

Council Meeting
Common Council
June 21, 2021

The regular meeting of the Common Council was held at the Zeeland City Hall, 21 S. Elm Street, Zeeland MI on Monday, June 21, 2021. Mayor Klynstra called the meeting to order at 7:00 p.m.

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

ABSENT: Council members – None

Staff present: City Attorney Donkersloot, City Manager Klunder, Treasurer/Finance Director and Asst. City Manager of Finance & City Services/Infrastructure Plockmeyer, Fire-Rescue Chief Tibbets, Deputy Chief Harsevoort, Police Chief Jungel and City Clerk Holmes

The invocation was offered by City Attorney, James Donkersloot.

21.121 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 June 7, 2021.
2. Approve minutes of the Work Study meeting of June 7, 2021.
3. Receive for information the BPW Board of Commissioners meeting of June 15, 2021.
4. Ratify BPW Action #21.061 Approve Cash Disbursements and Regular Monthly Transfers.
5. Ratify BPW Action #21.062 Distribution Inventory Purchase Recommendation.
6. Ratify BPW Action #21.063 Water Warehouse Emergency Standby Power Project Bid Recommendation.
7. Ratify BPW Action #21.064 Energy Risk Management Policy.
8. Ratify BPW Action #21.065 Community Grant Applications.
9. Approve minutes of the regular meeting of May 17, 2021.

Roll call.

AYES: VanDorp, Lam, Broersma, Gruppen, Kass, Timmer and Mayor Klynstra

No Votes: None

Absent: None

Communications/Visitors

Zeeland resident, Jonathan Karel, 522 E. Lincoln, was present to ask Council for their consideration of a stop sign at the intersection of Lincoln and Park Streets. The intersection is a thoroughfare and a stop sign will slow traffic down. Mayor Klynstra told Mr. Karel that the City would look into this.

City Manager's Report

Rescission of Gatherings and Mask Order (from Miller Johnson Labor Attorneys)

On Thursday Governor Whitmer announced an accelerated end to several MDHHS COVID-19 Orders. Effective Tuesday, June 22, 2021, MDHHS's June 1st Gatherings and Mask Order will be rescinded.

This

means that indoor and outdoor capacity restrictions will be removed, and MDHHS will no longer require residents to wear a face mask during indoor gatherings.

Absent from Governor Whitmer's announcement was mention of MIOSHA's COVID-19 Emergency Rules, which were revised in May 2021. As a reminder, the MIOSHA COVID-19 Emergency Rules require employers to take various steps to mitigate the spread of COVID-19 in the workplace, including:

- Conducting a daily entry self-screening protocol for all employees or contractors entering the workplace, including a questionnaire covering symptoms of suspected or confirmed exposure to people with possible COVID-19.
- Ensuring all employees, except fully vaccinated employees, remain at least 6 feet from one another to the maximum extent feasible while on worksite premises,
- Requiring employees, except fully vaccinated employees, to wear face coverings when the employee cannot consistently maintain 6 feet of separation from other individuals indoors in the workplace.
- Requiring employers to implement quarantine and isolation protocols to respond to suspected or confirmed cases or exposure to people with COVID-19.

We understand that MIOSHA plans to make an announcement regarding planned amendments to its current Rules, which will more closely align with federal OSHA's recently updated guidance for all workplaces.

Downtown Events

This past Thursday's Music on Main was very successful with nearly double the crowd as the first week. There will be brief hiatus with preliminary plans for a couple of events in July. The Zeeland Zoom will return on Tuesday, June 22. We are very excited to have events such as the Zoom return this year! As of Thursday, we had over 500 participants registered.

