



July 11, 2019

TO: Mayor and City Council

FROM: Mark C. Meyers, City Administrator 

SUBJECT: General Information Packet

Attached are general items of information you may find interesting. If you have any questions or comments regarding the information, please contact me.

mm/co  
Attachments

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Administration/City Clerk (231) 798-4391	Assessing Division (231) 799-6806	Building Division (231) 799-6801	Finance/Treasurer (231) 799-6805	Fire Prevention (231) 799-6809	Fire Department (231) 798-2255
Parks/Recreation (231) 799-6802	Planning/Zoning (231) 799-6800	Police Department (231) 733-2691	Public Works (231) 799-6803	Streets Division (231) 798-2156	Water/Sewer (231) 799-6804



## Internal Memo

July 9, 2019

TO: Mark Meyers, City Administrator

FROM: Gerald Bartoszek, Public Works Director *GAB*

SUBJECT: Bid Bond Requirement

Members of the City Council have requested that staff look into the need or practicality of requiring bid bonds for projects bid by the City. This is in response to that inquiry.

In 2003, the City's Risk Manager provided us with guidelines to use for requiring bonds and insurance on City projects. The Risk Manager recommended that bid bonds be required for all projects with a value of \$25,000 or more. The bid bond value is recommended to be 5% of the value of the bid amount.

The Council had some concern on the cost to contractors to obtain a bid bond. Since I did not know the cost, I contacted Steve Jackson of Jackson-Merkey Contractors to determine the cost of obtaining a bid bond. Mr. Jackson informed me that there is no cost to them from their bonding agent; if they are awarded the contract then a performance bond will be supplied with a cost associated to obtain the performance bond.

Another option that is specified in all of our contract documents is that the bidder can provide a certified check in the amount of 5%. Once the contract is fully executed, the check will be returned to the bidder.

It is my opinion that a bid bond legitimizes the contractor's bid and protects the City from a bidder not following through with their submitted bid. It is my recommendation that we continue with our current practice of requiring bid bonds for projects of \$25,000 or more.



## Internal Memo

July 3, 2019

To: Mark Meyers, City Administrator  
From: Robert Gagnon, Fire Chief  
Subject: Pre-Manufactured Homes

At a recent City Council meeting, a few questions were brought up regarding the two recently constructed homes on Pontaluna Road near Wood. I would like to offer the following as a response to the questions.

**Question:** Do these homes meet all building code regulations?

**Answer:** The governing body on pre-manufactured home standards is HUD. The homes in question were pre-engineered at the factory to meet HUD requirements. The foundational setting is dictated either by HUD or the manufacturer. In this case, the building department received an engineering statement that the foundational settings met all manufacturer guidelines. However, as we move forward, staff will be conducting an in-depth review of the standards and allowable building practices for these types of homes.

**Question:** Is this area zoned to allow these types of homes?

**Answer:** The area where the homes are constructed is zoned REC (Recreational). The site was found to meet all zoning requirements by former Zoning Administrator Rob Bilkie and confirmed by current Zoning Administer Ted Woodcock.

Please contact me if you have any questions.

WEST MICHIGAN REGIONAL WATER AUTHORITY  
Minutes of June 18, 2019 Board Meeting

A regular meeting of the West Michigan Regional Water Authority was called to order on Tuesday, June 18, 2019 at 1:30p.m. in the Small Conference Room, Norton Shores City Hall, 4814 Henry Street.

Members Present: Board Members Jerry Bartoszek, Mike Huston, Steve Biesiada and Heidi Tice

Adoption of Agenda

The adoption of the agenda was accepted by consensus.

Adoption of Minutes

Vice Chair Heidi Tice moved to adopt the minutes from the Meeting of February 19, 2019. The motion was seconded by Secretary Steve Biesiada. The motion was carried unanimously.

Treasurers Report

Treasurer Mike Huston reported to the board that the Authority has \$1.5 million in the bank.

Old/New Business:

1. Water Main Break – 862 Seminole Road – Emergency Repair Approval

Treasurer Mike Huston moved to approved the cost of the repair of the water main break in the amount of \$28,972.14. The motion was seconded by Vice Chair Heidi Tice. The motion was carried unanimously.

