

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF JULY 17, 2017
7:30 P.M.**

PRESIDING OFFICER: MAYOR CHRISTOPHER T. EVELETH

OPENING PRAYER: DAVE HOOD

PLEDGE OF ALLEGIANCE: TONY NEWMAN, SHIAWASSEE COUNTY DRAIN COMMISSIONER

PRESENT: Mayor Christopher T. Eveleth, Mayor Pro-Tem Susan J. Osika, Councilmembers Loreen F. Bailey (arrived at 7:44p.m.), Burton D. Fox, Elaine M. Greenway, Daniel A. Law, and Robert J. Teich, Jr.

ABSENT: None.

APPROVE AGENDA

Motion by Councilmember Fox to approve the agenda as presented.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF JULY 3, 2017

Motion by Mayor Pro-Tem Osika to approve the Minutes of the Regular Meeting of July 3, 2017 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

Ordinance Amendment – Chapter 3, Alcoholic Liquor

The proposed amendment would allow the sale and/or consumption of alcohol on city property under specified circumstances.

A public hearing was conducted to receive citizen comment regarding the proposed amendment to Chapter 3, Alcoholic Liquor, Section 3-2, *Consumption in public*, of the Code of Ordinances of the City of Owosso

The following people commented regarding the proposed amendment:

Paula Temple commented that she is totally against alcohol at Curwood Castle. She said that was discussed years ago and it was never allowed.

Mayor Eveleth explained the reason for the renewed interest in it and also explained that it still has to be served under the confines of the state liquor control law. This only covers beer and wine not liquor. Councilmember Fox expressed concern that someone might pass alcohol over the fence to someone else and wanted the ordinance to reflect that.

The Public Safety Director responded to Councilmember Fox's explaining that there are laws already in place that would address that issue.

Whereas, the Council, after due and legal notice, has met and having heard all interested parties, motion by Mayor Pro-Tem Osika that the following ordinance be adopted:

ORDINANCE NO. 785

**AN ORDINANCE TO MODIFY THE CODE OF ORDINANCES
CONCERNING CHAPTER 3 - ALCOHOLIC LIQUOR**

WHEREAS, the *City of Owosso Code of Ordinances* contains Sec. 3-2 provisions pertaining to alcoholic liquor and consumption in public; and

WHEREAS, the sections of the ordinance are pertaining to consumption on the public streets, alleys, parks, or in any other public places requires modification and clarification;

NOW THEREFORE BE IT ORDAINED by the city council of the city of Owosso, Michigan, Shiawassee County, Michigan.

SECTION 1. AMENDMENT. Chapter 3, Alcoholic Liquor, Section 3-2, *Consumption in public*, paragraph (c) of the City of Owosso Code of Ordinances pertaining to exceptions shall be amended to read as follows:

Sec. 3-2. - Consumption in public.

- (a) Except as provided in paragraph (c) below, no alcoholic liquor shall be consumed on the public streets, alleys, parks, or in any other public places, including any store or establishment doing business with the public not licensed to sell alcoholic liquor for consumption on the premises; nor shall anyone who owns, operates or controls any such public establishment or store permit the consumption of alcoholic liquor therein.
- (b) Except as provided in paragraph (c) below, no person shall have in his or her possession any open bottle, open cans or other open containers, containing alcoholic beverages, on a public street, alley, park, or in any other public place.
- (c) Exceptions:
 - (1) Notwithstanding contrary provisions of this section, and with the approval of the city council, alcoholic liquor may be consumed on the public streets and alleys immediately adjacent to business establishments licensed for the sale of alcoholic beverages for consumption on the premises in areas of the public streets and alleys for which an occupancy permit has been issued by the city engineer pursuant to the provisions of Chapter 29 of this code.
 - (2) Notwithstanding contrary provisions of this section, and with the approval of the city council, beer and wine may be sold and consumed on the public streets, alleys, and public parking lots for events sponsored by a not-for-profit organization holding the required Michigan liquor license or permit within a fenced-in area.
 - (3) Within Curwood Castle Park, public events where wine and beer may be sampled and sold by a winery or brewery under a Michigan license or permit. During public or private events within the arts center and Curwood Castle and a fenced-in area immediately adjacent to either structure, liquor, wine and beer may be dispensed, provided that three days prior to the event the city clerk shall be provided a certificate of liability insurance with a limit of at least \$1,000,000 including "host liquor liability" coverage for alcoholic beverages served at no charge. Either "host liquor liability" or "liquor liability insurance" must include the city of Owosso as an additional insured for primary and non-contributory limits of liability.

