



October 31, 2019

TO: Mayor and City Council

FROM: Mark C. Meyers, City Administrator *MCM*

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.

MCM/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



## **PRESIDENT/CEO REPORT**

September 2019

1. Administrative – The County Public Works Committee approved MAF’s contract to perform economic development services. The amount of the contract is \$420,000 over 3-years or \$140,000 per year.
2. Strategic Partnership Initiatives Update – We continue to work on the design of MAF’s programs to address issues of interest to manufacturers and communities. Programs include:

### Workforce and Talent Development –

- Working with GE Aviation to promote their high schooler program. Program will begin in November with job placements in 2020. MAISD is involved.
- Working with MCC, Hello West MI, and Chamber on consolidating / linking various local job portals.
- 30 local companies submitted Going Pro for Talent applications by the 10/2/2019 deadline. Last year 24 companies applied and 22 received over \$1 million in funding.

### Business Retention and Attraction Program –

- Assisted Blue Photon with an IFT application in Norton Shores. This project will result in 9 new jobs and \$3.2 million in new investment.
- Assisting NOAA with short term emergency location needs and long term permanent location

### Marketing –

- Requested funds from MEDC to update MAF’s 2017 Business Intelligence Report on the State of Manufacturing in Muskegon County and West Michigan
- The Chamber and MAF Boards held a joint meeting to discuss branding

### Small Business Growth and Development –

- MAF is assisting Lively Up Kombucha, an herbal tea manufacturer in Roosevelt Park with expansion needs and start-up of retail operations.

### Community Capacity Building –

- Convening city managers to discuss deployment of wayfinding signage
- Discussed and offered grant application to Cedar Creek Township for DNR grant.
- Planning a meeting with the Townships to discuss MAF’s services. A second meeting with Cities for the same purpose.
- Working with Muskegon Heights Business Association and DDA on visioning and DDA plan update. Met with the new City Manager Troy Bell.
- Assisting Roosevelt park on land assembly issues on the former Marathon properties
- Working with County, Egelston Township, and Eagle Alloy on extension of water east on Evanston.

### Strategic Infrastructure Projects –

- Assisting the CFFMC with securing and ground lease at MCC for the FARM incubator. The site is on the MCC campus within Muskegon Township.

- Working with the City of Muskegon on development of the 3<sup>rd</sup> Street Wharf for use by cruise ships and NOAA

### 3. Economic Development –

- a. BRE Visits and Assistance - MAF and Chamber visits in September – Twenty-three (23) visits were made to the following companies: Eagle Alloy, L3, Michigan Spring and Stamping, Soap Dudes Cosmetics, Arbre Farms, ADAC, Graphics House, Camcar Plastics, Quality Tool, Hilite International, EJ, Arconic, Nowak Machined Products, Johnston Boiler, MAHLE, Kotzain Tool, Lorin, Master Tag, Campbell Grinder, Source One Digital, Scherdel Sales and Technology, PACE, and SAF Holland.

MAF staff also held a quarterly meeting for the Whitehall Township Tooling Coalition.

PTAC staff met with 10 Muskegon County companies in September including: ERG, MED5, T.Q. Machining, Tiger Neuroscience, MI Global, SRM LLC, Filmpagelive Media, MIN-HUB, Brody McClellan

- b. Business Attraction/Expansion –

Announcements – None in September

Final Fiscal Year Wins to Date – 10 wins; \$140.8 million in new investment and 270+ new jobs.

Projects-in-the-Pipeline – We are working on or monitoring 45 projects that represent the potential to create over 418 new jobs, \$10.5 million in new annual payroll and \$74.6 million in new investment.

- c. Marketing – Last week MAF and Chamber Board members held a joint exploratory meeting about branding, image, names, etc. moderated by Revel. Their report will be finalized in several weeks.



# M&A Awards: Values play primary role in Structural Concepts' retirement-initiated sale

BY JESSICA YOUNG Sunday, October 13, 2019 08:00pm

An emphasis on shared family values and the promise of continued investment and growth made last year's sale of privately-owned **Structural Concepts Corp.** to private equity firm **Mason Wells** a "very friendly, reasonably smooth deal all the way along."

That's according to Dave Geerts, who retired as CEO and president of Structural Concepts earlier this month.

