

# CITY OF MUSKEGON

## CITY COMMISSION MEETING

MARCH 10, 2015

CITY COMMISSION CHAMBERS @ 5:30 P.M.

### MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, March 10, 2015.

Mayor Gawron opened the meeting with prayer from Pastor Marcy Miller from Samuel Lutheran Church after which the Commission and public recited the Pledge of Allegiance to the Flag.

#### **ROLL CALL FOR THE REGULAR COMMISSION MEETING:**

Present: Mayor Stephen Gawron, Vice Mayor Lawrence Spataro, Commissioners Ken Johnson, Eric Hood, Willie German, and Dan Rinsema-Sybenga, City Manager Franklin Peterson, City Attorney John Schrier, and City Clerk Ann Marie Cummings.

Absent: Commissioner Byron Turnquist (excused)

#### **2015-15 CONSENT AGENDA:**

##### **A. Approval of Minutes. CITY CLERK**

SUMMARY OF REQUEST: To approve minutes of the February 9<sup>th</sup> Commission Worksession Meeting, the February 10<sup>th</sup> City Commission Meeting, and the February 20<sup>th</sup> Goal Setting Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

##### **B. SECOND READING: Amendment to the Rental Property Ordinance. PUBLIC SAFETY**

SUMMARY OF REQUEST: Two small amendments are needed to the recently adopted Rental Property Ordinance. The requirement for an ID was inadvertently removed from sec. 10-351(e)(6) and has been added to this version.

Section 10-351(f)(2) states the insurance policy must be on file in the Clerk's

Office making it more cumbersome on the customer to visit two offices. Under the proposed language, a copy of the insurance policy can be collected by Safebuilt or another City designee.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve the Ordinance as presented.

**C. Light Fixtures Replacement at Public Service Building through Consumers Energy. PUBLIC WORKS**

SUMMARY OF REQUEST: Authorize staff to enter into an agreement with Consumers Energy to provide 56 light fixtures as described in the proposed agreement, installation is not included, for a price of \$9,173.67 to replace the outdated fixtures we currently have as part of our continued efforts for energy conservation.

The proposed lights and an estimated \$5,700 in incentives (rebate and made in Michigan) upon installation from Consumers Energy would result in an estimated payback of less than a year.

FINANCIAL IMPACT: The initial purchase cost of \$9,173.67; however, the net cost, upon receiving the rebate/incentive, is estimated at \$3,500 plus a possible installation cost of \$2,000 if time did not allow for in-house installation.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Authorize staff to enter into an agreement with Consumers Energy to provide the light fixtures.

**D. Coagulant Mixer. WATER FILTRATION**

SUMMARY OF REQUEST: Authorize staff to purchase a coagulant mixer for the Water Filtration Plant from the lowest responsible bidder, Mastrrr Company.

FINANCIAL IMPACT: \$23,950.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends acceptance of bid from Mastrrr Company for \$23,950.

**E. Gaming License – MOKA. CITY CLERK**

SUMMARY OF REQUEST: MOKA has recently moved into the City of Muskegon and is requesting to be recognized as a 501(c)3 for a gaming license.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

**G. Amendment to the Mobile Food Vending Ordinance.** CITY CLERK

SUMMARY OF REQUEST: In 2014 the City adopted a Mobile Food Vending Ordinance. Staff encountered no issues and received no complaints. Staff believes mobile food vending units are a benefit to our City and downtown and would like to encourage more participation.

We are requesting to amend the ordinance to (1) change the amount of time a mobile food vending truck may stay in one place from 15 minutes to 30 minutes without a permit; and (2) change the distance a mobile food vending service may be parked within an existing brick and mortar restaurant from 150 feet to 50 feet.

Further, to encourage more participation, we are asking to lower the permit fees from \$300 a unit, \$150 for existing restaurants in the City of Muskegon, and \$50 for restaurants in the Downtown Development area to be changed from a monthly fee to an annual fee.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To adopt the ordinance amendment and update the fee schedule as indicated.

(REQUIRES SECOND READING)

**H. Amendment to the Special Event Parking Downtown Ordinance.** CITY CLERK

SUMMARY OF REQUEST: In 2014 the City adopted a Special Event Parking Downtown Ordinance to require businesses to offer public restrooms during special events. Once it was implemented for a season, we were able to ask for input from those businesses it impacted.

Based on the feedback, staff is requesting to modify the ordinance to remove the requirement the first port-a-jon be an ADA accessible facility and include a hand washing unit. Staff is also requesting to change the language to indicate public restrooms be available within 100 feet of the parcel.

Staff is also requesting the fee schedule be changed to indicate no permit is needed for those parking under 50 vehicles and offering an annual permit of \$125. A \$50 per event fee will still be offered to those businesses who wish to pay a per event fee.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To adopt the ordinance amendment and update the fee schedule as indicated.

(REQUIRES SECOND READING)

**I. Amendment to the Licensing Ordinance.** CITY CLERK

SUMMARY OF REQUEST: This is a request to amend ordinance 50-2, Licensing, Penalties and Remedies. Staff is asking to revise the ordinance to state property owners are also subject to a municipal civil infraction if any of the provisions of the ordinance are violated.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To adopt the ordinance amendment.