Economic Development Administration Coverage

The EDA recently highlighted the city's clean water plant expansion project in their publications. The EDA provided \$2 million in funding to the city for the CWP expansion and we are grateful to the EDA for their funding assistance. The links to their coverage follows:

- Story: <https://www.eda.gov/news/blogs/2021/05/01/success.htm>
- Twitter - https://twitter.com/US_EDA/status/1404888585845805060
- LinkedIn - <https://www.linkedin.com/feed/update/urn:li:activity:6810653609882075136>

21.122 Lakeshore Advantage Funding Request

Motion was made by Councilmember Gruppen and seconded by Councilmember VanDorp to approve a \$25,000.00 contribution to Lakeshore Advantage for FY22 in order to provide the City with economic development services.

Roll call.

AYES: Lam, Broersma, Gruppen, Kass, Timmer, VanDorp and Mayor Klynstra

No Votes: None

Absent: None

21.123 Barricade Purchase

Motion was made by Councilmember Broersma and seconded by Councilmember Gruppen to approve the purchase of four (4) Archer 1200 Barriers in the amount of \$28,350.00 to join in the joint venture currently in use by Holland and Grand Haven with the goal of enhancing the safety of citizens enjoying our outdoor festivals and activities.

Roll call.

AYES: Broersma, Gruppen, Kass, Timmer, VanDorp, Lam and Mayor Klynstra

No Votes: None

Absent: None

21.124 CWP Biosolids Contract Extension

Motion was made by Councilmember VanDorp and seconded by Councilmember Broersma to approve the one-year contract extension with Nutirgro Environmental Service as presented with the funding to come from the Zeeland Clean Water Plant 2021-2022 CWP budget Contractor Services Fund.

Roll call.

AYES: Gruppen, Kass, Timmer, VanDorp, Lam, Broersma and Mayor Klynstra

No Votes: None

Absent: None

21.125 Temporary Part-Time Facilities Maintenance Supervisor Agreement

Motion was made by Councilmember Kass and seconded by Councilmember Timmer to authorize the employment agreement with Steve Venlet to serve as an Interim Facilities Maintenance Supervisor on a part-time basis per the terms of the Employment Agreement.

Roll call.

AYES: Kass, Timmer, VanDorp, Lam, Broersma, Gruppen and Mayor Klynstra

No Votes: None

Absent: None

21.126 Planning Commission Appointment

Motion was made by Councilmember Timmer and seconded by Councilmember VanDorp to approve the appointment of Rebecca Perkins to the Planning Commission with a term expiring January 1, 2023. Roll call.

AYES: Timmer, VanDorp, Lam, Broersma, Gruppen, Kass and Mayor Klynstra

No Votes: None

Absent: None

Mayor Klynstra said he was downtown on Main Street last Thursday evening for the Music on Main and Social Districting event. He stated it was a large turnout and people seemed to be enjoying themselves.

Mayor Klynstra attend the MACC meeting last week where it was reported that Ottawa County has seen a 5.7% growth according to the Census.

Gruppen announced that she is happy to see the fireworks return and the new date is August 20.

Mayor Klynstra reported he went to Innocademy and they visited the Cleanwater Plant and tested different creeks to look for micro-organisms to test and study.

Mayor Klynstra reported he and Gruppen met with City Manager Klunder for his annual Performance Review.

Klunder's scores were the highest they have ever been so he is doing an excellent job. It was also mentioned Klunder did an exceptional job with handling the Pandemic.

There being no further items to discuss, motion was made by Councilmember Broersma and seconded by Councilmember Timmer to adjourn the meeting at 8:30 p.m. Motion carried. All voting aye.



Kevin Klynstra, Mayor



Pamela Holmes, City Clerk

MEMORANDUM OF WORK-STUDY SESSION
Zeeland City Hall Council Chambers
Monday, June 21, 2021
6:00 P.M.

PRESENT: Councilmembers – Mayor Klynstra, Mayor ProTem Gruppen, VanDorp, Broersma, Kass, Timmer and Lam
ABSENT: Councilmembers – None

Staff Present: City Attorney Donkersloot, City Manager Klunder, Treasurer/Finance Director/ACM Plockmeyer, Police Chief Jungel, Fire-Rescue Chief Tibbets, Deputy Fire Chief Harsevoort, and City Clerk Holmes

Mayor Klynstra called the meeting to order at 6:00 p.m.