## WINNER:

**Structural Concepts Corp.**

**Top executive:** Brad Gates, president and CEO;  
Dave Geerts (retired)

**Annual sales:** \$100+ million

**Full-time West Michigan employees:** 550

**Brief business description:** Manufacturer of temperature-controlled food display cases

**Advisers:** Warner Norcross + Judd LLP (legal),  
P&M Corporate Finance LLC (financial), Beene  
Garter LLP (accounting)

Structural Concepts manufactures temperature-controlled food display cases for supermarket and foodservice operators. The company employs 550 people at its 500,000-square-foot manufacturing facility in Norton Shores, just south of Muskegon.

After 48 years of building the business, founder James Doss and the senior management owners decided to start looking for a buyer of Structural Concepts, the winner of the manufacturing category in the 2019 MiBiz M&A Deals of the Year Awards.

"Our founder was getting up in years and really wanted some liquidity and the two members of the senior management team that also own stock, including me, were wanting to retire," Geerts told *MiBiz*.

The company, which generates annual revenues in excess of \$100 million, received "incredibly strong interest" from potential acquirers, including strategic private equity firms and family offices. However, the owners were looking for more than just the highest bidder.

“We had built it from nothing into something really cool,” Geerts said. “We wanted shareholder liquidity, but we needed the right partner.”

In the end, the leadership at Structural Concepts found a match in Milwaukee, Wis.-based Mason Wells, a leading Midwest-based private equity firm with \$1 billion in assets under management. Mason Wells acquired Structural Concepts in October 2018 — its first acquisition in Michigan — adding the company to its engineered products and services portfolio.

“We’ve had a strong growth record and wanted that continue,” said Geerts, who has led the company for 25 years. “We picked Mason Wells because they had a reputation for doing the right things to grow their companies.”

In this case, that included a track record of investing in companies via new products, processes and equipment-enabled growth. In addition, Mason Wells seemed “extraordinarily focused on providing ongoing opportunities for employees,” according to Geerts.

“That was really important to us and the other key was Mason Wells doesn’t get involved in operations,” he said. “A lot of public companies, a lot of family offices, a lot of PE groups like to take over operations. These guys don’t want to get involved in the operations. They let the managers manage.”

Mason Wells targets Midwest-based manufacturing companies that make engineered products or consumer packaged goods, which also aligned with Structural Concepts.

Before the sale, Geerts did his “own due diligence” by reaching out to a handful of companies that Mason Wells had bought or sold.

“Every single company did well under Mason Wells’ ownership, and interestingly and importantly, they’re doing well under the new owners that Mason Wells sold them to,” Geerts said. “They just checked all the boxes.”

The value of having a buyer that understands the unique environment of family-owned businesses was also a determining factor in selecting the firm from among the pool of offers, Geerts said.

“The cultural fit is not the same, but it’s closer than anyone else,” Geerts said. “Yes, they’re going to be more profit-sensitive than the family was, but their focus is more on maintaining the positive aspects of the culture. That really, really appealed to us.”

The sale and integration process was “shockingly non-controversial,” thanks to some particular best practices, he added.

“We had audited financial statements back to day one,” he said. “That was a huge blessing. The other thing I would advise is to watch your contracts. Make sure you have all your contracts in a central location and make sure that only strictly pre-approved officers are allowed to approve.”

Because of its size and the oversight requirements and rigidity of the sale, Structural Concepts — formerly an S-Corporation — was structured with an F-reorganization during the transaction, an uncommon move that required the help of Grand Rapids-based law firm **Warner Norcross + Judd LLP**.

“I was told horror stories and I experienced none of those here. We had the right law firm in Warner,” Geerts said. “Steve Waterbury is a freaking legend.”

In a testament to their confidence in Mason Wells and the continued growth of Structural Concepts, all of the former shareholders, including the 85-year-old founder, reinvested in the new company, according to Geerts.

“We weren’t even asked,” he said. “We just did it because we believe in our future and we believe in their management style.”

# The Center for Local, State, and Urban Policy

Gerald R. Ford School of Public Policy >> University of Michigan

Michigan Public  
Policy Survey October 2019

## Michigan local officials' views on the next recession: timing, concerns, and actions taken

By Debra Horner and Thomas Ivacko

This report presents the assessments of Michigan's local government leaders regarding the next recession, including its expected timing and impacts, and whether their jurisdictions have taken action to prepare for it. These findings are based on statewide surveys of local government leaders in the Spring 2019 wave of the Michigan Public Policy Survey (MPPS).

