

OWOSSO CITY COUNCIL

MARCH 3, 2014

7:30 P.M.

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

OPENING PRAYER: REVEREND SUSAN KINGSLEY
TRINITY UNITED METHODIST CHURCH

PLEDGE OF ALLEGIANCE: MICHAEL ESPICH
PARKS & RECREATION COMMISSION CHAIRMAN

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Christopher T. Eveleth, Councilpersons Loreen F. Bailey, Burton D. Fox, Elaine N. Greenway, and Robert J. Teich, Jr.

ABSENT: Councilperson David B. Bandkau.

APPROVE AGENDA

Motion by Mayor Pro-Tem Eveleth to approve the agenda with the following changes:

Add Presentation 1. HOPE Project.
Add Item of Business 3. Purchase of Street Lamps & Posts.
Move Consent 3. Curwood Castle Couches to Item of Business 4.

Note the additional attachment for Item of Business 1. Lighting Upgrade Agreement.

Motion supported by Councilperson Fox and concurred in by unanimous vote.

APPROVAL OF THE MINUTES OF REGULAR MEETING OF FEBRUARY 18, 2014

Motion by Councilperson Bailey to approve the Minutes of the Regular Meeting of February 18, 2014 as presented.

Motion supported by Mayor Pro-Tem Eveleth and concurred in by unanimous vote.

STUDENT REPRESENTATIVE REPORT

None.

PROCLAMATIONS / SPECIAL PRESENTATIONS

HOPE PROJECT (Added to the Agenda)

Pastor Marlene Webster detailed the collaborative effort of numerous area organizations to combat poverty, named the HOPE Project. She indicated that 1 in 4 children live in poverty in Shiawassee County and the group is looking for ways to help people permanently emerge from poverty. She announced an event at the Baker College Welcome Center on March 27th from 8:00 am to noon to kick off the effort and talk about specific things that can be done to educate the community and combat poverty.

PUBLIC HEARINGS

None.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, business owner at 118 South Washington Street, said he has a mission to help those in poverty and noted that he was extremely pleased that Habitat for Humanity has expressed a desire to re-establish a presence in Shiawassee County. He went on to say that he felt the organization would be thwarted in its efforts to help people in the City because they would be prohibited from building alternative housing because the City's current zoning laws are too restrictive. He asked that Council change the laws back.

Pastor Marlene Webster, 407 Woodhall Court, indicated she had spoken with Habitat for Humanity representatives and they confirmed their desire to come back to Shiawassee County. She went on to say that they indicated to her they would be concentrating on fixing existing homes rather than building new homes as they have done in the past.

Eddie Urban, 601 Glenwood Avenue, said he felt that Ms. Webster was on the right track with her efforts to help those in poverty.

Mayor Frederick said the announcement of Habitat for Humanity's return to the county was a great thing. He said he too had met with a delegation from the organization and that they had

indicated they would be concentrating on rehabilitating existing homes, though new builds were not off the table. He went on to say that he would like to have another look at the design standards ordinance to potentially make changes that would allow more diversity.

Mayor Frederick announced the arrival of Ethan David Bandkau, born Saturday, March 1st. This is the first child for Councilperson Bandkau and his wife.

Councilperson Fox said he was dead set against repealing all of the design standards that were implemented. He said some adjustments did seem to be in order but he cautioned that Council had no chance of pleasing everyone all the time and that there was merit in the current ordinance. He went on to say that there is a great area on Rain Street that would be ideal for a Habitat build as it is currently vacant and could be moved onto the tax rolls if it is developed. Lastly, he noted his continued desire to see the establishment of agreements with non-taxable entities within the City to fund the provision of emergency services to non-taxable properties.

Mayor Frederick noted that he had observed some "net zero" homes in the Traverse City area that would be very exciting to have in the City.

Mayor Pro-Tem Eveleth inquired about the long-standing request for audio and video upgrades to provide better access to public meetings through the City's cable access channels and website. City Clerk Amy K. Kirkland noted she continues to work on the project and that its complexity has delayed proposals to this point. She indicated she will have a proposal for the project in the upcoming budget and Council would need to choose from various options to reach a comfortable balance between cost and the provision of services.