2. Information: Unit Price Bid for Regional Water Main Replacement/Upgrade – Broadway Avenue, Getty Street to Bailey Street

Chair Jerry Bartoszek presented the board with the estimated cost for Phase II of Broadway Avenue water main replacement. The amount is \$344,221.09 and does not include the cost of engineering services. Jackson-Merkey did the first phase of the project and Brenner Excavating will be doing the second phase.

3. Discussion: Repair/Replacement of leaking glandular joint at the Airline Road (Smiley) water tank

Secretary Steve Biesiada gave an update on this project. He is working with Dixon Engineering on putting together a Request for Proposals. Dixon estimates the repair/replacement to cost between \$30,000 and \$35,000.

4. Discussion: Chlorine Residual levels in Fruitport – Conversion of Altitude Valves and SCADA Control at the Airline Road (Smiley) and Broadway Water Tanks

Chair Jerry Bartoszek presented this topic to the board. Staff from Norton Shores and Fruitport have met with Kennedy Industries about what the options would be to give more control to the Muskegon Filtration Plant to keep Chlorine Residual levels up. Kennedy Industries gave a quote for the valve modifications, and controls in the amount of \$103,535. Secretary Steve Biesiada is trying to work with Tetra Tech to schedule a meeting with their representatives and staff from Norton Shores and Fruitport at the tanks to be able to get some options and a quote from them as well. The City of Muskegon works with Tetra Tech and has for years.

Comments from the Board

Chair Jerry Bartoszek reviewed documents to determine the bidding process for Water Authority projects; there is no policy. He checked with Authority attorney Ron Bultje and he said that it is not required by law. All board members agreed to put something in writing for a purchasing/bidding process.

Chair Jerry Bartoszek reminded board members that the organizational meeting will be on July 10<sup>th</sup> at 10am.

The meeting adjourned at 2:00 p.m.

  
Steve Biesiada, Secretary



City Administrator Mark C. Meyers  
4814 Henry Street  
Norton Shore, MI  
49441

July 1, 2019

Dear Mr. Meyers:

We are excited to announce that the Norton Shores Branch of the Muskegon Area District Library will be open on Sundays beginning Sunday, **September 8<sup>th</sup>, 2019**. The library is currently only open six days a week, Monday-Saturday, and the new additional Sunday hours will be from 1:00p.m. until 5:00p.m.

The Muskegon Area District Library promised additional open hours during our millage campaign and we are prepared to continue fulfilling that promise. These Sunday hours will only be in effect from Labor Day until Memorial Day each year and will provide 68 additional hours we are open to serve the Norton Shores Community in 2019 and 140 in 2020.

To be open an additional four hours a week during the school year will offer students more options to visit us to complete homework assignments on our computers, use our wi-fi for studying, and ask our librarians for help with research.

Please feel free to contact us if you have any questions regarding the new Sunday hours or if there is anything else we can do for you.

Respectfully,

Kelly Richards  
Library Director

**SERVING MUSKEGON AT 10 COMMUNITY BRANCHES**



1. Airline/Charter Operations Reports – June 2019 (Attachments 1, 2 & 3)

Table with columns for months (Jan-Jun) and YTD, and rows for Revenue Enplanements, Non-Revenue Enplanements, Revenue Deplanements, Non-Revenue Deplanements, Revenue Passenger Total Count, Non-Rev Passenger Total Count, Passenger Total Count, and LF%.

2. Airline Service & Charter Programs

A. Airline Schedule – The summer season has started and we are seeing the expected increases in total passengers and load factors. The DOT should be releasing their request for bids soon for the next 2-year essential air service contract for MKG.

B. Casino Flights.

- i. Atlantic City, NJ: July 8-11, August 12-15 & September 11-14
ii. Laughlin, NV: August 11-15; the Harrah's Laughlin has decided to not start flights from MKG and continue with Grand Rapids.
iii. Biloxi, MS: August 29 – September 2
iv. Marketing brochure for casino operators. Attachment 4 is an updated brochure being used to send to prospective casinos as part of our initial outreach effort.