Lakeshore Advantage Update and Funding Request

Jennifer Owens, President of Lakeshore Advantage, presented the annual update on the work of Lakeshore Advantage and a funding request for Fiscal Year 2022. As City Council may recall, last year you approved an increased funding level (double) to Lakeshore Advantage to assist them due to a projected decrease in Lakeshore Advantage’s contributions (Covid19 reductions by private business), but a dramatic increase in the level of services provided by them to businesses. While we were aware of the great services Lakeshore Advantage provided to us in the past, last year further highlighted the tremendous asset they are to our community.

For Fiscal Year 2022, Lakeshore Advantage does not seek to continue last year’s \$45,000 contribution level. Instead, they are seeking a funding level of \$25,000. This \$25,000 would match what the Zeeland Board of Public Works provides to Lakeshore Advantage. Within our recently adopted budget for FY 2022, we identified a \$22,500 contribution (annual amount prior to FY 2021) for Lakeshore Advantage. Although the request from Lakeshore Advantage is \$2,500 higher than what our budget identifies for Lakeshore Advantage, staff is supportive of moving the city’s contribution to \$25,000 and we are confident that we can find that additional funding within next year’s General Fund budget.

Mayor Klynstra and City Council expressed their gratitude to Owen for everything Lakeshore Advantage has done for businesses.

Barricade Purchase

Chief Jungel explained the police department would request that city council consider allowing for the purchase of four (4) Archer 1200 Vehicle Barriers. These barricades are used to block vehicular traffic from areas being used by pedestrians. The units we are requesting are the same type currently in use as a

joint venture between Holland and Grand Haven. The two municipalities have a pool of shared barricades. This is a sole source provider.

*Councilmember VanDorp entered the meeting at 6:23 p.m.

Open air venues are becoming the more desired venue for events. The City of Holland recently allowed Zeeland to use the barricades for the Zeeland East/West High School Prom held on Main St. Staff found the barricades easy to deploy and they provided a safety barrier for the students using Main St.

Participation in the barricade pool with Holland and Grand Haven will allow us to safely close off streets being used by people in our community. The four Zeeland Barricades would become part of the shared pool between the municipalities. The pool will allow each community a greater number of barricades as their needs arise.

Clean Water Plant Biosolids Contract Extension

CWP Engelsman explained The Clean Water Plant land generates over 2 million gallons of biosolids sludge annually which must be disposed of properly. Land application is currently the most cost-effective and environmentally friendly means to do so. The Zeeland CWP's current contract allows the city to annually renew the contract for up to 7 years. The most recent contracts awarded to other local municipalities over the past several years indicates the annual extensions significantly benefit the Zeeland CWP until the industry trends change. The CWP staff has been very happy with the service provided by Nutrigro Environmental Service and respectfully requests that City Council approve the 1-year contract extension as presented.

Temporary Part-Time Facilities Supervisor Agreement

As City Council is aware, we are in the process of hiring three supervisors for positions that are being vacated or created by the retirements of Steve Venlet and Scott Nienhuis. Both of these employees will be greatly missed and will be difficult to replace. While we have been working diligently to find candidates for these positions, the process takes time, and in the case of the Facilities Maintenance Supervisor position, we recognize that we will not have a replacement in place prior to the departure of Steve Venlet as of his June 30, 2021 retirement date. While we did not want to impose on Steve's well-deserved retirement, Steve has graciously offered to assist us on a part-time basis after June 30 to ensure a smooth transition to the new Facilities Maintenance Supervisor. We are hoping that this arrangement will only need to be in place until July 31, 2021, but we will work with Steve to adjust this date depending on when the new Facilities Maintenance Supervisor feels comfortable in their new position.

While the position is not budgeted, due to the fact there will not be a fulltime supervisor in place as of July 1, there will be no budgetary impacts. Again, we are thankful to Steve not only for his many years of service to the city but also for his willingness to step into this role and assist in making sure there is a seamless transition for the new Facilities Maintenance Supervisor.