Councilperson Teich indicated he would like to have more information on the City's commitment with Charter Communications for the provision of cable services in the City. City Manager Donald D. Crawford briefly described the current agreement with Charter saying the control that municipalities used to have with cable franchises no longer exists and that while the City receives a franchise fee for the company's use of City right of ways the City has no control over their broadcast or what they charge customers. He went on to say that the City has the additional challenge of establishing a new connection to the Charter head end as the company has indicated the City will no longer be able to utilize the current path to introduce programming onto the cable system. Lastly, he noted that Charter does not have an exclusive contract with the City and any other cable company that is interested in providing service to area residents is welcome, and that this open arrangement has allowed a second cable provider, TVC, to provide service to limited areas of the City.

CITY MANAGER REPORT

City Manager Crawford detailed the Project Status Report, specifically noting that the Howard Street reconstruction project will have to wait until next year as drainage issues in the area proved to be far more complex than originally anticipated. He also noted the M21/M52 reconstruction project will be running from April to October with some work occurring at night in order to take advantage of cooler night-time temperatures and to advance the timeline for the project.

Mayor Frederick inquired whether the City will have the funding necessary to handle the extraordinary number of potholes that are anticipated this spring. City Manager Crawford said that he anticipated that most City streets were in decent overall shape and would hold up to the stresses of the spring thaw ok. Director of Public Services Sedlak said his crews had been too busy repairing broken water mains and thawing frozen water services to repair existing potholes, but he anticipated that once the weather reached 30°-35° his crews could move to street patching projects.

CONSENT AGENDA

Motion by Mayor Pro-Tem Eveleth to approve the Consent Agenda as follows:

Mid-Michigan Custom Car Show Permission. Approve application of Andy Genovese on behalf of the Mid-Michigan Custom Car Show for use of Washington Street from Main Street to Mason Street and Exchange Street from Water Street to Park Street from 8:00am to 6:00pm on Sunday, May 18, 2014 for the Mid-Michigan Custom Car Show and authorize Traffic Control Order No. 1307 formalizing the request.

Water Treatment Plant Lime Transfer PO Extension. Approve waiving competitive bidding procedures, authorizing an extension of Purchase Order No. 41533 with Sumbera Excavating, Inc. for transfer of lime sludge at the Water Treatment Plant for additional work in an amount not to exceed \$30,000, and further authorizing payment up to that amount upon satisfactory completion of the work as follows:

RESOLUTION NO. 23-2014

AUTHORIZING EXTENSION OF AN AGREEMENT WITH SUMBERA EXCAVATING INCORPORATED

**TO TRANSFER AND STACK LIME RESIDUAL MATERIAL
AT THE WATER TREATMENT PLANT
ON A LABOR AND EQUIPMENT RENTAL BASIS NOT TO EXCEED \$30,000**

WHEREAS, the City has determined it necessary and prudent to transfer and stack lime residual material at its Water Treatment Plant lagoons to improve dewatering, gain lagoon capacity, and reduce future handling costs, and

WHEREAS, the City evaluated alternate proposals and means for accomplishing this work and determined the most cost-effective means readily available was on a labor and equipment rental basis as proposed by Sumbera Excavating, and

WHEREAS, the proposed cost is within the current Water Fund budget allocation for sludge handling, and

WHEREAS, time is of the essence due to weather conditions and Water Plant operating requirements.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: The city of Owosso has heretofore determined that it is advisable, necessary and in the public interest to waive further competitive bid procedures and extend the existing agreement with Sumbera Excavating on a labor and equipment rental basis not to exceed \$30,000.

SECOND: The purchase contract is in the form of a city purchase order on a labor and equipment rental basis, and the accounts payable department is authorized to submit payment to Sumbera Excavating in an amount, certified correct by the City Utilities Director, up to but not exceeding \$30,000 upon satisfactory completion of the work.

THIRD: The above expense shall be paid from the Water Fund.

Curwood Castle Couches. (This item was moved to Item of Business 4.)

Motion supported by Councilperson Bailey.

Roll Call Vote.

AYES: Mayor Pro-Tem Eveleth, Councilpersons Bailey, Greenway, Teich, Fox, and Mayor Frederick.

NAYS: None.