(REQUIRES SECOND READING)

**K. City – MDOT Agreement for Traffic Signal Upgrades at Sherman and Glenside.** ENGINEERING

SUMMARY OF REQUEST: Approve the contract with MDOT for the traffic signal upgrades at Sherman and Glenside and approve the resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT: MDOT's participation is limited to the approved federal funds of \$102,343. The estimated total construction cost is \$131,000 plus engineering cost. Also, the City of Roosevelt Park has committed participation of 25% of local share.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approve the contract and resolution authorizing the Mayor and Clerk to sign both.

**L. City – MDOT Agreement for the Reconstruction of Getty Street, Evanston to Apple Avenue (M-46).** ENGINEERING

SUMMARY OF REQUEST: Approve the contract with MDOT for the reconstruction of Getty Street from Evanston to Apple and approve the resolution authorizing the Mayor and City Clerk to sign the contract.

FINANCIAL IMPACT: The State's participation is limited to 54% of the cost and capped at \$375,000 with the estimated \$400,000 remaining cost, including engineering, is the City's responsibility.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approve the contract and resolution authorizing the Mayor and Clerk to sign both.

**M. Construction Engineering Services – Sherman and Glenside Traffic Signal.** ENGINEERING

SUMMARY OF REQUEST: Authorize staff to enter into an engineering services agreement with Fleis & Vandenbrink out of Muskegon to perform the necessary construction engineering for the Sherman and Glenside traffic signal upgrade. Fleis & Vandenbrink was selected via verbal contracts with local consultants seeking their interest which included Westshore Engineering and Johnson Anderson.

FINANCIAL IMPACT: Estimated cost of \$18,300.

BUDGET ACTION REQUIRED: None at this time; however, some adjustments might have to be made as a result of the bids which are expected in early March.

STAFF RECOMMENDATION: Authorize staff to enter into an engineering services agreement with Fleis & Vandenbrink.

**N. Lake Hawks.** CITY MANAGER

SUMMARY OF REQUEST: Staff is requesting permission for the City Manager to allocate up to \$2,500 to continue efforts to provide and encourage recreational opportunities for local youth. Funds would be used to purchase tickets to the ABA District Final Four being held at Muskegon High School and pay for television broadcasting the three game event. The tickets would be distributed to the community with a focus on youth.

FINANCIAL IMPACT: \$2,500.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

**O. Community Relations Committee Recommendations.** CITY CLERK

SUMMARY OF REQUEST: To concur with recommendations from the Community Relations Committee:

Accept the resignation of Dave Mayville from the Historic District Commission and appoint Andrea Riegler in his place as Architect.

Appoint to the Equal Opportunity Committee Diane Murray-McKinley for Ward 1; Debra Warren for Ward 3; Kortney Williams for Ward 4; and Rosie Buchanan and Lisa Chalko for At-Large.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the appointments.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended the appointments at their March 9, 2015, meeting.

**Motion by Vice Mayor Spataro, second by Commissioner Johnson to approve**

the Consent Agenda as read with the exception of Items F and J.

**ROLL VOTE: Ayes: Rinsema-Sybenga, Johnson, Gawron, Hood, Spataro, and German**

**Nays: None**

***MOTION PASSES***

**2015-16 ITEMS REMOVED FROM THE CONSENT AGENDA:**

**F. Business Improvement District (BID) Resolution. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: We are requesting the resolution be adopted establishing a Business Improvement District. The boundaries are outlined in the map. It is also requested the Commission establish the board with the following recommended individuals:

- Amanda Garabedian – First General Credit Union (121 W. Western Ave.)
- Bruce Lindstrom – BellaBay Realty (587 W. Western Ave.)
- Justin Clark – Frontier Communications (860 Terrace St.)
- Doug Pollock – Parkland Properties/Holiday Inn (939 3<sup>rd</sup> St.)
- Gary Post – Port City Construction/Western Ave. Properties LLC (350 W. Western Ave.)
- Bob Tarrant – Hume Properties LLC (900 3<sup>rd</sup> St.)
- City Manager – City of Muskegon

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To adopt the resolution as presented.

**Motion by Vice Mayor Spataro, second by Commissioner German to adopt the resolution to implement the Business Improvement District as presented.**

**ROLL VOTE: Ayes: Spataro, German, Rinsema-Sybenga, Johnson, Gawron, and Hood**

**Nays: None**

***MOTION PASSES***

**J. Amendment to the Zoning Ordinance. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Staff initiated request to amend the zoning ordinance to allow amusement and recreational facilities, including indoor and outdoor sports fields in B-2, Convenience and Comparison Business districts.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the zoning ordinance amendment.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended approval of the request at their special meeting in February.