PPT and American Rescue Plan Funding Summary

Plockmeyer explained that as we begin preparations for the end of this Fiscal Year, we wanted to provide City Council an update on our projected financial situation which is looking quite healthy. Because of the financial health of our current situation, we also wanted to begin dialogue with City Council about possible initiatives that could benefit from additional funding.

Fiscal Year 2021 Financial Situation

Fiscal Year 2021 has proved to be a year during which the City's financial health continued to improve. While the City has seen positive financial outcomes in a host of ways, the following is a listing of some unexpected budget surpluses that could possibly be used for future initiatives which we will outline later in this document.

General Fund Surplus

Plockmeyer reported we are approximately two weeks from the close of the Fiscal Year. Based on projected revenues and expenditures, I would expect the General Fund to see over \$500,000 of surplus in the General Fund at the end of Fiscal Year 2021. Our budgeted surplus was just over \$400. This is the result of several items such as the First Responder Pay Grant Funding, decreased MAX Bus expenditures due to COVID, less than budgeted expenditures for items such as the CSI Staffing Study, little there adds up to a lot. Because of this financial reality, we are looking at a situation where much of this surplus could be transferred to another fund to assist with future initiatives.

Personal Property Tax Reimbursement

At this point in time, we are still waiting final guidance as to how these funds can specifically be used, but we at least know some of the broad categories that can be considered. In addition to the restrictions on the use of the funds to these spending categories, the funds must be committed by 2024 and spent by 2026. If we were to consider these three unbudgeted funding sources including \$500,000 from the General Fund, \$1,300,000 from our Personal Property Tax Reimbursement, and \$500,000 from the ARPA Funds, the City has an additional \$2.3 Million that can be used to fund future initiatives.

As we begin preparations for the end of this Fiscal Year, we wanted to provide City Council an update on our projected financial situation which is looking quite healthy. Because of the financial health of our current situation, we also wanted to begin dialogue with City Council about possible initiatives that could benefit from additional funding.

American Rescue Plan Act (ARPA) Funds

While we do not have the funding in hand at this time, much press has been given to the American Rescue Plan Act (ARPA) and the impact that it has on local governments. This plan will deliver \$350 Billion to state, local, territorial, and tribal governments to respond to the COVID-19 emergency and bring back jobs. Of this \$350 Billion, the City of Zeeland is slated to receive between \$500,000 and \$550,000. While we are set to automatically receive the funds, there are specific criteria for the usage of the funds which include:

- Support Public Health Response
- Replace Public Sector Revenue Loss
- Water and Sewer Infrastructure
- Address Negative Economic Impacts

- Premium Pay for Essential Workers
- Broadband Infrastructure

At this point in time, we are still waiting final guidance as to how these funds can specifically be used, but we at least know some of the broad categories that can be considered. In addition to the restrictions on the use of the funds to these spending categories, the funds must be committed by 2024 and spent by 2026.

Future Initiatives

The commitment to funding future initiatives is not foreign to City Council. Over the past several years City Council has deliberated the use of other unbudgeted funds including other Personal Property Tax Reimbursements, General Fund Surpluses, and the Consumers Energy Tax Appeal Settlement. These conversations have led to the funding of items such as; the elimination of our Unfunded Pension Liability, the Boiler Project at the Library, the Construction of the Felch Street Cemetery, and the creation of a snowmelt fund to name a few. In similar fashion to those conversations, we would like City Council's input on the use of the unbudgeted funds before us in Fiscal Year 2021, and in order to start this conversation, the following is a list of potential initiatives that would benefit from these resources.

Downtown Snowmelt (possibly ARPA eligible) - The City of Zeeland currently maintains a fund balance of \$1,750,000 for the possible construction of future snowmelt projects. As a City, we are continuing to refine what a snowmelt system buildout looks like, but are honing in on the installation of a snowmelt system that would heat the sidewalks along Main from State Street to the easterly lot line of the Community Restaurant Parcel. Based on current estimates, we should be able to provide the snowmelt capacity for this area from the boiler system in the library with some capacity to spare for future expansion. While we are still refining the estimates for this full system buildout, we are currently estimating this system buildout (which includes surface restoration) to cost approximately \$2.5 Million of which \$350,000 is planned to be specially assessed to the downtown property owners.

