

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF FEBRUARY 18, 2020
7:30 P.M.**

PRESIDING OFFICER: MAYOR CHRISTOPHER T. EVELETH

OPENING PRAYER: CHARLES ADAMS, EXECUTIVE DIRECTOR
SPRINGVALE CHRISTIAN SCHOOL

PLEDGE OF ALLEGIANCE: HEATHER BROOKS, OWNER
BROOKS INNOVATIVE GRAPHICS

PRESENT: Mayor Christopher T. Eveleth, Mayor Pro-Tem Susan J. Osika,
Councilmembers Loreen F. Bailey, Janae L. Fear, Jerome C.
Haber, and Daniel A. Law.

ABSENT: Councilmember Nicholas L. Pidek.

APPROVE AGENDA

Motion by Mayor Pro-Tem Osika to approve the agenda as presented.

Motion supported by Councilmember Law and concurred in by unanimous vote.

APPROVAL OF THE MINUTES OF REGULAR MEETING OF FEBRUARY 3, 2020

Motion by Councilmember Bailey to approve the Minutes of the Regular Meeting of February 3, 2020 with the following correction:

Change the name of the Councilmember that supported the first motion to approve the Recreational Marijuana Facilities Ordinance from Fear to Law to give proper credit to the member that took the action.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

Special Assessment District No. 2020-01 – Cedar Street, from South Street to Hampton Avenue

City Manager Nathan R. Henne gave an overview of the project planned for Cedar Street as well as a summary of the costs and how they will be allocated between the City and homeowners.

A public hearing was conducted to receive citizen comment regarding authorization of Resolution No. 5 for Special Assessment District No. 2020-01 for Cedar Street, from South Street to Hampton Avenue for street rehabilitation.

There were no citizen comments regarding this matter received prior to, or during the meeting.

Motion by Councilmember Bailey that the following resolution be adopted:

RESOLUTION NO. 29-2020
SPECIAL ASSESSMENT DISTRICT NO. 2020-01
CEDAR STREET
FROM SOUTH STREET TO HAMPTON AVENUE
SPECIAL ASSESSMENT RESOLUTION NO. 5

WHEREAS, the City Council has met, after due and legal notice, and reviewed the special assessment roll prepared for the purpose of defraying the special assessment district's share of the following described public improvement:

CEDAR STREET FROM SOUTH STREET TO HAMPTON AVENUE
STREET REHABILITATION

and

WHEREAS, all interested parties were heard and after carefully reviewing said special assessment roll the Council deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the benefits to be derived by the parcel of land assessed.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll as prepared by the City Assessor in the amount of \$91,602.81 is hereby confirmed and shall be known as Special Assessment Roll No. 2020-01.
2. Said special assessment roll shall be divided into ten (10) installments, the first of which shall be due and payable on September 1, 2020, and the subsequent installments shall be due on September 1st of each and every year thereafter. Payment of the amount of the special assessment may be made in full without interest or penalty by November 1, 2020.
3. The installments of the special assessment rolls shall bear interest at the rate of 6% per annum; provided, however, if the bonds are issued in anticipation of said special assessments, then such unpaid special assessment shall bear interest at a rate of interest equal to 1% above the average rate of interest borne by said bonds. Such interest shall commence on September 1, 2020 and shall be paid annually on each installment due date.
4. Said special assessment roll shall be placed on file in the office of the City Clerk who shall attach her warrant to a certified copy thereof within ten (10) days commanding the Assessor to spread the various sums shown thereon as directed by the City Council.

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

AYES: Councilmembers Haber, Fear, Law, Mayor Pro-Tem Osika, Councilmember Bailey,
and Mayor Eveleth.

NAYS: None.

ABSENT: Councilmember Pidek.

Special Assessment District No. 2020-02 – Clark Avenue, from Oliver Street to King Street

City Manager Nathan R. Henne gave an overview of the project planned for Cedar Street as well as a summary of the costs and how they will be allocated between the City and homeowners.

A public hearing was conducted to receive citizen comment regarding authorization of Resolution No. 5 for Special Assessment District No. 2020-02 for Clark Avenue, from Oliver Street to King Street for street rehabilitation.

