

Council Meeting
Common Council
May 20, 2019

The regular meeting of the Common Council was held at Zeeland City Hall, 21 S. Elm, Zeeland MI on Monday, May 20, 2019. Mayor ProTem Gruppen called the meeting to order at 7:00 p.m.

PRESENT: Council members – Mayor ProTem, Gruppen, Broersma, VanDorp, Kass, Timmer
ABSENT: Council members – Mayor Klynstra, Lam

Staff present: City Manager Klunder, City Attorney Donkersloot, Asst. City Mgr./Finance Director Plockmeyer, Community Development Director Maday, BPW Utilities/General Manager Boatright, City Clerk Holmes

The invocation was offered by City Attorney Jim Donkersloot.

The Pledge of Allegiance was recited.

Motion was made by Councilmember Broersma and seconded by Councilmember Timmer to excuse Councilmember Lam due to business travel. Motion carried. All voting aye.

Motion was made by Councilmember VanDorp and seconded by Councilmember Kass to excuse Mayor Klynstra due to personal reasons. Motion carried. All voting aye.

19.078 Approve consent agenda

Motion was made by Councilmember Broersma and seconded by Councilmember Kass to approve the consent agenda as presented.

1. Approve minutes of the regular meeting of May 6, 2019.
2. Approve minutes of the work-study session of May 6, 2019.

Roll call.

AYES: Kass, Timmer, VanDorp, Broersma, Mayor ProTem Gruppen

No Votes: None

Absent: Mayor Klynstra, Lam

City Manager's Report

- 3 East Main Building Purchase – The city completed the purchase of the building at 3 East Main last week. The building is vacant except for the old Hungry Howie's unit that is occupied by a caterer. The plan is to bring a lease agreement to Council at the June 3 meeting. This would be a short-term lease while the occupant continues to look for a new space. The building has been insured and the utilities have been switched to the City. We are in the process of obtaining a proposal from Greg Holcombe and his partners to help develop a more refined vision for the site. We will plan to have City Council tour the building on June 3.
- Alice Avenue Drain Public Hearing of Necessity – The Board of Determination is meeting on Monday, May, 21 at 6:00 p.m. at the Howard Miller Library/Community Center to hear from citizens on the need for a proposed new drain around the Alice Avenue area. Scott Nienhuis will attend this meeting on behalf of the City.
- Centennial Street Two-Way Conversion Public Hearing – Late last year we conducted a sub-area traffic study around Cityside Middle School. One area of that study evaluated the merits of returning Centennial from Central to Main from one-way back to two-way

operation. The study showed this could be done. The study results were presented to the Planning Commission and City Council, and it was recommended to proceed with a public hearing on the matter. The public hearing will take place during the June 17th City Council Meeting.

- Washington Avenue Update – One of the next steps for the Washington Avenue project is to hold our next neighborhood meeting on Tuesday, June 4 at 6:00 p.m. at the Howard Miller Library/Community Center. Besides preparing for the neighborhood meeting, we are also working to put together the license agreements we will have in place for businesses along Washington Avenue that will continue to have parking within the Washington Avenue right-of-way. In the past, we have only had such an agreement for Captain Sundae and will now look to have similar agreements with each of the businesses that have parking within the right-of-way.
- BPW Industry Breakfast – On May 15, the BPW held their annual breakfast meeting for their largest electric and water customers. This is a great opportunity for the BPW to share with our customers the great things going on with the BPW and update them on the proposed FY 19/20 rates. During this meeting, the City has some time to update the businesses on our Strategic Action Plan and operations at the Clean Water Plant.
- Zeeland Area Clean Water Plant Tech Committee – The Committee reconvened on Monday, May 13 to consider approval of the annual budget and it was unanimously approved.

19.079 SAFEbuilt Contract Amendment

Motion was made by Councilmember Broersma and seconded by Councilmember Timmer to approve addendum four to the City of Zeeland's professional services contract with SAFEbuilt Michigan, LLC with the addendum taking effect on June 1, 2019 subject to City Attorney approval of the final contract language.