ABSENT: Councilperson Bandkau.

ITEMS OF BUSINESS

CONSUMERS ENERGY LIGHTING UPGRADE AGREEMENT

Mayor Frederick noted the additional attachment for this item spelling out the contract between the City and the contractor for the project.

City Manager Crawford briefly described the upgrade project saying he anticipated seeing similar projects in the future as the Federal government is now requiring power companies to put money back into the communities in which they function. The project will involve the change out of certain lighting fixtures at various City properties to more energy efficient fixtures. He noted the City will pay approximately \$43,000 for its share of the project and is expected to recoup the funds in the form of electricity savings in slightly over a year and a half.

Motion by Mayor Pro-Tem Eveleth to approve a participation agreement with Consumers Energy for exterior and interior lighting upgrades at select locations for more energy efficient fixtures as a part of their Small Business Solutions Program as follows:

RESOLUTION NO. 24-2014

**RESOLUTION AUTHORIZING THE EXECUTION OF AGREEMENTS FOR PARTICIPATION IN
THE CONSUMERS ENERGY SMALL BUSINESS SOLUTIONS PROGRAM
AND WITH WALTER MECHANICAL SERVICES, INC. D/B/A AIT GROUP
FOR EXTERIOR AND INTERIOR LIGHTING UPGRADES**

WHEREAS, the city of Owosso, Michigan, has determined that it is advisable, necessary and in the public interest to upgrade exterior and interior lighting which will result in energy savings; and

WHEREAS, through the Consumers Energy Small Business Solutions Program the city can receive in excess of \$50,000 in a one-time utility rebate; and

WHEREAS, with a one-time investment of approximately \$50,000 the city will recoup its investment in 19 months through savings in reduced energy costs.

NOW THEREFORE BE IT RESOLVED by the city of Owosso, county of Shiawassee, state of Michigan:

- FIRST: that the city of Owosso has heretofore determined that it is advisable, necessary and in the public interest to participate in the Consumers Energy Small Business Solutions Program with Walter Mechanical Services, Inc. d/b/a AIT Group as the program approved contractor.
- SECOND: that the city of Owosso will appropriate \$50,000 of general fund balance as the city's one-time investment to match the Consumers Energy payment to the approved contractor.
- THIRD: that the city manager of the city of Owosso is hereby instructed and authorized to sign the necessary documents with Consumers Energy and Walter Mechanical Services, Inc. d/b/a AIT Group as attached along with change orders that may become necessary.*

Motion supported by Councilperson Fox.

Roll Call Vote.

AYES: Councilpersons Greenway, Fox, Mayor Pro-Tem Eveleth, Councilpersons Teich, Bailey, and Mayor Frederick.

NAYS: None.

ABSENT: Councilperson Bandkau.

*Due to its length, full text of the agreement is not printed in the minutes. Full copies of the agreement can be found on file in the Clerk's Office, along with copies of the City's contract with contractor Walter Mechanical Services, Inc. d/b/a AIT Group.

DIG GRANT AGREEMENT

City Manager Crawford gave a presentation on the proposed projects the City would undertake with the funds awarded from the DIG Grant, including the creation of additional parking near Curwood Castle Park, the redevelopment of the area surrounding the Armory, and improvement of the walkways and infrastructure surrounding the Armory, Matthews Building, and City Hall. He cautioned the Council saying the risks of accepting the grant are significant because of the very short timeline by which construction must be completed, the uncertain nature of the costs to be borne by the City, and the fact the project is tied, in part, to the success of the Armory redevelopment. Lastly, he gave a breakdown of estimated expenses:

City of Owosso = \$125,000 (or more depending on the success of the Armory project)
DDA = \$245,000
Shiawassee Arts Council = \$1,000
Friends of the Shiawassee River = \$2,000

There was brief discussion among Council members. Mayor Frederick noted the risks but said he felt the results would be worthy of the risks. Councilperson Fox noted the risks as well but said there could be big dividends.