The following person commented in regard to the proposed special assessment roll:

Tom Kurtz, 721 Lee Street, inquired about how parking will be handled while school is in session. He also asked when Lee Street would be targeted for rehabilitation noting that it is in particularly poor shape in front of his house.

City Manager Henne said the project may start slightly before the end of the school year (making for potential parking issues). He said he would see to it that a notice goes out to nearby residents and Central School to coordinate parking in the area.

In response to Mr. Kurtz's questions City Manager Henne indicated that he would have to check to see when Lee Street is scheduled for rehabilitation.

Motion by Mayor Pro-Tem Osika that the following resolution be adopted:

RESOLUTION NO. 30-2020
SPECIAL ASSESSMENT DISTRICT NO. 2020-02
CLARK AVENUE

**FROM OLIVER STREET TO KING STREET
SPECIAL ASSESSMENT RESOLUTION NO. 5**

WHEREAS, the City Council has met, after due and legal notice, and reviewed the special assessment roll prepared for the purpose of defraying the special assessment district's share of the following described public improvement:

CLARK AVENUE FROM OLIVER STREET TO KING STREET
STREET REHABILITATION

and

WHEREAS, all interested parties were heard and after carefully reviewing said special assessment roll the Council deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the benefits to be derived by the parcel of land assessed.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll as prepared by the City Assessor in the amount of \$51,598.52 is hereby confirmed and shall be known as Special Assessment Roll No. 2020-02.
2. Said special assessment roll shall be divided into ten (10) installments, the first of which shall be due and payable on September 1, 2020, and the subsequent installments shall be due on September 1st of each and every year thereafter. Payment of the amount of the special assessment may be made in full without interest or penalty by November 1, 2020.
3. The installments of the special assessment rolls shall bear interest at the rate of 6% per annum; provided, however, if the bonds are issued in anticipation of said special assessments, then such unpaid special assessment shall bear interest at a rate of interest equal to 1% above the average rate of interest borne by said bonds. Such interest shall commence on September 1, 2020 and shall be paid annually on each installment due date.
4. Said special assessment roll shall be placed on file in the office of the City Clerk who shall attach her warrant to a certified copy thereof within ten (10) days commanding the Assessor to spread the various sums shown thereon as directed by the City Council.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Councilmember Law, Mayor Pro-Tem Osika, Councilmembers Haber, Fear, Bailey, and Mayor Eveleth.

NAYS: None.

ABSENT: Councilmember Pidek.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, 2910 W. M-21, asked why the millage rate is not stated in the City's March bond question. He commented on what he sees as excessive obstruction charges given to City defendants and vague laws regarding police assault.

Eddie Urban, 601 Glenwood Avenue, commented on the great information that is provided by the city's local newspapers, pointing out several specific articles.

Mayor Pro-Tem Osika asked for an update on the Matthew's Building. City Manager Henne said it appears that no action by the owner has taken place to date and the City will be issuing a ticket to the owner if the sited code enforcement issues are not remedied by next Thursday.

CONSENT AGENDA

Motion by Councilmember Bailey to approve the Consent Agenda as follows:

First Reading & Set Public Hearing – ROW Permit Ordinance. Conduct the first reading and set a public hearing for Monday, March 2, 2020 at 7:30 p.m. to receive citizen comment regarding the proposed amendment to Chapter 29, Streets, Sidewalks and Other Public Places, Article II, Streets, Division 2, Permits, Sec. 29-48, *Performance bond*, of the Code of Ordinances of the City of Owosso to remove the cash deposit option in lieu of a bond as detailed in the following resolution:

RESOLUTION NO. 31-2020

FIRST READING & SET A PUBLIC HEARING FOR AN ORDINANCE AMENDING SECTION 29-48, PERFORMANCE BOND, OF THE CODE OF ORDINANCES TO REMOVE THE CASH DEPOSIT IN LIEU OF PERFORMANCE BOND OPTION

WHEREAS, the Council of the City of Owosso adopted Ordinance No. 474 on May 22, 1990 establishing regulations governing the performance of work under, over, or upon any City street by an outside person, firm, or corporation; and

WHEREAS, the Director of Public Services requests to revise Section 29-48 of Article II Streets, by removing certain language eliminating cash deposits in lieu of performance bonds, and proposing new performance bond surety amounts; and

WHEREAS, the City Council has established a long-term practice of holding a public hearing to hear all interested persons regarding any and all proposed ordinance amendments.

