

Council Meeting
Common Council
April 18, 2022

The regular meeting of the Common Council was held at the Zeeland City Hall, 21 S. Elm Street, Zeeland MI on Monday, April 18, 2022. Mayor Klynstra called the meeting to order at 7:15 p.m.

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

ABSENT: Council member: – None

Staff present: City Attorney Donkersloot, City Manager Klunder, Asst. City Manager/Finance Director Plockmeyer and City Clerk Holmes.

The invocation was offered by Rev. Mariam Barnes, Second Reformed Church.

The Pledge of Allegiance was recited.

22.063 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 April 4, 2022.
2. Approve minutes of the Work Study meeting of April 4, 2022.
3. Receive for information the minutes of the February 9, 2022 Cemetery/Parks Commission.
4. Receive for information the minutes of the March 3, 2022 Planning Commission.
5. Receive for information the minutes of the April 12, 2022 Zeeland Board of Commissioners.
6. Ratify BPW Action #22.028, Professional Services Recommendation – Tiffany Kraker & Company Creative Design.
7. Ratify BPW Action #22.029, Approve Cash Disbursements & Regular Monthly Transfers.
8. Ratify BPW Action #22.030, Washington Pump Station Roof Replacement.
9. Ratify BPW Action #22.031, Water Meters/Smart Points Purchase.
10. Ratify BPW Action #22.032, Wire Purchase for Gentex – Fairview 8.
11. Ratify BPW Action #22.033, North Warehouse Industrial Storage Racking Purchase.
12. Ratify BPW Action #22.034, Change Order Recommendation – Engineering Services for Replacement of Fuel Tanks.
13. Ratify BPW Action #22.035, General Contractor Services to Replace Power Plant Fuel tanks.

Roll call.

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

No Votes: None

Absent: None

Communications/Visitors

Paul Kraus, Sr. Assistant Prosecuting Attorney in Ottawa County, was present to introduce himself and to announce they have added a 5th Circuit Court Judge position in Ottawa County. This position will handle family law, abuse and neglect cases, etc. Kraus recently announced he will be running for this position and asked for Council's support.

City Manager's Report

3 E. Main – Staff met with representatives of Midwest Construction regarding their ongoing interest in purchasing the 3 E Main site. This has been a fairly long process, but I believe we are very close to bringing forth a buy/sell agreement for City Council's consideration.

Main Avenue (Sligh/Cityside) Block – As we continue to plan for snowmelt in 2023 along with a mill/resurface of Main Avenue from State to BL196, we are also taking the opportunity to see if there are some aesthetic improvements we can make in the blocks from State to Maple. In particular, there are some opportunities in the block from Centennial to Maple given GDK is redeveloping the Sligh Building. On Thursday of this week, we met with representatives of GDK and Zeeland Public Schools to continue to discussions on alterations we might consider within their block around parking, some bump outs to slow traffic, crosswalks, snowmelt of sidewalks and gateway improvements at the intersection of Main/Maple.

CWP Technical Review Committee – The CWP Technical Review Committee met today to consider approval of the FY 22/23 Clean Water Plant budget along with approval of the repair and replacement fund. These actions are required by the Zeeland Area Clean Water Plant Agreement. We reviewed these documents at their last meeting and we expect the committee to approve these items at Monday's meeting.

Library/Community Center Director – We received 8 applications in our round 2 effort to fill the open Library/Community Center Director position. This is less than half of the applications we received in round 1. Our hiring team will meet next week to review the applications and determine our next course of action.

Planning Commission – Met on Thursday evening for their regular monthly meeting. At the meeting they unanimously approved Joy Ice Cream Shop, Lakeshore Glass and Western Michigan Fleet Parts applications. They voted 7-1 to recommend approval of the use variance application (first floor apartment in the rear of the building) for 120 E Main. The Zoning Board of Appeals will hear and act upon this application on April 21st.

22.064 Approve Budget Resolution – Set Public Hearing Date and Tentative Millage Rate

Motion was made by Councilmember Gruppen and seconded by Councilmember Timmer to Approve the Resolution to set May 2, 2022 as the date for the Public Hearing to consider the City of Zeeland's Fiscal Year 2022-2023 budget.

Roll call.

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

No Votes: None

Absent: None

22.065 Brownfield Reappointments

Motion was made by Councilmember Broersma and seconded by Councilmember Kass to reappointment Mayor Klynstra and City Manager, Tim Klunder to the Zeeland Brownfield Redevelopment Authority with said terms expiring November 1, 2024.

Roll call.

AYES: Gruppen, Kass, Timmer, VanDorp, Lam, Broersma and Mayor Klynstra
No Votes: None
Absent: None

22.066 MDOT Performance Resolution

Motion was made by Councilmember VanDorp and seconded by Councilmember Broersma to authorize the execution of MDOT Form 2207B, Performance Resolution for Municipalities which authorizes the City Manager and the BPW General Manager to apply for the necessary permits to work within the MDOT Right-of-Way on behalf of the City of Zeeland.

Roll call.