3. Airport Budget

A. FY20 Operating Budget. The Airport has submitted its proposed Fy2020 Operating Budget and is waiting for final approval. Staff will continue to maximize federal and state grant funding for airfield capital projects to the greatest extent possible and continues to develop a more comprehensive non-grant fundable projects list for the maintenance, repair or replacement of airport building systems, infrastructure and vehicles/equipment.

4. Airport Capital Improvement Program / Grant Program

A. Runway 6/24 Pavement and Lighting Rehabilitation project. The project commenced on April 29 with an 80-day construction schedule. The paving has been completed and the 30-day cure period in on-going. The electrical work is nearing completion. Later in July the runway will be grooved and re-striped. The target goal for final inspection is August 1 or 2.

The project is approximately \$500,000 under budget and the Airport has requested FAA and MDOT's approval to use some of the grant savings to increase the amount of runway and taxiway markings to be done. The airport is asking for a new grant to re-stripe the other runway and all remaining taxiways and ramps in this current fiscal year along

with the design and construction of a replacement airfield emergency generator and the planning for the Taxiway A pavement & lighting rehabilitation.

The use of existing grant funds will allow for a reduced cost as the striping contractor is already on site and we received a very good price per linear foot. We are waiting for final approval/denial from FAA and MDOT.

- B. Airport Beacon.** The airport beacon suffered a lighting strike last November and has been out of service since that time. The Airport has worked through the County Risk Coordinator and our insurance provider to cover the estimated \$18,000 bill for a new LED beacon, LED obstruction lights and improved grounding to reduce the potential for future lightning damage. The project date is expected to occur later in July.

## 5. Economic Development

- A. No Update.

## 6. Airport Public Relations, Marketing & Advertising

- A. **Air Service Marketing.** The airport is shifting towards its summer marketing program push.
- B. **Part-time Marketing Consultant.** Megan Latsch has decided to not extend her six-month contract with the airport to focus on her full-time job. Megan was responsible for creating many professional advertisements for the airport including our social media efforts. We thank her for all that she did over the previous 6-month period to assist with the marketing program. The airport will look to replace her later this summer to have someone on board and ready for the start of the slower fall/winter season.

## 7. Airport Administration, Operations, and Maintenance Programs

- A. **PFAS Testing.** The testing of homes identified by the County continues.
- B. **AFFF Testing Equipment.** The airport's [E-One ECOLOGIC](#) system has been received. Staff has received initial training on use of the equipment.

## 8. Federal & State Legislative Issues

Federal. No Update.

Michigan Legislature. No Update.

## 9. Action Items

The Airport is planning to bring the following item(s) to the Board of Commissioners in July:

- Approval of lease amendment #2 with Safelite AutoGlass
- Approval of award of contract to Light & Breuning for a replacement terminal Parking Access and Revenue Control System (PARCS) (*staff is expecting to receive an updated proposal from the contractor on Monday, July 8 to provide to the committee on July 9*)
- Approval of a 6-month lease extension with the General Services Administration (GSA) for the TSA office lease.