NOW, THEREFORE BE IT RESOLVED THAT THE CITY OF OWOSSO ORDAINS THAT:

SECTION 1. AMENDMENT. Section 29-48. Performance bond, of Chapter 29, Streets, Sidewalks and Other Public Places, Article II, Streets, Division 2, Permits, is hereby amended to read:

Sec. 29-48. - Performance bond.

- (a) As a prerequisite to the issuance of a permit for which application has been made under this article, the person, firm or corporation to whom or which the permit is to be issued shall file a bond with such sureties and in such amount as are acceptable to the city shown in the chart below and conditioned upon the following:
(1) Complete and acceptable performance of the work authorized and covered by the permit;
(2) Complete and acceptable performance of the conditions contained in the application for the permit; and
(3) Compliance with all requirements of state, county and local laws and regulations.

Table with 2 columns: Amount, Type of Work. Row 1: \$2,000, Any work that does not require a street cut (driveway approach, sewer line repair, water line repair with work exclusively behind the curb). Row 2: \$5,000, Any work that requires a street cut (sewer repair in street).

(b) In lieu of the foregoing bond requirement, the person, firm or corporation to whom or which the permit is to be issued may make a cash deposit conditioned upon the same terms and conditions as apply to a bond with sureties as above provided. The amount of such cash deposit shall be determined by the city engineer, but in no case shall the cash deposit be less than the amount of the bond with sureties which would otherwise be required. Six (6) months after completion of the work for which a permit is issued, whether such work is done by the person, firm or corporation to whom or which the permit is issued, the city or any other person or entity, any remaining unexpended portions of the cash deposit shall be refunded.

(b) The bond shall be submitted once per calendar year. If all work performed during the permit year is satisfactory and in accordance with applicable rules and regulations, the bond shall be returned at the end of the calendar and/or permit year. Failure to comply with the applicable rules and regulations, as well as satisfactory restoration requirements, shall result in drawing on the performance bond in the amounts of actual cost for the City of Owosso to make repairs, plus a \$100 administration fee.

(c) In any case where the amount of the bond or the cash deposit does not cover all costs and expenses of the city in the completion of the work authorized and covered by the permit, the deficit shall be paid by the person, firm or corporation to whom or which the permit is issued.

SECTION 2. EFFECTIVE DATE. This amendment shall become effective twenty days after passage.

SECTION 3. AVAILABILITY. This ordinance may be purchased or inspected in the city clerk's office, Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.

SECTION 4. PUBLIC HEARING. A public hearing is set for Monday, March 2, 2020 at 7:30 p.m. for the purpose of hearing citizen comment regarding the proposed ordinance amendment.

Lume Grand Opening Permission. Approve request from Green Sunrise Products, LLC dba Lume for the closure of the south west portion of Lot #10 (Comstock parking lot) from 7:00am

until 10:00pm February 24, 2020 – February 29, 2020 to accommodate overflow parking for the grand opening of the Lume recreational marijuana retail facility and authorize Traffic Control Order No. 1434 formalizing the request.

Contract Amendment – Tree Removal Services.* Approve Amendment No. 1 to the contract with Forrest M. Spitzer d/b/a J & M Tree Service for tree removal services adding \$6,000.00 to the contract for the removal of trees in the area of the Owosso Drain easement and further approve payment to the contractor up to the amendment amount upon satisfactory completion of the work or portion thereof as detailed below:

RESOLUTION NO. 32-2020

APPROVAL OF AMENDMENT NO. 1 TO J&M TREE SERVICE OF FLINT, MICHIGAN FOR CONTRACTED TREE REMOVAL SERVICES

WHEREAS, the city of Owosso, Shiawassee County, Michigan, has determined that additional tree removal services are required within a street right of way and easement, to avoid risks of flooding and property damage to the general public; and

WHEREAS, the city of Owosso has solicited a proposal from Forrest M. Spitzer d/b/a J&M Tree Service to perform additional tree removal services to address the risk of flooding and property damage in the southwest section of the city of Owosso, and

WHEREAS, Forrest M. Spitzer d/b/a J&M Tree Service has offered to provide the additional tree removal services in the amount of \$6,000.00.

