assessment, with recommendations for next steps.																
Detailed Summary & Background: For the past several years, the City of Muskegon has been a recognized national leader in local government housing policy, investment, and delivery of new housing units. Tonight we wish to cover four topics related to housing as an economic and community development tool, and to get feedback on some ideas from the commission as to next steps for our infill housing program.																
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:																
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Fund(s) or Account(s): Housing Fund (447)	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">N/A</td> <td style="width: 25%; text-align: center;">█</td> </tr> </table>	Yes	No	N/A	█											
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Agenda Item Review Form

Muskegon City Commission

Commission Meeting Date: March 9, 2026	Title: Parks Acquisition Opportunities									
Submitted by: Dan VanderHeide, Public Works Director	Department: Public Works									
Brief Summary: Staff will present information about opportunities for acquisition in the parks system.										
Detailed Summary & Background: Staff has been working to define two potential opportunities for property to add to the parks system. Specifically, the City has one application pending with the MDNR Trust Fund for acquisition of property associated with the Hartshorn site, as well as encouraging feedback on a potential additional application to the MDNR Trust Fund for acquisition associated with the Sappi site. Staff will present specific costs about each opportunity as well as some context to help with the discussion. The timeline associated with the Sappi opportunity would require a commitment by the City at the March 24, 2026 regular meeting.										
Goal/Action Item: 2027 Goal 1: Destination Community & Quality of Life - Parks and Recreation Department and Services										
Is this a repeat item?: Explain what change has been made to justify bringing it back to Commission:										
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Fund(s) or Account(s): 101 (General Fund)	Budget Amendment Needed: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%;"></td> <td style="width: 25%;">No</td> <td style="width: 25%;"></td> <td style="width: 25%;">N/A</td> <td style="width: 25%;"></td> <td style="width: 25%;">X</td> <td style="width: 25%;"></td> </tr> </table>	Yes		No		N/A		X		
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