Community Development Director Maday explained to Council the City's contracted Building Official, Ron Johnston, currently has office hours each day from 8:00am to 10:00am. Under the proposed contract, his time with the City of Zeeland would increase from two to four hours per day, with the additional time being spent conducting proactive and complaint-based ordinance enforcement activity and performing residential rental property inspections. The proposed contract expansion is intended to benefit the Community Development Department and the City as a whole in two ways. First, by expanding the capacity of this department to address more property maintenance and city ordinance issues. Secondly the expansion of the contract should allow existing department staff to spend more time on other initiatives and duties that the department is charged with. It is proposed that the contract come into effect and the expanded services begin on June 1, 2019. The funding for the first month of services would come from the Community Development Department's existing budget, and beginning on July 1, 2019, would be paid for through the additional funding that was included for these services in the City's fiscal year 2019-2020 budget. With June being one of the department's busiest months for ordinance enforcement and rental housing inspection activity, a June 1st start date for the expanded services would greatly assist this department in our efforts to maintain and build on the success of these programs.

Roll call.

AYES: Timmer, VanDorp, Broersma, Kass, Mayor ProTem Gruppen

No Votes: None

Absent: Mayor Klynstra, Lam

Motion was made by Councilmember VanDorp and seconded by Councilmember Kass to approve the Washington Avenue project budget in the amount of \$3,801,163 with the understanding that the City anticipates to receive grants totaling \$1,678,674 leaving a net city cost of \$2,122,489 for the project.

City Manager Klunder explained at the last City Council meeting staff revealed that the low bid for the Washington Avenue project was \$421,769.50 over the engineer's estimate. At the meeting, we did not have a breakdown of the bid items to determine what may have been the reasoning for the higher than anticipated bid as they had just been released by MDOT. The news of the higher than anticipated bids came immediately in front of City Council being asked to approve a contract with MDOT that provided significant grant dollars for the project and outlined the jurisdictions' respective roles with the project. Due to MDOT timing constraints, City Council was encouraged to consider a decision at the last meeting. City Council ultimately approved the MDOT contract subject to clarification on the grant calculation language, and modifying a provision in the contract that prohibited parking within the road right-of-way of the project. It was also understood that staff would review the bid amounts with Moore & Bruggink and provide information on why we encountered the higher bids; analyze if there are potential cost reductions we can seek in the contract; and provide City Council with a summary of where the additional funding can come from in order to approve a project budget that is higher than originally anticipated. First, in regards to the contract with MDOT, that has been signed and returned to MDOT. We did get updated contract language that provides a grant calculation for the Transportation Economic Development Fund (TEDF) Grant that now mirrors the calculation displayed in the exhibit which was correct. Additionally, the contract language for parking was modified to note that the city will have agreements with businesses along Washington to allow for parking within the right-of-way and to allow for some existing parallel parking along Main Avenue. In regards to the higher than anticipated bids, as you might imagine, there are a number of reasons and factors. A letter from Moore & Bruggink was given to Council explaining the higher than anticipated bid amounts. As you will see in their letter, reasons include an advantageous bid climate for contractors, higher than anticipated material costs, and some unique construction aspects to the project around maintaining access to businesses. They also evaluated potential cost savings to the project if we altered or removed components from the contract. These suggestions are itemized in Moore & Bruggink's letter and in total, they amount to \$206,000. However, we likely would not experience that level of savings as some of the work we would have to self-perform or re-bid. While this amount is not insignificant and it would get us much closer to the pre-bid project budget, staff is not recommending the removal of any of the items from the contract. There are several reasons staff suggests that we stay with the scope of work as bid. For the items that we could instead self-perform or seek to re-bid, we don't feel the potential savings are justifiable. From a self-perform standpoint, it becomes more a question of time availability for city staff. While we can certainly make the time, it does come at a cost to other projects. In regards to re-bidding, we have no guarantee that we would receive a lower price and coordination with the contractor becomes an issue. In regards to the items that we could eliminate from the project (no stamped concrete, no ornamental mast arms for traffic signal, no entrance sign, no landscaping) we feel this would lower the overall quality of the project which would likely lead to seeking to add these items at a later date. Thus, while there may be some dollar savings on the front end, we feel those come with a quality cost and may end up with a higher financial cost at a later date if we seek to add them to the project – not to mention the disruption cost of having to work on Washington Avenue again. Lastly, there is mention of reducing the water main size for some potential savings, but you will note that Moore

& Bruggink does not recommend that option. That brings us to the question of how we can fund the additional costs if we do not seek ways to reduce the construction contract.