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 amend the tree removal services contract with Forrest M. Spitzer d/b/a J&M Tree Service of Flint, Michigan to remove additional trees within a street right of way and easement in the amount of \$6,000.00.

SECOND: The mayor and city clerk are instructed and authorized to sign the document attached as Amendment No. 1 contract for services between the city of Owosso, Michigan and Forrest M. Spitzer d/b/a J&M Tree Service in the amount of \$6,000.00.

THIRD: The accounts payable department is authorized to pay Forrest M. Spitzer d/b/a J&M Tree Service for work satisfactorily completed in the amount of \$30,200.00, plus contingency work in the amount of \$8,000.00, and Amendment No. 1 in the amount of \$6,000.00 for a total of \$44,200.00.

FOURTH: The above expenses shall be paid from accounts 202/203-480-818.000.

Purchase Authorization – Street Sweeper. Waive competitive bidding requirements, authorize the purchase of one Elgin Pelican Street Sweeper from Bell Equipment Company, holder of State of Michigan Contract No. 071B7700091, in the amount of \$174,956.00, approve contingency funds for transportation and delivery expenses in the amount of \$2,000.00, and authorize payment up to the amount of \$176,956.00 as follows:

RESOLUTION NO. 33-2020

AUTHORIZING PURCHASE ORDER WITH BELL EQUIPMENT COMPANY OF LAKE ORION, MICHIGAN TO PROCURE ONE ELGIN PELICAN STREET SWEEPER FOR USE IN THE FLEET MOTOR POOL

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Fleet Motor Pool Replacement Fund for the replacement of a street sweeper used for the maintenance of streets and compliance with state of Michigan MS4 storm water regulations of 2003, and

WHEREAS, the existing street sweeper is nearing its cost efficient useful life, and

WHEREAS, the City of Owosso Director of Public Services & Utilities has reviewed the replacement equipment on the State of Michigan MiDeal Contract as priced by Bell Equipment Company, and recommends authorizing a purchase order with Bell Equipment for the purchase of one (1) each Elgin Pelican street sweeper on the State of Michigan MiDeal Contract, 071B7700091, and

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 contract with Bell Equipment Company of Lake Orion, Michigan for the purchase of one (1) each Elgin Pelican street sweeper on State of Michigan MiDeal Contract 071B7700091, for use in the Fleet Motor Pool, in the amount of \$174,956.00.
- SECOND: The accounts payable department is authorized to submit payment to Bell Equipment Company in the amount of \$174,956.00, plus contingency funds in the amount of \$2,000.00 for transportation & delivery expenses and unplanned configuration changes for a total of \$176,956.00.
- THIRD: The above expenses shall be paid from account no. 661-901-979.000.

Warrant No. 581. Authorize Warrant No. 581 as follows:

Vendor	Description	Fund	Amount
Gould Law, P.C.	Professional services-9/10/19-10/14/19	General	\$10,537.28

Check Register – January 2020.* Affirm check disbursements totaling \$3,426,888.40 for January 2020.

Motion supported by Councilmember Law.

Roll Call Vote.

- AYES: Councilmember Fear, Mayor Pro-Tem Osika, Councilmembers Law, Haber, Bailey, and Mayor Eveleth.
- NAYS: None.
- ABSENT: Councilmember Pidek.

Mayor Eveleth noted that they had forgotten to address the citizen question regarding the March ballot measure. City Manager Henne responded to Mr. Manke saying he would provide the information he was requesting, he further noted that the City would soon be putting out information on the ballot measure to posting to social media.

ITEMS OF BUSINESS

Notice of Intent to Issue Revenue Bonds and Right to Referendum – Sewer Collection System

City Manager Henne noted that this action would start the 45-day referendum period required for the sale of bonds. He went on to note that the bond in question would have a 20-year maturity and give 2% interest.