SECTION 2. REPEAL CLAUSE. All ordinances in conflict with this ordinance are hereby repealed to the extent of the conflict.

SECTION 3. SEVERABILITY. If any section, subsection, sentence, clause, phrase or portion of this amendment for any reason is held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions hereof.

SECTION 4. 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 5. EFFECTIVE DATE. This ordinance shall take effect August 7, 2017.

Motion supported by Councilmember Greenway.

Roll Call Vote.

AYES: Councilmembers Law, Greenway, Pro-Tem Osika, Councilmembers Fox, Teich and Mayor Eveleth.

NAYS: None.

ABSENT: Councilmember Bailey

CITIZEN COMMENTS AND QUESTIONS

Paula Temple, 533 Ament Street, questioned why the City waited until now to get involved in Oak Hill Cemetery.

Mayor Eveleth explained to her that it isn't a city owned cemetery.

Shane VanCise of the Shiawassee Homeless Coalition shared that Project Connect will be held August 3rd, from 10am – 2 pm at the Owosso First Church of the Nazarene. It will be connecting residents to resources in the community. The event is free to all low income Shiawassee County Residents. He also asked for volunteers for the event.

Charles Kremski stated that the city is not enforcing their codes and he has proof. He agreed to contact the mayor after the meeting.

Gary Bellinger, 119 East Williams Street, Corunna, complained that water bills are too high. He suggested everyone's water bill be lowered by \$60.00. He also commented on trusting God.

Don Stanley, 1212 Harding Avenue, stated that he was at a council meeting a couple of months ago about a \$1500 water bill he had received. Mr. Stanley reported he had paid \$750 on the bill and Public Services Director Chinavare stated he had adjusted the bill. He asked the council to adjust his bill again. He also reported that he did consult an attorney and the attorney advised him he should not have paid the bill.

Ed Urban, 601 Glenwood Avenue, commented that there was a similar event to Project Connect held in the City of Coruna at McCurdy Park He also commented that Consumers Energy had replaced his meter, at his cabin and left a large metal clip on the ground somebody might have stepped on.

Patrick Tkaczyk, 914 South Saginaw Street, believes that there is a much bigger water drainage problem near Oak Hill Cemetery. He questioned, where will the water go from drying out the cemetery? He stated he owns two lots on South Park Street and can't build even a garage because of the drainage issue. He is concerned more water will end up in his backyard.

Roger Snyder, 211 North Washington Street, stated he represents a person that has 16 rental properties in the city and would like to know why the city would let people run up a \$200.00 water bill. He also complained about the fact that one of the tenants would not let the city in the rental property to do an inspection. He feels the city should get the phone of the tenants and leave the landlord out of the middle.

County Clerk Caroline Wilson handed out county directories and apologized for the delay. She shared that the board of commissioners did accept the grant money for voting equipment. She also commented that her office will soon have new hours due to shortage of staff and she will be also be announcing the new hours in a press release also.

Mayor Eveleth responded to Mr. Stanley regarding his high water bill he had received. The mayor asked Public Services Director Chinavare about the policy.

Mr. Chinavare said there has been a policy in place. He explained the policy is bit confusing and he is in the process of rewriting, to clarify, He also stated that he did give Mr. Stanley \$400.00 credit on the bill. He also reported staff checked the meter and the water did go through the meter.

Mayor Eveleth asked how council could give Mr. Stanley some relief. The Mayor questioned how Mr. Stanley's bill could be brought into line. He pointed out the average bill for him was between \$90.00 and \$100.00 per quarter.

Councilmember Fox pointed out that he thought the council could do something and it would not set a precedent.

Mr. Stanley presented council with a statement from the plumber. Mayor Eveleth read the plumber's statement; it said that the meter must have malfunctioned in the pit and the plumber suggested replacing the meter.

City Manager Crawford explained that the new meters will flag high meter reading every day. Mayor Eveleth explained he thought the council could adjust the bill based on the fact of the statement from the plumber.

Councilmember Bailey expressed her concern over doing this for one person and would like to wait for a new policy. She also suggested the bill could be held in abeyance until the new policy was written.

City Manager Crawford responded that it would basically be the same policy with some clarification.

Based on the plumber's report that the meter had malfunctioned Councilmember Fox made a motion to rescind the \$1,499.00 bill that Mr. Stanley had received and bill him \$138.00, the amount of last bill prior to the malfunction.

Motion supported by Pro-Tem Osika.