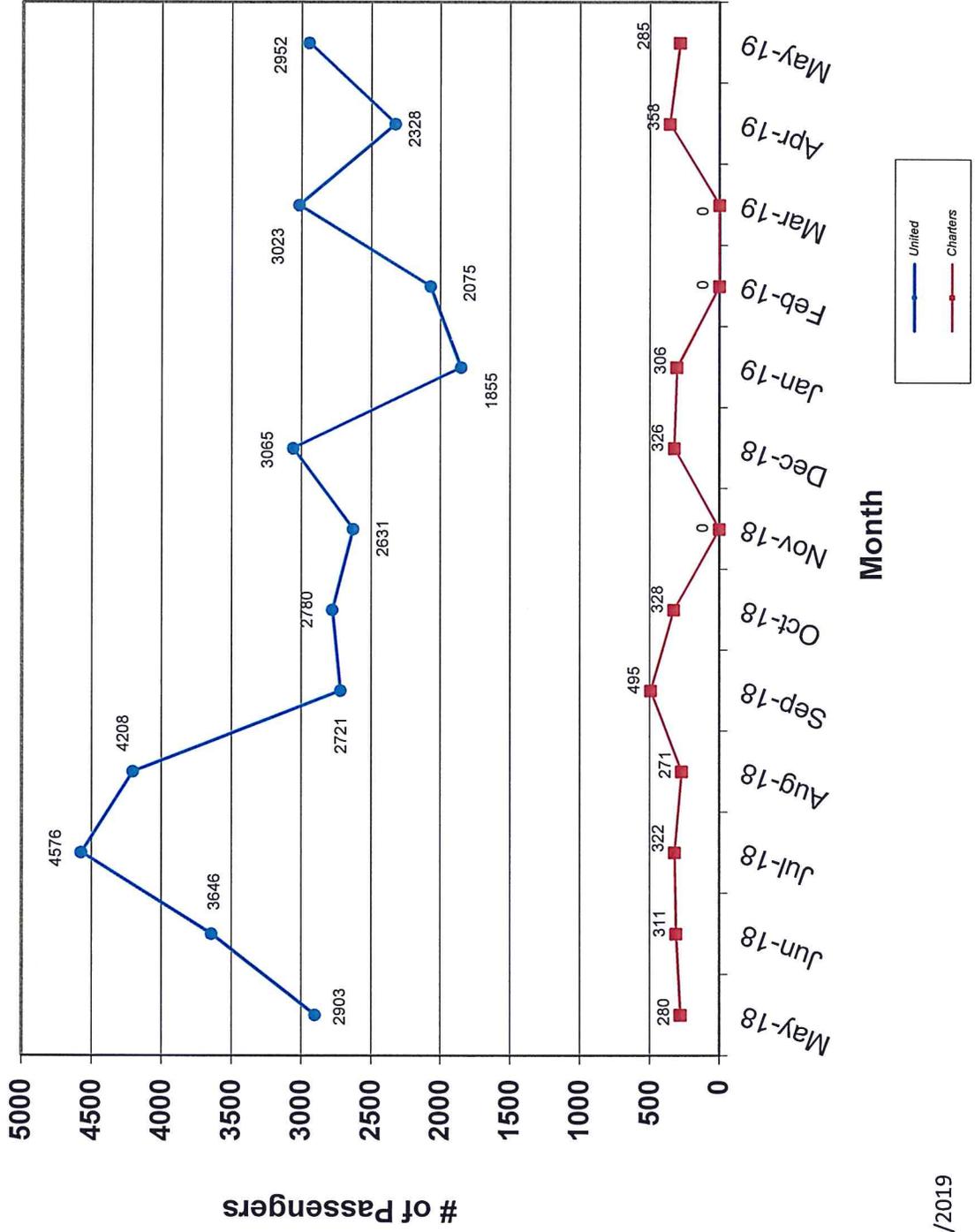


**Muskegon County Airport**  
**Operations Report**  
 Calendar Year 2019

	SKYWEST TOTAL PASSENGER ACTIVITY										EXECUTIVE AIR OPERATIONS				CHARTER OPERATIONS				AIRCRAFT OPERATIONS				ALL CARGO	
	Avail Seats	Comm Pass	Load Factor	Revenue		Non-Revenue		Revenue		Non-Revenue		Enplaned	Deplaned	Total	Enplaned	Deplaned	Total	Air Carrier/Charter	General Aviation	Military	Total	Pounds	Vs. CY2018	
				Enplaned	Deplaned	Enplaned	Deplaned	Enplaned	Deplaned	Enplaned	Deplaned													Enplaned
JANUARY	4,800	1,855	39%	1,035	101	820	53	2,009	19%	60	69	129	153	153	306	136	1,248	10	1,394	10%	2,744	-73%		
FEBRUARY	4,850	2,075	43%	1,146	115	929	96	2,286	11%	90	90	180				125	931	10	1,066	6%	801	-71%		
MARCH	6,200	3,023	49%	1,686	88	1,337	88	3,199	1%	93	95	188				159	1,607	6	1,772	-10%	112	173%		
APRIL	5,550	2,328	42%	1,037	103	1,291	71	2,502	-11%	78	79	157	179	179	358	143	1,698	11	1,852	14%	3,500	3053%		
MAY	5,850	2,952	50%	1,456	131	1,496	113	3,196	7%	67	71	138	143	142	285	167	1,751	29	1,947	-24%	13,279	1106%		
JUNE																								
JULY																								
AUGUST																								
SEPTEMBER																								
OCTOBER																								
NOVEMBER																								
DECEMBER																								
<b>YTD TOTALS</b>	<b>27,250</b>	<b>12,233</b>	<b>45%</b>	<b>6,360</b>	<b>538</b>	<b>5873</b>	<b>421</b>	<b>13,192</b>	<b>4%</b>	<b>388</b>	<b>404</b>	<b>792</b>	<b>475</b>	<b>474</b>	<b>949</b>	<b>730</b>	<b>7,235</b>	<b>66</b>	<b>8,031</b>	<b>-5%</b>	<b>20,436</b>	<b>43%</b>		

**LOAD FACTOR BASED UPON REVENUE PASSENGERS ONLY**

# Muskegon County Airport Passenger Activity



**AIRLINE PERFORMANCE**  
**13-Month Period**  
**May 2018 through May 2019**

	<b>UNITED</b>		
	<b>SCH</b>	<b>CAN</b>	<b>PER</b>
<b>May 2018</b>	61	11	82%
<b>June 2018</b>	60	2	97%
<b>July 2018</b>	61	3	95%
<b>August 2018</b>	62	4	94%
<b>September 2018</b>	60	2	97%
<b>October 2018</b>	62	0	100%
<b>November 2018</b>	59	0	100%
<b>December 2018</b>	60	3	95%
<b>January 2019</b>	62	7	89%
<b>February 2019</b>	56	7	88%
<b>March 2019</b>	62	0	100%
<b>April 2019</b>	60	5	92%
<b>May 2019</b>	62	7	89%
<b>Total</b>	<b>787</b>	<b>51</b>	<b>94%</b>