Motion by Councilmember Bailey to adopt the following resolution of Notice of Intent to Issue Revenue Bonds and Right to Referendum thereof for the proposed issuance of bonds to finance the 2020 SRF sewer collection system projects:

RESOLUTION NO. 34-2020

AUTHORIZING NOTICE OF INTENT TO ISSUE SEWER SYSTEM REVENUE BONDS

WHEREAS, the City of Owosso, County of Shiawassee, State of Michigan (the “City”) determines it to be necessary for the public health, safety and welfare of the City and its residents to acquire and construct improvements to the City’s sewer system including, but not limited to, replacement and rehabilitation of sewer pipes and manholes, together with any appurtenances and attachments and any related site improvements (collectively, the “Project”); and

WHEREAS, the City anticipates it will obtain funding for the Project from the State Revolving Fund (SRF), a low interest loan financing program administered by the State of Michigan Department of Treasury and the Michigan Finance Authority; and

WHEREAS, in order to obtain loans from the SRF Program, the City must issue bonds, and the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended (“Act 94”), provides a means for financing the acquisition, construction, and improvement of public

improvements such as the Project through the issuance of bonds payable from revenues of the City's Sewer System (the "System"); and

WHEREAS, the issuance of bonds under Act 94 payable from revenues of the System (the "Revenue Bonds") for the purpose of financing the Project represents the most practical means to that end, and Section 33 of Act 94 requires the City to publish a notice of intent before the City can issue the Revenue Bonds; and

WHEREAS, it will be necessary for the City to issue the Revenue Bonds in an aggregate amount not-to-exceed One Million Three Hundred Forty Thousand Dollars (\$1,340,000).

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is hereby authorized and directed to publish, or cause to be published, a notice of intent to issue the Revenue Bonds in the Argus-Press, a newspaper of general circulation in the City. The notice of intent shall be published as a one-quarter (1/4) page display advertisement in substantially the following form:

**NOTICE TO ELECTORS OF THE CITY OF OWOSSO
AND TO USERS OF THE CITY'S SEWER SYSTEM
OF INTENT TO ISSUE REVENUE BONDS
AND THE RIGHT OF REFERENDUM THEREON**

PLEASE TAKE NOTICE that the City Council of the City of Owosso, County of Shiawassee, State of Michigan, intends to issue and sell revenue bonds pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in an amount not to exceed One Million Three Hundred Forty Thousand Dollars (\$1,340,000) for the purpose of paying costs to acquire and construct improvements to the City's sewer system including, but not limited to, replacement and rehabilitation of sewer pipes and manholes, together with any appurtenances and attachments and any related site improvements.

The Revenue Bonds may be issued in one or more series and may be combined with bonds issued for other purposes as shall be determined by the City Council. Each series of the Revenue Bonds will mature in annual installments not to exceed the maximum permitted by law, with interest on the unpaid balance from time to time remaining outstanding on said bonds to be payable at rates to be determined at sale of the Revenue Bonds but in no event to exceed such rates as may be permitted by law.

SOURCE OF PAYMENT OF REVENUE BONDS

THE PRINCIPAL OF AND INTEREST ON THE REVENUE BONDS SHALL BE PAYABLE solely from the revenues received by the City from the operations of the Sewer System, except as provided below if the revenue bonds are sold to the Michigan Finance Authority. The revenues will consist of rates and charges billed to the users of the System, a schedule of which is available at www.ci.owosso.mi.us/utilities. The rates and charges may from time to time be revised to provide sufficient revenues to provide for the expenses of operating and maintaining the System, to pay the principal of and interest on the revenue bonds and other obligations of the System, and to provide reserves for these purposes.

ADDITIONAL POTENTIAL SOURCES OF PAYMENTS

The City anticipates that it will sell the revenue bonds to the Michigan Finance Authority. The Michigan Finance Authority may require the City to pledge for the payment of the revenue bonds money received or to be received by the City derived from imposition of taxes by the State and returned to the City as provided by law, except for money the use of which is prohibited for such purposes by the State Constitution. The City may enter into an agreement providing for the payment to the Michigan Finance Authority or a trustee of taxes collected by the State and returned to the City, and such funds may be pledged for the payment of the revenue bonds.

RIGHT OF REFERENDUM

THE REVENUE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A VALID PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS RESIDING WITHIN THE BOUNDARIES OF THE CITY IS FILED WITH THE CITY CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE REVENUE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS RESIDING WITHIN THE BOUNDARIES OF THE CITY VOTING THEREON. If such petition is filed and the electors of the City voting thereon approve the issuance of the revenue bonds, then the bonds may be payable from revenues or from ad valorem taxes that may be levied on all taxable property in the City without limitation as to rate or amount.