Pro-Tem Osika expressed her concern that legal costs for the city may exceed the amount of the water bill that Mr. Stanley had received. So based on that information and the fact he presented the plumber's statement she supported Councilmember Fox's motion.

Roll Call Vote.

AYES: Councilmembers Greenway, Pro-Tem Osika, Councilmembers Fox, Teich, Law and Mayor Eveleth.

NAYS: Councilmember Bailey.

Councilmember Bailey invited everyone to come to the Pond and Garden Tour Saturday July 22nd from 11 a.m. until 4 p.m. The Tour will begin at Councilmember Greenway's Home behind Wendy's. Proceeds are benefiting Community Cats of Owosso.

Councilmember Bailey also reported that Community Cats has spayed/neutered over 1,600 cats and they are full for August. They have adopted out over 25 kittens this month.

Councilmember Greenway stated she had people show up last Saturday with their garden hats on but she was happy to see the excitement about the tour.

Councilmember Fox encouraged Mr. Tkaczyk to stay until the discussion of the Oak Hill Cemetery drainage issues.

CONSENT AGENDA

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

Chemical Bank Account Signatories. Consider resolution designating authorized signers on City accounts at Chemical Bank as follows:

RESOLUTION NO. 105-2017

NAMING THOSE AUTHORIZED TO SIGN ON BEHALF OF THE CITY OF OWOSSO FOR ACCOUNTS HELD AT CHEMICAL BANK

WHEREAS, the City of Owosso is required by law to declare an official depository for city funds; and

WHEREAS, the Code of Ordinances dictates the City Clerk, or the Clerk's Deputy, sign checks drawn on City accounts; and

WHEREAS, the City's auditors recommend a counter-signature on said checks as a means of further security; and

WHEREAS, from time to time the City must update the list of authorized signers to ensure it is current.

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

- FIRST: that Chemical Bank, 100 East Main Street, Owosso, Michigan 48867 be and is hereby designated as a depository of the funds of the City of Owosso, and that the said funds be subject to withdrawal upon checks, notes, drafts, bills of exchange, acceptances, undertakings or other orders for the payment of money when signed by the City Clerk and countersigned by any of the following: Finance Director or City Manager, and in the case of the Retirement Fund Account only - City Treasurer or the Treasurer's Deputy.
- SECOND: that the above named Chemical Bank is authorized to pay any such checks, notes, drafts, bills of exchange, acceptances, undertakings or other orders; and also to receive the same for the credit of or in payment from the payee or any other holder without injury as to the circumstances of issue of the disposition of the proceeds thereof, whether such instruments are payable, individually or otherwise, to the order of any person signing and/or counter-signing such instruments, or to the order of any of the other officers of the City, and whether such checks or other instruments are deposited to the individual credit of any person signing and/or counter-signing such instruments, or to the individual credit of any of the other officers of the City.
- THIRD: that any and all endorsements for or on behalf of the City of Owosso upon checks, drafts, notes or instruments for deposit or collection made with the said Chemical Bank may be written or stamped endorsements of the City of Owosso without any designation of the person making such endorsements.
- FOURTH: that said Chemical Bank be promptly notified in writing by the City Clerk of the City of Owosso of any change in this resolution and that until it has actually received such notice in writing said Chemical Bank is authorized to act in pursuance of this resolution.
- FIFTH: that any of the above designated officers are hereby authorized to execute on behalf of the City signature cards, or other documents, containing the rules and regulations of the Bank and the conditions under which deposits are accepted, and to agree on behalf of this City to those rules, regulations, and conditions.

SIXTH: it is further certified that this resolution is within the power of the City as provided in the Charter and Ordinances of this City.

Boards and Commissions Appointments. Approve the following Mayoral Boards and Commissions appointments:

Name	Board/Commission	Term Expires
Lori Bailey*	LDFA/Brownfield Redevelopment Authority	06-30-2018
Jake Adams	Planning Commission (filling unexpired term of C. Weaver)	06-30-2019
Nell Ann Hebekeuser	Parks & Recreation Commission	06-30-2019
Rick Morris	Parks & Recreation Commission	06-30-2019
Randy Woodworth*	Parks & Recreation Commission	06-30-2019
Jerry Hebekeuser	Parks & Recreation Commission (filling unexpired term of S. Nelson)	06-30-2018

*indicates reappointment

Free Food Distribution Permission. Approve the application from the United Methodist Care Network for use of a portion of the southwest corner of the Comstock Parking Lot on September 17, 2016 from 8:00am– 12:00pm to conduct a free food distribution, waive the insurance requirement, and authorize Traffic Control Order No. 1373 formalizing the action.