Motion by Councilperson Fox to approve the DIG Grant Agreement with the Michigan Strategic Fund for the Riverfront Renovation Project as follows:

RESOLUTION NO. 25-2014

RESOLUTION AUTHORIZING EXECUTION OF A GRANT AGREEMENT WITH THE MICHIGAN STRATEGIC FUND

WHEREAS, the City of Owosso, Shiawassee County, Michigan, recognizes the importance of its downtown and downtown institutions as they relate to the economic and cultural development of the community, as well as the overall quality of life; and

WHEREAS, the Owosso Master Plan, Park Plan, and DDA plan indicate that investment in the downtown infrastructure is essential to the community's future; and

WHEREAS, there is a need to provide for improvements related to public parking, building relocation, trailhead provision, trail improvements, and river improvements; and

WHEREAS, application was made to and approved by the MEDC for a downtown infrastructure grant; and

WHEREAS, the MEDC and MSF have awarded said grant to the city of Owosso; and

WHEREAS, the city must execute and enter into a grant agreement with the MSF for the amount of \$695,264 to formalize the responsibilities of all parties involved.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to execute a grant agreement with the Michigan Strategic Fund in the amount of \$695,264.

SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached, Grant Agreement between the City of Owosso, Michigan and the Michigan Strategic Fund up to the amount of \$695,264.*

Motion supported by Mayor Pro-Tem Eveleth.

Roll Call Vote.

AYES: Councilpersons Fox, Teich, Mayor Pro-Tem Eveleth, Councilpersons, Greenway, Bailey, and Mayor Frederick.

NAYS: None.

ABSENT: Councilperson Bandkau.

*Due to its length, full text of the agreement is not printed in the minutes. Full copies of the agreement can be found on file in the Clerk's Office.

PURCHASE OF STREET LAMPS AND POSTS (This item was added to the agenda)

Staff indicated this purchase was routine in that its purpose was to replace the inventory of Chairman lights kept on hand for use in the downtown.

There was a brief discussion regarding the flags and brackets on the lamp posts. Mayor Frederick noted there is a Main Street committee that is tasked with dealing with such issues and could be contacted for further information.

Motion by Mayor Pro-Tem Eveleth to approve the purchase of 12 street lamps and posts from Spring City Electrical Mfg. Co., Inc. in the amount of \$29,736.00 as follows:

RESOLUTION NO. 26-2014

**RESOLUTION AUTHORIZING THE EXECUTION OF A CONTRACT
FOR THE PURCHASE OF DECORATIVE STREET LAMPS AND POSTS
FROM SPRING CITY ELECTRICAL MFG. CO., INC.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, Department of Public Services has a duty to maintain the decorative street lamps in the downtown area of the city; and

WHEREAS, the City of Owosso received four (4) bids from vendors through the MITN system with the low bid received from Spring City Electrical Mfg. Co., Inc.; and it is hereby determined that Spring City Electrical Mfg. Co., Inc. is qualified to provide such equipment and that it has submitted the responsible and responsive bid.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to purchase 12 decorative lamps and posts from Spring City Electrical Mfg. Co., Inc. for a cost to the City of Owosso of \$29,736.00.

SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached, Contract for Services between the City of Owosso, Michigan and Spring City Electrical Mfg. Co., Inc. up to the amount of \$29,736.00.

THIRD: The above expenses shall be paid from inventory – account number 101-000-160000 upon satisfactory receipt of the merchandise.

Motion supported by Councilperson Bailey.

Roll Call Vote.

AYES: Councilpersons Teich, Bailey, Fox, Mayor Pro-Tem Eveleth, Councilperson Greenway, and Mayor Frederick.

NAYS: None.

ABSENT: Councilperson Bandkau.

CURWOOD CASTLE COUCHES (This item was moved from the Consent Agenda)

Councilperson Bailey inquired why Council was approving this purchase instead of the Historical Commission. Councilperson Greenway noted the purchase was over \$5,000 and as such had to be confirmed by City Council.

There was discussion regarding whether the Historical Commission would be able to meet its other obligations if the purchase was authorized. Councilperson Greenway indicated the Commission felt it would be able to meet all its obligations.