THIS NOTICE is given pursuant to the requirements of Section 33, Act 94, Public Acts of Michigan, 1933, as amended.

*Amy K. Kirkland, City Clerk
City of Owosso*

2. The City Council does hereby determine that the foregoing form of notice of intent to issue the Revenue Bonds, and the manner of publication directed, is adequate notice to the electors of the City and the users of the System, and is the method best calculated to give them notice of the City's intent to issue the Revenue Bonds, the purpose of the Revenue Bonds, the source of payment of the Revenue Bonds, the security for the Revenue Bonds and the electors' right of referendum, and that the provision of forty-five (45) days within which to file a referendum petition is adequate to insure that the City's electors may exercise their legal rights of referendum, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.

3. The City may incur expenditures for the Project prior to receipt of proceeds of the Revenue Bonds, and may advance moneys for that purpose from the funds of the System to be reimbursed from proceeds of the Revenue Bonds when available.

4. The City hereby makes the following declaration of intent for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) As of the date hereof, the City reasonably expects to reimburse itself with the proceeds of debt to be incurred by the City for costs of the Project that were or will be paid subsequent to sixty (60) days prior to the date hereof.
- (b) The maximum principal amount of debt expected to be issued for the Project is \$1,340,000.
- (c) The expenditures described above are "capital expenditures" as defined in Treasury Regulation § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

5. The City requests Robert W. Baird & Co., Incorporated to serve as Loan Facilitation Agent to assist the City in preparation and planning for the sale of the Revenue Bonds.

6. The City requests Miller, Canfield, Paddock and Stone, P.L.C. ("Miller, Canfield") to continue as bond counsel to the City for the Revenue Bonds. The City recognizes that Miller, Canfield has represented from time to time, and currently represents, the Michigan Finance Authority and various underwriters, financial institutions and other potential participants in the financing process for unrelated projects, any of which might offer to purchase the Revenue Bonds. The City requests Miller, Canfield to continue as bond counsel, notwithstanding the potential concurrent representation of any such potential participant regarding any unrelated matter.

7. The Finance Director is authorized to apply to a rating agency for a credit assessment if necessary to comply with requirements to participate in the State Revolving Fund program.

8. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate preparation of the Revenue Bonds for sale. The Revenue Bonds will be sold only after the City Council approves a resolution or ordinance authorizing issuance and sale of the Revenue Bonds.

9. All resolutions and parts of resolutions, insofar as they conflict with the provisions of this resolution, are hereby rescinded.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Mayor Pro-Tem Osika, Councilmembers Haber, Fear, Bailey, Law, and Mayor Eveleth.

NAYS: None.

ABSENT: Councilmember Pidek.

Notice of Intent to Issue Revenue Bonds and Right to Referendum – WWTP Improvements

The terms of this bond would be the same as the bond above.

Motion by Mayor Pro-Tem Osika to adopt the following resolution of Notice of Intent to Issue Revenue Bonds and Right to Referendum thereof for the proposed issuance of bonds to finance the 2020 SRF Waste Water Treatment Plant projects:

RESOLUTION NO. 35-2020

**AUTHORIZING NOTICE OF INTENT TO ISSUE
WASTEWATER TREATMENT SYSTEM REVENUE BONDS**

WHEREAS, the City of Owosso, County of Shiawassee, State of Michigan (the "City") determines it to be necessary for the public health, safety and welfare of the City and its residents to acquire and construct improvements and repairs to the City's wastewater treatment plant including installation of new headworks screw pumps and motors, and grit chamber mechanical parts, together with any appurtenances and attachments and any related site improvements (collectively, the "Project"); and

WHEREAS, the City anticipates it will obtain funding for the Project from the State Revolving Fund (SRF), a low interest loan financing program administered by the State of Michigan Department of Treasury and the Michigan Finance Authority; and

WHEREAS, in order to obtain loans from the SRF Program, the City must issue bonds, and the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"), provides a means for financing the acquisition, construction, and improvement of public improvements such as the Project through the issuance of bonds payable from revenues of the City's Wastewater Treatment System (the "System"); and

WHEREAS, the issuance of bonds under Act 94 payable from revenues of the System (the "Revenue Bonds") for the purpose of financing the Project represents the most practical means to that end, and Section 33 of Act 94 requires the City to publish a notice of intent before the City can issue the Revenue Bonds; and

WHEREAS, it will be necessary for the City to issue the Revenue Bonds in an aggregate amount not-to-exceed Two Million One Hundred Forty-Five Thousand Dollars (\$2,145,000).