Based on these estimates, if the City were to fully fund the installation of this system, an additional \$750,000 is necessary over and above the balance within the system. While this necessary funding may or not be eligible for ARPA funding, we think it could be possible to utilize ARPA funding for the assessable portion of the system. Under this scenario, we would envision assessing the downtown property owners for their portion of the snowmelt system, but in turn provide a grant (using the ARPA funds) to the property owners in the amount of the assessment. While we are awaiting final guidance by the US Treasury, grants to businesses seem to be an eligible use of ARPA funds.

Motor Pool Funding - As presented at our budget meetings, our Motor Pool is in a need of a cash infusion if we are to maintain our current Fire Apparatus replacement schedule. While we are still refining our estimates, at the time of our last presentation, approximately \$750,000 is necessary to fully fund our Motor Pool through 2035 which would allow us to successfully replace all four of our major Fire Apparatuses.

Downtown Vision Funding - As discussed throughout our Strategic Action Plan, a vibrant downtown is one of the City's priorities. This priority is also highlighted by the over \$400,000 estimated to be in the City's Downtown Vision Fund by the end of Fiscal Year 2022. As City

Council is aware, we are looking at some potential projects in the downtown district over the next couple years that will continue to build on our vision of vibrancy. These projects, including the redevelopment of the Sligh Building and 3 East Main, may need additional support from the City in order to come to fruition or to fully meet our vision. Support may include items such as landscaping enhancements, storm sewer upgrades or road modifications.

Business Loop 196 Crossing - This project has been on City Council's agenda for some time, and allocating funds toward this project may allow the project to gain some more momentum.

Fiber Throughout the City (Broadband)(possibly ARPA eligible) - Fiber throughout the City has been identified as a means of economic and community development, and dedicated funding for this project will allow us to gain momentum in order to determine where we as a City and BPW best belong in this space.

Additional Park Funding - Upon the completion of the Parks Master Plan, City Council will be presented with a proposed improvement schedule and the associated costs for each City Park. While the City will have set aside nearly \$700,000 for Park Improvements by the end of Fiscal Year 2022, much more than this will be required to implement the full Master Plan.

Accelerate our Street Construction Schedule (water and sewer components ARPA eligible)
As City Council is aware, the City of Zeeland maintains a robust street improvement schedule and could possibly use a portion of these funds to accelerate this schedule even more.

Washington Avenue Storm Sewer Improvements - Last year we were made aware of localized flooding in a storm event near the Colonial Clock Building on Washington Avenue. Unfortunately, Washington Avenue is not slated to be reconstructed for some time, and is not part of our current capital improvement plan. In order to alleviate the problem, approximately \$1.5 Million of investment into the storm sewer along Washington and State Streets is necessary. Because this project has not been factored into our capital improvement plan, these funds could be used as a starting point to get this project off the ground.

Staff Considerations

While we are not making a formal recommendation to City Council at Monday's meeting, we do have some additional thoughts as to the use of a portion of the funds as outlined below:

1. Fully Fund the Snowmelt System - In order to accomplish this, we would suggest utilizing \$350,000 of ARPA funds for the planned special assessments to the Downtown Property owners, and using \$400,000 of the other remaining funds.
2. Broadband Initiative - We would suggest using the remaining \$150,000 of ARPA funds to start a Broadband initiative. This would allow the City and BPW to begin conversations as to how we can best operate in this space.

After taking into account these considerations, there is approximately \$1.4 Million of funding available for other initiatives, and are seeking City Council input as to how you would best see the use of these funds.

Being no further information to discuss, Mayor Klynstra adjourned the meeting at 6:59 p.m.

Pamela Holmes, City Clerk