**Motion by Commissioner Johnson, second by Commissioner German to amend the zoning ordinance to allow amusement and recreational facilities, including indoor and outdoor sports fields in B-2, Convenience and Comparison Business districts.**

**ROLL VOTE: Ayes: Johnson, Gawron, Hood, Spataro, German, and Rinsema-Sybenga**

**Nays: None**

***MOTION PASSES***

(REQUIRES SECOND READING)

**2015-17 PUBLIC HEARINGS:**

**A. Lakeshore Smartzone LDFA – Plan Amendment and Public Hearing.**  
PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The City of Muskegon Local Development Finance Authority (LDFA) and City Commission approved The Lakeshore Smartzone Local Development Finance Authority and Tax Increment Financing Plan ("Plan") in 2002. The State of Michigan recently provided the opportunity to extend the Tax Increment Finance (TIF) capture for an additional five years, if the Smartzone LDFA Plans are amended to include additional projects, job creation, cooperation with other regional entities, and/or additional reporting. As this additional five years of TIF capture will assist the City in paying back the bonds that were issued for development of the MAREC facility, an amendment to the Plan was prepared. The amendment was approved by the LDFA and the Plan has been forwarded to the City Commission, where a public hearing is to be held.

FINANCIAL IMPACT: The additional five years of tax capture will allow for the generation of approximately \$175,330 in revenues from school taxes (in addition to the \$331,035 generated from local taxes).

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: That the City Commission hold the public hearing and approve the resolution amending the Plan.

The Public Hearing opened to hear and consider any comments from the public. No comments were made.

**Motion by Vice Mayor Spataro, second by Commissioner Rinsema-Sybenga to close the Public Hearing and approve the resolution amending the Plan.**

**ROLL VOTE: Ayes: Rinsema-Sybenga, Johnson, Gawron, Hood, Spataro, and German**

**Nays: None**

***MOTION PASSES***

**(REQUIRES SECOND READING)**

**B. Recommendation for Annual Renewal of Liquor Licenses. CITY CLERK**

SUMMARY OF REQUEST: To adopt a resolution recommending non-renewal of those liquor license establishments who are in violation of Section 50-146 and 50-147 of the Code of Ordinances for the City of Muskegon. These establishments have been found to be in non-compliance with the City Code of Ordinances and renewal of their liquor licenses should not be recommended by the City Commission. If any of these establishments come into compliance by March 21, 2015, they will be removed from this resolution, and recommendation for their renewal will be forwarded to the Liquor Control Commission.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Adoption of the resolution.

The Public Hearing opened to hear and consider any comments from the public. No comments were made.

**Motion by Commissioner Hood, second by Commissioner Rinsema-Sybenga to close the Public Hearing and approve the resolution with Dreamers being removed.**

**ROLL VOTE: Ayes: Hood, Spataro, German, Rinsema-Sybenga, Johnson, and Gawron**

**Nays: None**

***MOTION PASSES***

**2015-18 NEW BUSINESS:**

**A. PILOT – General Capital Acquisitions, LLC. PLANNING & ECONOMIC DEVELOPMENT**

REMOVED PER REQUEST OF STAFF.

**B. Second Quarter 2014-15 Budget Reforecast. FINANCE**

SUMMARY OF REQUEST: At this time staff is transmitting the *Second Quarter 2014-15 Budget Reforecast* which outlines proposed changes to the budget that have

come about as result of changes in revenue projections, policy priorities, labor contracts, updated economic conditions, or other factors.

FINANCIAL IMPACT: Significant second quarter proposed adjustments to the budget are as follows:

- General Fund revenues are reforecast to be \$1,248,426 lower than the first quarter reforecast. This decrease is primarily due to moving \$1,168,300 in anticipated grants revenue for the Veterans Park improvements from the general fund to the state grants fund. In addition, due to revised state estimates, revenue sharing is projected to be \$155,752 lower than the original budget.
- General Fund expenditures are estimated to be \$1,096,409 lower than the first quarter reforecast. This decrease is largely due to moving the Veteran's Park capital project to the state grants fund. The DDA will require a subsidy of \$70,000 from the general fund for the current year's debt service as TIF revenue has declined due to tax appeals.
- There are a number of changes proposed for capital projects and include:
  - ◆ In the General Fund, Veteran's Park upgrades project was moved to the state grants fund. Pere Marquette Park playground equipment project reduced from \$20,000 to \$15,000 for the current fiscal year.
  - ◆ In the Major Streets Fund, proposed projects are now \$3,247,000 compared to \$6,825,000 as projected in the first quarter, largely due to the timing of projects.
  - ◆ In the Public Improvement Fund, the proposed beach warning system has been eliminated.
  - ◆ In the State Grants Fund, \$1,168,300 has been included for the Veteran's Park capital project which is funded primarily by grants.
  - ◆ In the Equipment Fund, capital items have been adjusted to reflect revisions of needs versus available resources.

BUDGET ACTION REQUIRED: City Commission approval of this reforecast will formally amend the City's 2014-15 budget.

STAFF RECOMMENDATION: Approval.

**Motion by Vice Mayor Spataro, second by Commissioner Johnson to approve the Second Quarter 2014-15 Budget Reforecast.**

**ROLL VOTE: Ayes: Johnson, Gawron, Hood, Spataro, German, and Rinsema-Sybenga**

**Nays: None**

***MOTION PASSES***

**PUBLIC PARTICIPATION:** Public comments were received.

**ADJOURNMENT:** The City Commission Meeting adjourned at 6:48 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC  
City Clerk