SCH = Scheduled Flights

CAN = Cancelled Flights (Weather and Other)

PER = Percentage of Scheduled Flights Flown

Source: Monthly Airline Station Reports

# Pressure builds on Michigan Republicans to share their road funding plan

[Lindsay VanHulle](#), June 27, 2019

Gov. Gretchen Whitmer is upping pressure on Republican lawmakers over road funding, criticizing them for approving a summer recess without first finishing next year's budget, including a plan to raise billions to fix Michigan's battered roads.

The first-term Democratic governor told reporters Tuesday she has not had any substantive talks with GOP legislative leaders toward a deal on her signature campaign issue, for which she has proposed a bold, if controversial, 45-cent-per-gallon gas tax increase.

Yet the lack of a counterproposal from majority Republicans pushes a resolution on the budget and roads closer to the start of the state's new fiscal year in October — a prospect that worries state business groups.

"I am angry about this," Whitmer said of the legislative break. "We've made some strides. We've done quite a bit in a short period of time. But the real work of getting the budget done is the most important work that we have to do, and they're not even in town as a body in either chamber right now. And everyone should be mad."

The Legislature is not in session this week, and is not expected to be in session next week for the July 4 holiday. A number of tentative session days have been added for July and August, in the event both sides reach a deal on road funding and the budget that could be brought to a vote.

House Speaker Lee Chatfield, R-Levering, and Senate Majority Leader Mike Shirkey, R-Clarklake, defend their continued lack of a counteroffer to the gas tax hike Whitmer unveiled in March. They say it takes time to reconcile differences between House and Senate ideas and come up with a longer-term solution that doesn't impose significant new tax burdens on state residents.

"The goal is to be at the negotiating table with the governor and the Senate and reach a consensus soon, because I think that's what the people of our state deserve," Chatfield told reporters earlier this month.