AYES: Kass, Timmer, VanDorp, Lam, Broersma, Gruppen and Mayor Klynstra
No Votes: None
Absent: None

22.067 Police Tahoe Bid Award

Motion was made by Councilmember Kass and seconded by Councilmember Timmer to approve the purchase of a 2022 Chevrolet Tahoe PPV from Berger Chevrolet in the amount of \$39,908.00.

Roll call.

AYES: Timmer, VanDorp, Lam, Broersma, Gruppen, Kass and Mayor Klynstra
No Votes: None
Absent: None

Mayor Klynstra attended the Chamber Breakfast where Mayor Bock and Dave DeKoster of the City of Holland spoke about their proposed ice-skating rink. They received a donation of 1.2 million towards this project and tonight, are having a meeting with citizens to hear what they would like to see in this project. The City of Holland will also have a millage proposal for Broadband on the ballot. If approved, it would add approximately \$42.00/month on resident's taxes.

Mayor Klynstra was busy giving tours with 2nd graders from Zeeland Christian last week.

There being no further business, motion was made by Councilmember Broersma and seconded by Councilmember Timmer to adjourn the meeting at 7:39 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, April 18, 2022

6:00 P.M.

PRESENT: Councilmembers – Mayor Klynstra, Gruppen, VanDorp, Broersma,
Kass, Timmer and Lam

ABSENT: Councilmembers – None

Staff Present: City Attorney Donkersloot, City Manager Klunder, Police Chief Jungel, Fire Chief Tibbets, Deputy Fire Chief Harsevoort and City Clerk Holmes

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

Zeeland Recreation Presentation on Millage Renewals

Brett Geertsma from Zeeland Recreation was present to give a presentation on the Zeeland Recreation Millage vote that will be on the May 3, 2022 ballot. The proposed millage would cost property owners approximately \$1 or \$2 more per month. He explained the importance of the millage passing and what would happen if it did not.

Brownfield Policy Amendment

City Manager Klunder explained the City of Zeeland established a Brownfield TIF Policy (attached) in 2004. While the city had three Brownfield projects, only one took advantage of the TIF Policy. That was done in 2004. It appears that we will have a redevelopment project that may seek the use of TIF for their project in order to offset the Brownfield redevelopment costs. Staff thus thought we should reevaluate our policy given it has been almost 20 years since our last TIF.

Working with Pat McGow of Miller Canfield, the attorney that originally assisted us in establishing our Brownfield Redevelopment Authority and TIF Policy, and other local Brownfield professionals, we believe we should consider amending our policy.

The primary drivers of amending our policy are to provide the authority with more flexibility by enabling additional decision-making authority when reviewing Brownfield plans in order to assist with redevelopment of Brownfield projects, and to remain competitive with other Brownfield authorities. In our discussions with others that work in the Brownfield redevelopment profession, the trend seems to be to allow for this flexibility by following what is allowed by state law, rather than setting more restrictive parameters in the local policy. In our case, there are two particular items we may wish to amend given they are more restrictive than state law.

One, we require a developer to submit a TIF Plan that would seek both the collection of school taxes and non-school taxes for eligible Brownfield expenses. The practical difficulty with this requirement is that in order to qualify for the collection of school taxes, no project can start prior to submitting a plan to the state. What this may do is hinder a project from getting started if they only want to collect non-school taxes. It is important to note, that the state does not always allow the collection of school taxes. Furthermore, our policy states that we will only allow the proportional share of local taxes to be collected should the state deny the collection of school taxes. This is our “safeguard” that we will not automatically allow additional non-school taxes to

be captured to make-up for the denied school taxes. This provision would also apply if we were to amend our policy to encourage, not require, a TIF Plan to seek the collection of school taxes. Thus, encouraging, rather than requiring, a plan to seek the collection of school taxes is our first suggested amendment.

While we do have the policy safeguard of not automatically making up denied school taxes, to provide further flexibility, our existing policy does allow an applicant to seek approval to make-up the denied school taxes with non-school taxes if there is a compelling local interest. The policy outlines what those local interest may be such as number of jobs created, community impact, impact on tax base, etc. Again, this provision is in the interest of staying competitive and providing flexibility to deal with impactful projects.

An example of how this might look would be a plan that would seek to have \$100k in Brownfield expenses reimbursed with 40% from non-school taxes and 60% from school taxes. In order to obtain these reimbursements, they may need 10 years of collection of non-school taxes and 7 years of school taxes. If the state deemed \$20k of expenses ineligible for school tax collection, that \$20K would be reimbursed on the 40% proportion of non-school taxes only. Thus, the reimbursement on that \$20k would be \$8 non-school and \$0k school taxes. Under our policy, the applicant could ask the city to consider extending (up to a total of 15 years) the collection of non-school taxes in order to make-up the uncollected school taxes. The tables below may help.

Non-School and School Tax Collection

Expenses	Non-School Reimbursement	School Reimbursement
\$100,000	\$40,000	\$60,000

A portion of School Tax Collection Denied

Expenses	Non-School Reimbursement	School Reimbursement
\$80k eligible with school	\$32,000	\$60,000
\$20k non-school eligible	\$8,000	\$0
Request to make-up	\$12,000	

Additionally, under a policy change, the applicant could choose to not seek the collection of school taxes at all. Thus, they could ask the city to approve an extension of collecting non-school taxes in order to make-up the 60% that may have been eligible to reimbursed with school taxes. In the example above, a compelling reason would have to be made on why non-school taxes should be extended to cover the \$60k of school taxes not sought and this would require more than 15 years of non-school tax collection in order to make-up the difference. The table below shows this example.