>> The Michigan Public Policy Survey (MPPS) is a census survey of all 1,856 general purpose local governments in Michigan conducted by the Center for Local, State, and Urban Policy (CLOSUP) at the University of Michigan in partnership with the Michigan Municipal League, Michigan Townships Association, and Michigan Association of Counties. The MPPS investigates local officials' opinions and perspectives on a variety of important public policy issues. Respondents for the Spring 2019 wave of the MPPS include county administrators, board chairs, and clerks; city mayors, managers, and clerks; village presidents, managers, and clerks; and township supervisors, managers, and clerks from 1,364 jurisdictions across the state.

For more information, please contact: [closup-mpps@umich.edu](mailto:closup-mpps@umich.edu) / (734) 647-4091. You can also follow us on Twitter @closup



## Key Findings

- A majority of local leaders statewide (57%) are concerned about the potential impact of the next recession on their jurisdictions' ability to deliver public services and maintain government operations.
  - » More than three-quarters of officials from larger communities (with more than 10,000 residents) are concerned about the potential impacts on service provision.
- Although many local officials are concerned about the next recession, there is little immediate sense of urgency. Overall, 39% of local leaders don't know when to expect the next recession will start (when asked in spring 2019), while 57% believe it is more than a year away, including 31% who say it is more than two years away. Meanwhile, just 3% think it will likely start within the next 12 months.
- Only 13% of local leaders believe their jurisdictions are very prepared for the next recession, although another 57% say they are at least somewhat prepared. Meanwhile, 20% report being either somewhat unprepared (16%) or very unprepared (4%) to deal with the next economic recession.
  - » Local officials who say their jurisdictions are unprepared for the next recession are most likely to be from mid-sized jurisdictions and those in the Upper Peninsula, Southeast, and East Central regions. In addition, county officials are more likely than city, village, or township officials to say their jurisdictions are unprepared.
- Finally, just a quarter (26%) of local officials report their governments have taken specific actions to prepare for the next economic recession, although this includes over half (55%) of the state's largest jurisdictions (those with more than 30,000 residents).

# MUSKEGON COUNTY

M I C H I G A N

23 October 2019

## BOARD OF PUBLIC WORKS

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Ex-Officio Member

Mr. Mark Meyers  
City of Norton Shores  
4814 Henry Street  
Norton Shores, MI 49441

SUBJECT: Solid Waste Disposal Fee Increase

Dear Mr. Meyers,

The Muskegon County Board of Public Works recently adopted a new fee schedule for services at the Muskegon County Solid Waste Management System (MCSWMS) for the fiscal year 1 October 2019 – 30 September 2020.

The rate for municipalities that subsidize their resident's disposal has changed from \$46.00 to \$50.00 per ton. The minimum charge for a car has changed from \$8.00 to \$10.00. The minimum charge for a truck/trailer has changed from \$22.00 to \$24.00.

Should your municipality desire to change the program at MCSWMS, please contact Pam Roesch at (231) 724-6002 to discuss. If you would like to maintain the existing program, nothing is required at this time.

In an effort to assist municipalities and residents with this increased fee, this rate increase will not be implemented until 1 January 2020.

If you have any questions regarding this issue, please contact me at (231) 724-6003.

Sincerely,



Gregory A. Leverage  
Solid Waste Manager

cc: File



# MALMC

## Muskegon Area Labor-Management Committee

*Cooperative Efforts are building a better Tomorrow...Together...Today!*

### Board of Directors

**Amy Heisser, Co-Chair**  
Arconic Aero Engines

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Kaydon Corp.

**Tyshon Massey**  
UAW Local 539

### Advisors

**Fred Vocino**  
Labor Mediator  
Bureau of Employment Relations  
Dept. of Energy, Labor &  
Economic Growth

**Daniel Sims**  
Federal Mediation &  
Conciliation Service

### Coordinators

**Lisa Sabourin &  
Jennie Koch**

October 21, 2019

Anthony Chandler  
City Administrator  
City of Norton Shores  
4814 Henry Street  
Norton Shores, MI 49441

Dear Anthony:

This letter is to thank you and the City of Norton Shores for sponsoring the recent 2019 MALMC Tribute to Industry & Labor Dinner, held Wednesday, October 16<sup>th</sup>.

The speakers, Morgan Carroll, Jack Russel, Mayor Sims & Troy Bell, were well received. It was a lovely dinner and was well attended with over 154 guests.

Your sponsorship helped to make this event possible and a success!

Sincerely,

Jennie Koch  
On behalf of MALMC

Training and Marketing Coordinator  
Employers Association