Change Order No. 1 – 2017 Street Program Engineering Services Contract. Approve Change Order No. 1 to the 2017 Street Program Engineering Services Contract with Fleis & Vandenbrink Engineering, Inc. increasing the contract \$10,902.50 for additional street survey work and revised construction plans, and authorize payment to the engineer for said additional services as detailed below:

RESOLUTION NO. 106-2017

AUTHORIZING CHANGE ORDER NO. 1 TO ADDENDUM NO. 3 TO THE CONTRACT WITH FLEIS & VANDENBRINK ENGINEERING, INC. FOR ADDITIONAL ENGINEERING SERVICES FOR THE 2017 STREET PROGRAM

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved a contract with Fleis & Vandenbrink Engineering Inc. on March 6, 2017 for Engineering Services for the 2017 Street Program; and

WHEREAS the city requests additional services of the consultant to provide preliminary survey and engineering services beyond the original contractual scope of services.

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 amend the 2017 Street Program-Engineering Services Contract with Fleis & Vandenbrink Engineering Inc. for a cost to the City of Owosso of \$10,902.50.

SECOND: The mayor and city clerk are requested and authorized to sign the document substantially in the form attached, Change Order No. 1 to Addendum No. 3 to the Contract between the City of Owosso, Michigan and Fleis & Vandenbrink, Inc.

THIRD: The Accounts Payable department is authorized to make payment up to the amended amount of \$131,402.50 to Fleis & Vandenbrink Engineering, Inc. upon successful completion of stated work.

FOURTH: The above expenses shall be paid from the Major Street Construction Account No. 202-451-818.000.

Purchase Authorization – Fire Pickup Equipment & Installation. Waive competitive bidding requirements, authorize the purchase and installation of emergency services equipment on the new Fire Pickup by Mid Michigan Emergency Equipment Sales and Service L.L.C. in the amount of \$8,281.00, and further authorize payment to the vendor upon satisfactory installation of said equipment as detailed:

RESOLUTION NO. 107-2017

RESOLUTION AUTHORIZING THE EXECUTION OF A CONTRACT FOR SUPPLY, AND INSTALLATION OF PUBLIC SAFETY EQUIPMENT IN A NEW FIRE VEHICLE WITH MID MICHIGAN EMERGENCY EQUIPMENT SALES AND SERVICE L.L.C.

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has purchased a new fire vehicle that need to have equipment installed in them; and

WHEREAS, the new vehicle will require additional new public safety equipment to be properly outfitted for service; and

WHEREAS, the City of Owosso received a quote from Mid Michigan Emergency Equipment Sales and Service L.L.C. for the, supply of select pieces of new equipment, and the installation of all said equipment; and it is hereby determined that this company is qualified to perform the work requested; 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 theretofore determined that it is advisable, necessary and in the public interest to contract with Mid Michigan Emergency Equipment Sales and Service L.L.C. for the removal, purchase, and installation of public safety equipment in a City Fire vehicle in the amount of \$8,281.00.

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 Mid-Michigan Emergency Equipment Sales and Service LLC.

THIRD: The Accounts Payable Department is hereby authorized to issue payment to Mid Michigan Emergency Equipment Sales and Service L.L.C. in the amount of \$8,281.00 upon delivery of the equipment and satisfactory completion of the work.

FOURTH: The above expenses shall be paid from the Police equipment fund 101-300-978.000.

Purchase Authorization—Public Safety Vehicle Equipment Changeover. Waive competitive bidding Requirements, authorize contract with Mid Michigan Emergency Equipment Sales and Service L.L.C. for the removal, supply, and installation of public safety equipment in the new police utility vehicle in the amount of \$7,173.00, and further authorize payment to the vendor upon satisfactory completion of the work as follows:

RESOLUTION NO. 108-2017

**RESOLUTION AUTHORIZING THE EXECUTION OF A CONTRACT FOR
REMOVAL, SUPPLY, AND INSTALLATION OF PUBLIC SAFETY EQUIPMENT
IN A NEW POLICE VEHICLE
WITH MID MICHIGAN EMERGENCY EQUIPMENT SALES AND SERVICE L.L.C.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has purchased a new police vehicle that need to have equipment and DVR cameras installed in them; and

WHEREAS, the new vehicles will require additional new public safety equipment to be properly outfitted for service; and

WHEREAS, the City of Owosso received a quote from Mid Michigan Emergency Equipment Sales and Service L.L.C. for the removal of the old equipment, supply of select pieces of new equipment, and the installation of all said equipment; and it is hereby determined that this company is qualified to perform the work requested; and

WHEREAS, a waiver of the bidding requirements is requested as professional services are exempt from competitive bidding and the estimated cost for the products to be purchased falls under the \$5,000 Council threshold.