Finance Director/Asst. City Manager Plockmeyer gave an analysis of funding sources for the higher than anticipated project costs for Washington Ave. From a street perspective we believe there may be an estimated amount of \$315,000 in expected fund balance in the General Fund, Major and Local Street Funds, and Municipal Street Fund than what was presented a few months ago during the FY 19/20 budget development process. While staff certainly does not want to portray an attitude that we have the money so we can spend it, we do want to convey that these anticipated additional costs likely can come from resources we did not predicate the recently adopted FY 19/20 budget around. As identified above, we estimate that the total project budget for Washington Avenue between the city and BPW will be \$3,801,163. However, as City Council is well aware, we are in line to receive an estimated amount of \$1,678,674 in street grants leaving the city and BPW with an estimated net cost of \$2,122,489 for the project. When including the grant offset for this project, we believe the city is obtaining good value for the amount of work that will go into the Washington Avenue Corridor and it will be a project that transforms the west gateway into the city.

After discussion, Council feels it would be better to vote on this action when all members are present.

Motion was made by Councilmember VanDorp and seconded by Councilmember Broersma to Table this Motion until full Council is present.

Roll call.

AYES: VanDorp, Broersma, Kass, Timmer, Mayor ProTem Gruppen

No Votes: None

Absent: Mayor Klynstra, Lam

19.081 SARB Reappointment

Motion was made by Councilmember Kass and seconded by Councilmember Timmer to reappoint Greg Visser to the Shopping Area Redevelopment Board (SARB) for a 4-year term expiring February 16, 2023.

Roll call.

AYES: Broersma, Kass, Timmer, VanDorp, Mayor ProTem Gruppen

No votes: None

Absent: Mayor Klynstra, Lam

19.082 Local Officers Compensation Commission Reappointment

Motion was made by Councilmember Timmer and seconded by Councilmember Broersma to reappoint Mary Bouwens to the Local Officers Compensation Commission for a 5-year term expiring April 1, 2024.

Roll call.

AYES: Kass, Timmer, VanDorp, Broersma, Mayor ProTem Gruppen

No votes: None

Absent: Mayor Klynstra, Lam

Mayor ProTem Gruppen reminded everyone that Council will be walking in the Memorial Day Parade. Attorney Donkersloot stated in case of rain, the memorial will be held at 9:30 a.m. at First Christian Reformed Church.

There being no further business to come before the Council, motion was made by Councilmember Broersma and seconded by Councilmember Kass that the meeting adjourn at 7:55 p.m. Motion carried.

Pamela Holmes, City Clerk

MEMORANDUM OF WORK-STUDY SESSION
Zeeland Clean Water Plant
144 E. Lincoln
Monday, May 20, 2019
5:30 P.M.

PRESENT: Council members – Mayor ProTem Gruppen, Broersma, VanDorp, Kass,
Timmer

ABSENT: Council members – Mayor Klynstra, Lam

Staff present: City Manager Klunder, City Attorney Donkersloot, CWP Superintendent Engelsman, BPW Utilities/General Manager Boatright and City Clerk Holmes

City Manager called the meeting to order at 5:30 p.m. and welcomed City Council to the Clean Water Plant.

Clean Water Plant Presentation and Tour

Clean Water Plant Superintendent, Doug Engelsman, gave a presentation on the Clean Water Plant including the history, how regulatory compliance is monitored and all the updates that have been done to the plant. After the presentation, Engelsman took everyone on a tour of the Clean Water Plant facility.

After the tour, the Study Session adjourned at 6:40 p.m. to return to City Hall for the regular Council Meeting.

Pamela Holmes, City Clerk