Motion by Councilperson Bailey to confirm the Historical Commission's authorization to purchase two custom couches for Curwood Castle from Melco Interiors in the amount of \$5,389.20 (with the removal of the sales tax noted on the estimate), and further confirm payment from the Historic Home Tour fund up to that amount upon satisfactory completion of the project as follows:

RESOLUTION NO. 27-2014

**RESOLUTION AUTHORIZING
THE PURCHASE OF CUSTOM COUCHES FOR CURWOOD CASTLE
FROM MELCO INTERIORS OF OWOSSO, MICHIGAN**

WHEREAS, the Owosso Historical Commission, a Charter Commission of the City of Owosso, has been charged with the responsibility of maintaining the historic buildings owned by the City, and of promoting the appreciation of architecture and history to the general public and citizens alike and collecting and displaying object of historical interest; and

WHEREAS, the Owosso Historical Commission has determined that Owosso's most iconic building is Curwood Castle, and that Curwood as an author and conservationist is largely unappreciated and undervalued; and

WHEREAS, the Owosso Historical Commission determined by vote to elevate Curwood Castle to a first rate museum by increasing interest both in the man Curwood and his body of works, and the historic building itself; and

WHEREAS, the Owosso Historical Commission approved by vote to refurbish the Castle according to existing photos of the Great Room with Curwood present; and

WHEREAS, the OHC voted to earmark monies earned from the Owosso Historic Home Tour to recreate the atmosphere and setting of Curwood's time at his Castle, replicating the interior furnishings according to the existing photos; and

WHEREAS, the OHC has selected for purchase custom-made sofas as some of the first items to be added to furnish the Castle; and

WHEREAS, the OHC has selected local vendor Melco Interiors to perform this work based on historically related products they have produced or refurbished in the past.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan, that:

- FIRST: The Owosso City Council concurs with the Historical Commission that it is beneficial to preserve and promote the history of one of the City's foremost citizens and to increase tourism through careful additions to the collection of Curwood Castle.
- SECOND: The Council hereby approves of the purchase of two custom sofas from Melco Interiors of Owosso for display in Curwood Castle.
- THIRD: Expenses in the amount of \$5,389.20 shall be paid from the Owosso Historical Commission Historic Home Tour Fund.
- FOURTH: Payment of up to \$5,389.20 is hereby authorized upon satisfactory completion of the project.

Motion supported by Councilperson Fox.

Roll Call Vote.

AYES: Councilperson Fox, Mayor Pro-Tem Eveleth, Councilpersons Bailey, Greenway, Teich, and Mayor Frederick.

NAYS: None.

ABSENT: Councilperson Bandkau.

COMMUNICATIONS

Mark A. Sedlak, Public Services Director. Expanded work hours for the M52 & M21 construction project.

Richard C. Williams, Finance Director. Revenue & Expenditure Report – January 2014.

Historical Commission. Minutes of January 13, 2014.

Downtown Development Authority/Main Street. Minutes of February 5, 2014.

Historical Commission. Minutes of February 10, 2014.

CITIZEN COMMENTS AND QUESTIONS

Parks and Recreation Commission Chairperson Michael Espich was on hand to announce the 3rd annual Plunge for Parks event to be held March 22nd at 2:00pm at Hopkins Lake. Money raised will go toward an ice skating rink in Bentley Park, with the goal to raise \$6,000. He noted that all donations are tax deductible. Mayor Frederick said he was excited to be a part of the event again this year.

Eddie Urban, 601 Glenwood Avenue, spoke about the new property tax exemption for disabled veterans. He also noted that he would be video-taping the Home Expo again this year.

Dan Harrow, 432 Mason Street, said he believed Council had their hearts in the right place but he was frustrated by their acceptance of a \$600,000+ grant as the funds for that grant came from tax payers, many of whom are living paycheck to paycheck. He said government was out of touch with reality and he felt it was contributing to the demise of the United States.

Councilperson Fox noted that he had recently heard about a new program to benefit veterans and he was trying to get more information about it.

NEXT MEETING

Monday, March 17, 2014 – Regular Meeting

Monday, March 31, 2014 – 5th Monday Planning Session

BOARDS AND COMMISSIONS OPENINGS

None.

ADJOURNMENT

Motion by Mayor Pro-Tem Eveleth for adjournment at 9:06 p.m.

Motion supported by Councilperson Bailey and concurred in by unanimous vote.

Benjamin R. Frederick, Mayor

Amy K. Kirkland, City Clerk