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 contract with Mid Michigan Emergency Equipment Sales and Service L.L.C. for the removal, purchase, and installation of public safety equipment in City Police vehicles in the amount of \$7,173.00.

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 Mid Michigan Emergency Equipment Sales and Service L.L.C.

THIRD: The Accounts Payable Department is hereby authorized to issue payment to Mid Michigan Emergency Equipment Sales and Service L.L.C. in the amount of \$7,173.00 upon delivery of the equipment and satisfactory completion of the work.

FOURTH: The above expenses shall be paid from the Police equipment fund 101-300-978.000.

Purchase Authorization – Interview Room Camera System. Waive competitive bidding requirements, authorize contract with Coban Technologies, Inc. for the purchase of a camera system and the installation of coordinating software for the Public Safety interview room in the amount of \$8,945.00, and further authorize payment to the vendor upon satisfactory delivery of equipment and completion of the work contracted as detailed below:

RESOLUTION NO. 109-2017

RESOLUTION AUTHORIZING THE EXECUTION OF A CONTRACT FOR PURCHASE OF EQUIPMENT AND INSTALLATION OF SOFTWARE FROM COBAN TECHNOLOGIES INC.

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has police department requiring the use of cameras and software for an interview room; and

WHEREAS, the City of Owosso received the HGAC bid from Coban Technologies; and it is hereby determined that Coban Technologies is qualified to provide such cameras and software 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 cameras and software from Coban Technologies for a cost to the City of Owosso of \$8,945.00.
- 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 Coban Technologies, up to the amount of \$8,945.00.
- THIRD: The above expenses shall be paid from the Police Division Capital Outlay fund 101-300-978.000.
- FOURTH: Authorize payment to Coban Technologies in the amount of \$8,945.00 upon delivery of the cameras and installation of software.

Warrant No. 546. Authorize Warrant No. 546 as follows:

Vendor	Description	Fund	Amount
Waste Management	Landfill charges-6/16/17-6/30/17	Various	\$5,753.19
Logicalis, Inc.	Network engineering-June 2017	Various	\$7,056.00
Caledonia Charter Township	Caledonia Utility Fund payment-4/1/17-6/30/17	Water	\$22,190.67
Owosso Charter Township	Owosso Charter Township 2011 Water Agreement	Water	\$11,417.76
William C. Brown, PC	Professional services-6/13/17-7/10/17	General	\$8,577.92

Check Register – June 2017.* Affirm check disbursements totaling \$1,612,229.83 for June 2017.

Motion supported by Councilmember Teich.

Roll Call Vote.

AYES: Councilmembers Teich, Greenway, Pro-Tem Osika, Councilmembers Fox, Bailey, Law and Mayor Eveleth.

NAYS: None.

ITEMS OF BUSINESS

Ordinance Amendment – Chapter 2, Administration

Motion by Councilmember Law to approve amendments to Chapter 2, Administration, Article VI, Finance, Division 3, Purchases, contracts and sales, of the Code of Ordinances of the City of Owosso to update the procedures for the purchase and sale of services, supplies, materials and equipment as follows:

ORDINANCE NO. 786

AN ORDINANCE TO MODIFY CHAPTER 2, ADMINISTRATION, CONCERNING PURCHASING, CONTRACTS AND SALES

WHEREAS, the *City of Owosso Code of Ordinances* contains provisions pertaining to purchasing, contracts and sales; and

WHEREAS, the sections of the ordinance are unclear and oftentimes obsolete so that the entire ordinance should be repealed and replaced;

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

SECTION 1. REPEAL. That Division 3, Purchases, contracts and sales, (Sec. 2-314 through Sec. 2-348) of the City of Owosso Code of Ordinances is hereby repealed in its entirety.

Section 2. REPLACEMENT. That the new Division 3, Purchases, contracts and sales, (Sec. 2-314 through Sec. 2-348) of the City of Owosso Code of Ordinances shall read as follows:

DIVISION 3. - PURCHASES, CONTRACTS AND SALES

Sec. 2-341. - Purchasing agent.

The city manager shall act as purchasing agent of the city, unless he or she shall designate another officer or employee of the city to act as purchasing agent. Any such designation, shall be in writing filed with the clerk. In the event of such designation every purchase order in excess of two thousand dollars (\$2,000.00) shall be approved by the manager before being issued.

Sec. 2-342. - Rules.