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is hereby authorized and directed to publish, or cause to be published, a notice of intent to issue the Revenue Bonds in the Argus-Press, a newspaper of general circulation in the City. The notice of intent shall be published as a one-quarter (1/4) page display advertisement in substantially the following form:

**NOTICE TO ELECTORS OF THE CITY OF OWOSSO
AND TO USERS OF THE CITY'S
WASTEWATER TREATMENT SYSTEM
OF INTENT TO ISSUE REVENUE BONDS
AND THE RIGHT OF REFERENDUM THEREON**

PLEASE TAKE NOTICE that the City Council of the City of Owosso, County of Shiawassee, State of Michigan, intends to issue and sell revenue bonds pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in an amount not to exceed Two Million One Hundred Forty-Five Thousand Dollars (\$2,145,000) for the purpose of paying costs to acquire and construct improvements and repairs to the City's wastewater treatment plant including installation of new headworks screw pumps and motors, and grit chamber mechanical parts, together with any appurtenances and attachments and any related site improvements.

The Revenue Bonds may be issued in one or more series and may be combined with bonds issued for other purposes as shall be determined by the City Council. Each series of the Revenue Bonds will mature in annual installments not to exceed the maximum permitted by law, with interest on the unpaid balance from time to time remaining outstanding on said bonds to be payable at rates to be determined at sale of the Revenue Bonds but in no event to exceed such rates as may be permitted by law.

SOURCE OF PAYMENT OF REVENUE BONDS

THE PRINCIPAL OF AND INTEREST ON THE REVENUE BONDS SHALL BE PAYABLE solely from the revenues received by the City from the operations of the Wastewater Treatment System, except as provided below if the revenue bonds are sold to the Michigan Finance Authority. The revenues will consist of rates and charges billed to the users of the System, a schedule of which is available from the City's Public Utilities Department. The rates and charges may from time to time be revised to provide sufficient revenues to provide for the expenses of operating and maintaining the System, to pay the principal of and interest on the revenue bonds and other obligations of the System, and to provide reserves for these purposes.

ADDITIONAL POTENTIAL SOURCES OF PAYMENTS

The City anticipates that it will sell the revenue bonds to the Michigan Finance Authority. The Michigan Finance Authority may require the City to pledge for the payment of the revenue bonds money received or to be received by the City derived from imposition of taxes by the State and returned to the City as provided by law, except for money the use of which is prohibited for such purposes by the State Constitution. The City may enter into an agreement providing for the payment to the Michigan Finance Authority or a trustee of taxes collected by the State and returned to the City, and such funds may be pledged for the payment of the revenue bonds.

RIGHT OF REFERENDUM

THE REVENUE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A VALID PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS RESIDING WITHIN THE BOUNDARIES OF THE CITY IS FILED WITH THE CITY CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE REVENUE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS RESIDING WITHIN THE BOUNDARIES OF THE CITY VOTING THEREON. If such petition is filed and the electors of the City voting thereon approve the issuance of the revenue bonds, then the bonds may be payable from revenues or from ad valorem taxes that may be levied on all taxable property in the City without limitation as to rate or amount.

THIS NOTICE is given pursuant to the requirements of Section 33, Act 94, Public Acts of Michigan, 1933, as amended.

*Amy K. Kirkland, City Clerk
City of Owosso*

2. The City Council does hereby determine that the foregoing form of notice of intent to issue the Revenue Bonds, and the manner of publication directed, is adequate notice to the electors of the City and the users of the System, and is the method best calculated to give them notice of the City's intent to issue the Revenue Bonds, the purpose of the Revenue Bonds, the source of payment of the Revenue Bonds, the security for the Revenue Bonds and the electors' right of referendum, and that the provision of forty-five (45) days within which to file a referendum petition is adequate to insure that the City's electors may exercise their legal rights of referendum, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.

3. The City may incur expenditures for the Project prior to receipt of proceeds of the Revenue Bonds, and may advance moneys for that purpose from the funds of the System to be reimbursed from proceeds of the Revenue Bonds when available.