Formal negotiations with Whitmer's administration should start once the House and Senate work out their road-funding ideas and agree on a common legislative budget, Chatfield spokesman Gideon D'Assandro told Bridge.

"It would be very easy to rubber-stamp the governor's plan and walk away," D'Assandro said. "But that would be a terrible idea for the people of this state."

Amber McCann, a spokeswoman for Shirkey, told Bridge: "The governor holding a press conference to accuse the legislature of being on 'vacation' is an old and tired political stunt. Maybe next she'll buy space on billboards."

Outside pressure has been building on GOP legislators to counter Whitmer's gas tax proposal and generate the billions of dollars state and [independent infrastructure experts say are needed](#) to reverse the decline of Michigan roads.

Leaders of statewide business groups and regional chambers of commerce, from Grand Rapids to Flint, entered the fray last week, [releasing a joint statement declaring that "meaningful progress](#) needs to be achieved prior to recessing for the summer."

Business groups contend there is no disputing Michigan's roads need an added annual investment of between \$2 billion and \$2.5 billion, and the Legislature should not waste critical time before the 2020 election cycle begins in earnest, when tough votes become more difficult for lawmakers up for reelection.

So far, Chatfield and Shirkey have not offered much publicly.

"I can't get into what is and is not on the table," D'Assandro told Bridge, adding that no timeline has been set for completion of a roads proposal.

Several business leaders who signed on to last week's statement, along with some Lansing political consultants, say it's not entirely surprising that GOP legislators aren't ready to unveil how they propose to fix roads beyond next year's budget.

Among contributing factors: high legislative turnover in last year's general election, the product of term limits that forced out dozens of experienced state representatives and senators. Much of the first half of this year included bringing new lawmakers up to speed on big issues and the workings of state government.

Weeks of negotiations on legislation to [reform Michigan's auto no-fault system](#) also delayed roads and budget discussions, though several people noted the bipartisan compromise that ultimately won Whitmer's signature on no-fault could be a harbinger for compromise on roads.

Public [trust in state government is already low](#), making it more difficult for Whitmer to gain traction with a gas tax increase less than five years after policymakers adopted the last one, some insiders said.

Which is partly why Republicans continue to suggest added roads revenue can be found elsewhere the state budget. But \$2.5 billion more?

"It's really easy to run a campaign talking about how we're going to squeeze every last dime out of state government," said Brad Williams, vice president of government relations for the Detroit Regional Chamber. "It's harder when you get to Lansing and realize that there's not a lot of waste, fraud and abuse in state government — certainly not \$2.5 billion worth."

Had the House and Senate been able to work up transportation budgets that included \$2 billion or more for roads without increasing revenue, they would have passed them, Williams said.

"There's no political jeopardy" in raising revenue," said S. Evan Weiner, president and CEO of Edw. C. Levy Co. in Dearborn, a construction materials firm that specializes in road construction, and chairman of former Republican Gov. Rick Snyder's appointed 21st Century Infrastructure Commission.

It was that commission that first determined [Michigan needs to spend more than \\$2 billion above current funding levels](#) on roads and bridges. And Weiner said that likely means new revenue from gas taxes or user fees to meet the challenge.

"What we need for road funding, the numbers, the word starts with a B. It's billions," Weiner told Bridge. "Are you really going to find that kind of savings someplace? Let's not kid ourselves. We need the revenue because we've been underspending."

### **Few details public**

House Republicans recently shared a kernel of their road-funding proposal when they passed a 2020 transportation budget that includes [phasing out the collection of Michigan's 6 percent sales tax at the gasoline pump](#) — a priority of Chatfield's. Sales tax revenue from gas does not currently pay for roads; rather, it primarily funds schools and revenue sharing for local governments.

The House concept would replace the sales tax with an equivalent amount of gas tax starting in 2020, so drivers would see no net increase in what they currently pay. The House budget would offset lost revenue from schools and local governments by moving universities from the School Aid Fund to the general fund, freeing up more money for K-12 education, and by cutting other parts of the state general fund to cover higher education, D'Assandro said.