The city manager shall adopt any necessary rules respecting requisitions and purchase orders.

Sec. 2-343. - Purchases or contracts \$2,000.00 to \$10,000.00.

Purchases of services, supplies, materials or equipment, the cost of which is equal to or greater than two thousand dollars (\$2,000.00) but not more than ten thousand dollars (\$10,000) may be made in the open market but such purchases shall, where practicable, be based on at least three (3) competitive bids and shall be awarded to the lowest qualified bidder. The purchasing agent may solicit bids verbally, in writing, or through other means. A record shall be kept of all open market orders and the bids submitted thereon, which records shall be available for public inspection. Any or all bids may be rejected. Purchases made pursuant to this section may be made without prior approval of the council.

Sec. 2-344. - Purchases or contracts over \$10,000.00.

Any expenditure for services, supplies, materials or equipment obligating the city, where the amount of the city's obligation is in excess of ten thousand dollars (\$10,000.00), shall be governed by the provisions of this section, except as provided in section 2-345.

- (1) Such expenditure shall be made the subject of a written contract. A purchase order shall be a sufficient written contract only in cases where the expenditure is in the usual and ordinary course of the city's affairs and in no case shall it be sufficient for the construction of public works or the contracting for receipt of supplies or services over any period of time in excess of one (1) year or where the quality of the goods or materials or the scope of the services bargained for is not wholly standardized.
- (2) Notice inviting sealed competitive bids shall be published in a newspaper of general circulation in the city at least five (5) days before the final date for submitting bids thereon. Such notice shall give briefly the specifications of the services, supplies, materials or equipment or other matter to be contracted for and shall state the amount of security to be given with the bid and the amount of bond or other security to be given with the contract. The notice shall state the time limit, the place of filing and the time of opening bids and shall also state that the right is reserved to reject any or all bids. Any other conditions of award of the contract shall also be stated in general terms.
- (3) The purchasing agent shall also solicit bids from a reasonable number of such qualified prospective bidders as are known to him/her by sending each a copy of the notice requesting bids and notice thereof shall be posted on the city's website.
- (4) Unless prescribed by the council, the purchasing agent shall prescribe the amount of any security to be deposited with any bid, which deposit shall be in cash, certified or cashier's check or bond written by a surety company authorized to do business in the state. The amount of such security shall be expressed as a percentage of the bid submitted. Unless fixed by the council, the purchasing agent shall fix the amount of the performance bond and for construction contracts, the amount of the labor and material bond to be required of the successful bidders.
- (5) Bids shall be opened in public at the time and place designated in the notice requesting bids in the presence of the city clerk and at least one (1) other city official or employee, preferably the head of the department most closely concerned with the subject of the contract. The bids shall thereupon be carefully examined, tabulated and reported to the council with the recommendation of the purchasing agent at the next council meeting. After tabulation, all bids may be inspected by the competing bidders. In lieu of the procedure for opening bids herein specified, the council may direct that bids be opened at a council meeting.

- (6) When such bids are submitted to the council, the contract to be executed, in a form approved by the city attorney, shall also be submitted. If the council finds any of the bids satisfactory, it shall award the contract to the lowest qualified bidder and shall authorize the execution of the contract. Upon execution of the contract, the successful bidder shall file any required bonds, which shall be approved by the city attorney as to form. Such award may be by resolution or ordinance. The council shall have the right to reject any or all bids, to waive irregularities in bidding and to accept bids which do not conform in every respect to the bidding requirements.
- (7) For projects exceeding \$50,000. At the time the contract is executed, the contractor shall file a bond to the city executed by a surety company authorized to do business in the state, conditioned upon the performance of said contract, and further conditioned to pay all laborers, mechanics, subcontractors and material suppliers as well as all just debts, dues and demands incurred in the performance of such work. The contractor shall also file evidence of public liability insurance and workers compensation in an amount satisfactory to the city attorney, and agree to hold the city harmless from loss or damage caused to any person or property by reason of the contractor's negligence.
- (8) All bids and deposits of certified or cashier's checks may be retained until the contract is awarded and signed. If any successful bidder fails or refuses to enter into the contract awarded to him or her within ten (10) days after the same has been awarded, or file any bond required within the same time, the deposit accompanying his or her bid shall be forfeited to the city, and the council may, in its discretion, award the contract to the next lowest qualified bidder or the contract may be readvertised.

Sec. 2-345- Cooperative purchasing authorized.