4. The City hereby makes the following declaration of intent for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) As of the date hereof, the City reasonably expects to reimburse itself with the proceeds of debt to be incurred by the City for costs of the Project that were or will be paid subsequent to sixty (60) days prior to the date hereof.
- (b) The maximum principal amount of debt expected to be issued for the Project is \$2,145,000.
- (c) The expenditures described above are "capital expenditures" as defined in Treasury Regulation § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

5. The City requests Robert W. Baird & Co., Incorporated to serve as Loan Facilitation Agent to assist the City in preparation and planning for the sale of the Revenue Bonds.

6. The City requests Miller, Canfield, Paddock and Stone, P.L.C. ("Miller, Canfield") to continue as bond counsel to the City for the Revenue Bonds. The City recognizes that Miller, Canfield has represented from time to time, and currently represents, the Michigan Finance Authority and various underwriters, financial institutions and other potential participants in the financing process for unrelated projects, any of which might offer to purchase the Revenue Bonds. The City requests Miller, Canfield to continue as bond counsel, notwithstanding the potential concurrent representation of any such potential participant regarding any unrelated matter.

7. The Finance Director is authorized to apply to a rating agency for a credit assessment if necessary to comply with requirements to participate in the State Revolving Fund program.

8. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate preparation of the Revenue Bonds for sale. The Revenue Bonds will be sold only after the City Council approves a resolution or ordinance authorizing issuance and sale of the Revenue Bonds.

9. All resolutions and parts of resolutions, insofar as they conflict with the provisions of this resolution, are hereby rescinded.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Mayor Pro-Tem Osika, Councilmembers Bailey, Haber, Fear, Law, and Mayor Eveleth.

NAYS: None.

ABSENT: Councilmember Pidek.

COMMUNICATIONS

Treena M. Chick, City Assessor. March Board of Review – Assessment Changes.
N. Bradley Hissong, Building Official. January 2020 Building Department Report.
N. Bradley Hissong Building Official. January 2020 Code Violations Report.
N. Bradley Hissong Building Official. January 2020 Inspection Report.
N. Bradley Hissong Building Official. January 2020 Certificates Issued Report.
Kevin D. Lenkart, Public Safety Director. January 2020 Police Report.
Kevin D. Lenkart, Public Safety Director. January 2020 Fire Report.
DDA/Main Street Board. Minutes of January 8, 2020.
Historical Commission. Minutes of January 13, 2020.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, 2910 W. M-21, thanked the City for hiring Albert Martenis III as the new Historical Properties Director and he asked once again why the millage rate is not included in the City's March bond request. City Clerk Amy K. Kirkland noted that the millage rate is indeed included in the question as it is required by law.

Eddie Urban, 601 Glenwood Avenue, spoke about a recent article he had read regarding control of feral cat populations and how was recently stopped by the State Police in his own yard because he looked suspicious.

Mr. Manke apologized for not seeing the millage rate in the ballot question.

Councilmember Bailey thanked the high school students in attendance this evening. She also reminded everyone that there will be a shelter making project here at City Hall this Sunday for anyone that is interested.

Councilmember Law announced that on March 15th the Shiawassee County Fire Fighters' Memorial Committee will be hosting a 9 Pin, No Tap bowling tournament as a fund raiser for the memorial.

NEXT MEETING

Monday, March 02, 2020

BOARDS AND COMMISSIONS OPENINGS

Brownfield Redevelopment Authority – County Representative – term expires 06-30-2020
Building Board of Appeals – Alternate - term expires June 30, 2022
Building Board of Appeals – Alternate - term expires June 30, 2021
Brownfield Redevelopment Authority – term expires June 30, 2022
Downtown Loan Committee – Bank Representative - term expires June 30, 2021
Historical Commission – 2 terms expire December 31, 2020
Planning Commission – term expires June 30, 2020

ADJOURNMENT

Motion by Mayor Pro-Tem Osika for adjournment at 8:06 p.m.

Motion supported by Councilmember Fear and concurred in by unanimous vote.

Christopher T. Eveleth, Mayor

Amy K. Kirkland, City Clerk

*Due to their length, text of marked items is not included in the minutes. Full text of these documents is on file in the Clerk's Office.