The move would raise roughly \$850 million for road repairs by the second year "without raising taxes one penny," he said, "so I think there's a lot more flexibility to ask government to pitch in and fix the roads instead of Michigan families." That would still leave the state more than \$1 billion short for repairing roads, though House Republicans have said that won't be the only part of their proposal.

The Senate, meanwhile, has not provided details beyond its 2020 transportation budget, which [accelerates the phase-in of the 2015 road-funding package](#) a year earlier than scheduled. That also would produce far less money than needed.

[Gongwer News Service, citing sources, reported last week](#) that Shirkey is considering delaying some state debt payments to free up money for roads. Shirkey recently told Crain's Detroit Business [Senate Republicans also are considering allowing some municipalities to levy local fuel taxes](#).

McCann confirmed to Bridge both are among many options under consideration, and Senate Republicans have not made a decision on a final policy.

Last week, House Democrats [offered other ideas](#), trading Whitmer's proposed gas tax hike for a 2.5 percent increase in the state's corporate income tax, along with a new tax on pass-through businesses whose owners [report their business income on personal income tax returns](#).

Whitmer has said she would have had to more than triple the corporate income tax rate, from 6 percent to 19.5 percent, to raise the required \$2.5 billion. The revenue also would not be dedicated to roads the way the gas tax is, she added.

House Democrats' proposal also includes charging trucks weighing at least 26,000 pounds a new tax based on the miles they drive, and charging bridge tolls.

A spokeswoman for House Democrats said the ideas would generate \$1.2 billion, and are meant to be a starting point, not a fully funded plan. They're based on feedback from constituents and other considerations now that Republicans have rejected Whitmer's gas tax proposal, said House Democratic Leader Rep. Christine Greig, D-Farmington Hills.

Businesses received more than \$1 billion in tax cuts in 2011 early in Snyder's first term, she said, and should now pay a larger share toward roads.

Greig said the Democrats' proposal should not be viewed as a sign Whitmer doesn't have the support of lawmakers from her own party for her gas tax proposal. Rather, she said, Democrats will wait to introduce a bill until a specific gas tax increase is negotiated.

"(If Chatfield got) half the Republicans to put up the votes for 45 cents, I'd be more than happy to put up half the votes, too, and make that happen," Greig said.

### **Work to continue**

House and Senate leaders from both parties say they intend to continue working behind the scenes on the budget and roads, even during a break from session.

"It's not great optics for the Legislature to leave without something done, but I think it's one of those things where the practical and political reality of the situation is they will continue to work," said Matt Resch, a Republican communications strategist and president and owner of Lansing-based Resch Strategies.

If lawmakers are in session all summer without a budget deal to vote on, Resch added, "there would be ample room for people to criticize them for that."

Multiple business and chamber leaders told Bridge they don't anticipate a communication breakdown. They said their statement last week was intended to apply pressure.

"As long as we keep making progress and we're all still talking, again in a meaningful way, I'm less concerned than I would be if we were to stall out on these talks," said Josh Lunger, senior director of government affairs for the Grand Rapids Area Chamber of Commerce.

One Republican option — replacing the sales tax on gasoline — puts public schools and municipalities that have already absorbed funding cuts over the years at additional risk of losing revenue, said Jen Eyer, a Democratic strategist and partner at Lansing-based Vanguard Public Affairs.

“From a purely political standpoint, I think a lot of our Republican legislators are afraid. They’re afraid of what will happen if they raise taxes. They’re afraid of getting primaried. They’re afraid of angering their constituents,” Eyer said.

“If we want nice roads, we’re going to have to pay for them,” she added. “If we want nice schools, we’re going to have to pay for them.”

From a messaging standpoint, Whitmer’s gas tax proposal is clean and easy to understand, Resch said. Republicans, meanwhile, are likely to propose “a hodge-podge of different revenue sources and spending cuts.”

But, Resch said, [Whitmer’s gas tax proposal is unpopular among voters](#), despite its simplicity.

“The public is clamoring to have the roads fixed, but I don’t think they’re clamoring for the details of the plan,” Resch said. “I think the public blames Lansing. I don’t know that they blame a party at this point.”