The city may participate in, sponsor, conduct, or administer cooperative purchasing agreements for the procurement of any supplies, services or construction with one or more other governmental bodies. Such cooperative purchasing may include, but is not limited to, joint or multi-party contracts of a governmental body or opened state and federal contracts which are made available to local governments. The city may also use the pre-existing bid of any other governmental body or public procurement unit for the procurement of any supplies, services, or construction, provided that such bid was derived through a competitive bidding process. In addition, the city may utilize bids or proposals obtained by a nonprofit entity that expressly solicits bids and proposals for governmental agencies, provided that such bids were derived through a competitive bidding process.

Sec. 2-346. - Exceptions to competitive bidding.

Subject to the approval of the council, competitive bidding shall not be required in the following cases:

- (1) Where the service, product or material contracted for is not competitive in nature, and the purchasing agent so certifies to the council in writing;
- (2) In the employment of professional services;
- (3) Where the council shall determine that the public interest will best be served by joint purchase with, or purchase from, another unit of government;
- (4) Where the council shall determine that, due to market conditions, price instability or other reasons, the best interest of the public will be served by using another method of bidding for the acquisition of any item or service. In such circumstances:
 - a. After complying with the notice requirements of section 2-344, a list of potential bidders may be established and prequalified by the council;
 - b. In conjunction with establishing the list of prequalified bidders, or at any other time, the council may direct the method to be used in obtaining bids; and
 - c. At the first regular council meeting after any purchase, the purchasing agent shall report to the council the method of obtaining the bids, the amounts bid, the quantity purchased and the price paid.
- (5) When an emergency requires an immediate purchase, the purchasing agent, at the first regular council meeting after any such purchase, shall report to the council the nature of the emergency, the item, and quantity purchased and the price paid.

Sec. 2-347. - Inspection of materials.

The responsibility for the inspection and acceptance of all materials, supplies and equipment shall rest with the ordering department.

Sec. 2-348. - Sale of surplus material.

- (1) A department head having charge of any surplus, obsolete or unused supplies, materials or equipment, which may include vehicles, may request that the property be disposed of according to the provision of this section. City council authorization shall be required for the disposal or sale of any work of art, piece of furniture, decorative object, vehicle or the like, which is 70 years or older.

- (2) The designee appointed by the city manager is authorized to sell the property in any form in the most advantageous manner. The designee may set a minimum sale price and may reject any formal or informal bid that, in his/her judgement is not a fair sale price. Property may be disposed of in the following manner:
 - a. Sale by auction;
 - b. Sale by sealed bid;
 - c. Solicitation of offers to purchase the asset. Such solicitations shall be on the condition that no offer less than the expected sale price carried on the item, as approved by the city manager;
 - d. Sales based upon a negotiated agreement with a particular vendor, provided that such vendor must be selected according to an established written procedure which provides a mechanism for all interested parties to make proposals in a fair and even manner. Direct negotiations as provided in this subsection may only be used if deemed to be in the best interest of the city of Owosso and facts set forth as to why other means are less desirable;
 - e. Sales by a third party selected according to the city's standard procedures for selecting providers of services;
 - f. Transferred, with or without compensation, to any government entity, or other organization designated as a 501(c)(3) by the Internal Revenue Service; or
 - g. If the property has been designated in a nonusable state by the designee appointed by the city manager, it may be disposed of, consistent with the public interest, in any manner as deemed appropriate by the city.
- (3) Any compensation resulting from the disposal of surplus property belonging to the city of Owosso shall be transferred to the fund from which the property was acquired or most likely acquired.
- (4) The designee appointed by the city manager is authorized to act as the agent for the city in the collection, disposal, and execution of agreements for the disposal of surplus property as authorized by the city of Owosso or the city manager.
- (5) The designee shall forward any funds collected along with written information to allow the correct allocation of the funds and the removal from fixed assets or inventory.

Sec. 2-349. - "Lowest qualified bidder" defined.

The term "lowest qualified bidder," as used in this division, shall mean the lowest bidder having qualifications to perform the work which are satisfactory to the council. The lowest bidder shall be determined based on an adjusted bid tabulation which shall be prepared in the following manner:

- (1) To the bid of any bidder which is neither an Owosso-based business nor a county-based business shall be added an amount equal to six (6) percent of the bid or two thousand five hundred dollars (\$2,500.00), whichever is less.
- (2) To the bid of any bidder which is a county-based business shall be added an amount equal to three (3) percent of the bid or two thousand five hundred dollars (\$2,500.00), whichever is less; provided, however, that if no bid is received from an Owosso-based business, no additional amount shall be added to the bid of a county-based business.
- (3) "Owosso-based business" shall be interpreted to mean a business registered with the county clerk or a corporation registered with the state having a business address within the city limits which pays real and/or personal property taxes levied by the city.