No School Tax Collection

Expenses	Non-School Reimbursement	School Reimbursement
\$100k eligible	\$40,000	\$0
Request to make-up	\$60,000	

The other potential amendment to the policy is the length of time we allow a developer to be reimbursed through a TIF. Currently, our policy limits a TIF to 15 years. Under state law, a TIF may extend for 30 years. The example above does a nice job of outlining a potential limitation of our policy. In that example, if the city did want to consider allowing the extension of TIF collection on non-school taxes in order to make-up the non-collection of school taxes, our existing policy limits TIF collection to 15 years. Thus, we would not even be able to consider an extension. We feel this again limits the flexibility of the authority to consider a project that may be a worthy project of consideration and it is more restrictive than state law. We would thus recommend an amendment to allow the collection of TIF to the maximum extent allowed by state law (30 years currently) in order for us to remain competitive with other communities.

We are continuing to work with Pat on if any other amendments should be considered to the policy and the process that would be required to amend our policy should we desire to do so. Klunder believes both City Council and the Brownfield Authority would have to act on the proposed policy amendments.

Brownfield Reappointments

On September 21, 2020 City Council amended the Brownfield Redevelopment Authority authorizing resolution (8/19/2002) replacing the Local Development Finance Authority (which has been dissolved) from serving as the BRA Board and instead, had the Mayor recommended seven city residents to serve as the Brownfield Redevelopment Authority Board, subject to City Council approval.

On October 19, 2020, the Zeeland City Council accepted Mayor Klynstra's recommendation to appoint the following individuals, with the listed terms:

- Mayor Klynstra (term ending 11/1/2021)
- Councilman Rick VanDorp (term ending 11/1/2023)
- Beth Blanton, VP of Engagement at Lakeshore Advnt. (term ending 11/1/2022)
- Sarah Huizenga, Cityside Middle School Principal (term ending 11/1/2022)
- Tim Maday, Community Development Director (term ending 11/1/2023)
- Andy Boatright, ZBPW General Manager (term ending 11/1/2023)
- Tim Klunder, City Manager (term ending 11/1/2021)

The terms of Mayor Klynstra and City Manager Klunder have ended. Mayor Klynstra is recommending that both he and City Manager Klunder be re-appointed. The term on the Brownfield Redevelopment Authority is three years.

MDOT Performance Resolution

Plockmeyer explained the Michigan Department of Transportation (MDOT) requires that municipalities who need to perform work within the MDOT right-of-way (which we do) execute

MDOT Form 2207B. This form serves as an official resolution whereby the city holds MDOT harmless from liability for work done by the City in the MDOT right-of-way.

MDOT recently updated its form 2207B. According to MDOT the changes include removing the word "Utility" from "Municipal Utility" in the document. By making this change, the resolution now allows the City of Zeeland to construct, operate, use and/or maintain utilities or other facilities, or to conduct other activities, on over, and under State Highway Right of Way at various locations within and adjacent to its corporate limits. As staff we see this as less restrictive, and would recommend that City Council authorize this resolution.

Tahoe Bid Award

Police Chief Jungel explained they are requesting the purchase of a 2022 Chevrolet Tahoe Police Package vehicle. As has been the case for the last several years, they have not custom ordered their vehicle. GM started taking orders for the 2022 model year and then abruptly closed that process. Two local dealers anticipated this closure and put in orders for the 2022 Police Package Tahoes. Berger Chevrolet and Todd Wenzel both ordered Tahoes that would fit the Police Department's needs.

Berger Chevrolet quoted \$39,908.00 and Todd Wenzel quoted \$40,781.00. Both vehicles are similarly outfitted. The significant difference with the two vehicles is that the Todd Wenzel Tahoe has remote start while the Berger vehicle has the rear camera mirror. Last year's vehicle also had this mirror and Jungel believes this enhances the safety of the vehicle by improving the ability to see objects to the rear.

Budget Resolution

Each year, City Council holds a budget hearing in early May to set its course for the next Fiscal Year. This year is no different. The first step in the process will happen at tonight's meeting with the passing of a resolution to establish the public hearing date of May 2nd.

The Resolution and Public Hearing notice do include the reinstatement of the 1.0000 Mill that was not collected the previous two years in response to the COVID pandemic. As is such, this resolution reflects a budget that is seeking 11.1354 mills for general operating purposes and .0993 Mills for the West Michigan Airport Authority.

Closed Session

Motion was made Councilmember Timmer and seconded by Councilmember Broersma to enter into Closed Session at 6:42 p.m. to discuss Negotiating Strategies.

Roll call.

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

No Votes: None

Absent: Lam

City Council reconvened at 7:14 p.m. from a Closed Session.

The Work Study adjourned to the regular Council Meeting at 7:15 p.m.