The term "county-based business" shall be interpreted to mean a business other than a city-based business registered with the county clerk or a corporation registered with the state having a business address within the county which pays real and/or personal property taxes levied by the county.

- (4) If twenty-five percent (25%) or more of a contract for construction or other services is to be subcontracted by an Owosso-based business bidder to a non-city-based business or businesses, or by a county-based business bidder to a non-county-based business or businesses, the adjusted bid shall be calculated by applying the provisions of sub-paragraphs (1) and (2) within this section separately to each portion of the contract based on the status of the contractor or subcontractor performing that portion of the contract as an Owosso-based or county-based business.

SECTION 3. REPEAL CLAUSE. All ordinances in conflict with this ordinance are hereby repealed to the extent of the conflict.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, phrase or portion of this amendment for any reason is held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions hereof.

SECTION 5. 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 6. EFFECTIVE DATE. This ordinance shall take effect August 7, 2017

Motion supported by Councilmember Fox.

Roll Call Vote.

AYES: Pro-Tem Osika, Councilmembers Greenway, Bailey, Law, Fox, Teich and Mayor Eveleth

NAYS: None.

Oakhill Cemetery Drainage Issue

Consider initiation of a community project to improve the drainage in Oakhill Cemetery. Councilmember Fox lead the discussion and prefaced it by explaining that Oakhill Cemetery has had a drainage issue for years. Previously, the DPW has jetted the drain between the north end of the open ditch and the catch basin which is probably 180 feet. Councilmember Fox explained he believes the open ditch is causing a problem. He believes the ditch contains leaves, trash, brush and paper and once the water starts flowing it will plug up the drain tile and this causes flooding. Council then continued with a lengthy discussion regarding the drainage issue at the Cemetery. Shiawassee County Drain Commissioner Tony Newman was in attendance and participated. Suggestions included a hydraulic study, cleaning of the ditch, installing a T on the tile to catch debris that could plug the drain and also jetting the drain tile to clean it out. Councilmember Fox believes he can get volunteers and donated material to fix the drainage issue. Mr. Chinavare will contact someone to film the drain tile. He will try and have that done by the next council meeting. Councilmember Fox will also have information on volunteers and donations for the next council meeting. Mayor Eveleth thanked Councilmember Fox for taking the lead on the project. Councilmember Fox said he will continue and just wants to get it done.

Airport Agreement Amendment

Motion by Councilmember Teich to approve a resolution authorizing the execution of an addendum to the Owosso Community Airport Multi-Unit Airport Operations and Management Agreement setting the City's annual contribution for the ten year period starting in 2018 as detailed below:

RESOLUTION NO. 110-2017

RESOLUTION AUTHORIZING THE EXECUTION OF AN ADDENDUM TO THE OWOSSO COMMUNITY AIRPORT MULTI-UNIT AIRPORT OPERATIONS AND MANAGEMENT AGREEMENT

WHEREAS, the agreement provides that for a funding plan with each entity making an annual contribution in accordance section 15, Cost Sharing Allocations.

WHEREAS, the Shiawassee Airport Board has submitted a request for years 2018 thru 2027;

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 an agreement titled *Owosso Community Airport Operations and Management Agreement* dated March 4, 1997.

SECOND: the city council approves and the mayor and city clerk are instructed and authorized to execute an addendum for the years 2018 thru 2027 that provides for annual contributions as follows:

2018	\$ 6,678
2019	\$ 7,346
2020	\$ 7,732
2021	\$ 8,139
2022	\$ 8,568
2023	\$ 9,019
2024	\$ 9,493
2025	\$ 9,993
2026	\$10,519
2027	\$10,725

THIRD: the city clerk is authorized and directed to attest to the signature of the mayor and other city officials on said agreement and retain in the city clerk's office a fully executed original of said agreement for public inspection.

Motion supported by Councilmember Fox.

Roll Call Vote.

AYES: Councilmembers Greenway, Teich, Law, Bailey, Fox and Mayor Eveleth

NAYS: None.

Schedule of City Manager Evaluation

Motion by Pro-Tem Osika to cancel the July 31, 2017 meeting and move the City Manager’s evaluation to Monday, August 7, 2017.

Motion supported by Councilmember Greenway.

Roll Call Vote.

AYES: Pro-Tem Osika, Councilmembers Greenway, Teich, Bailey, Law, Fox and Mayor Eveleth

NAYS: None.

CITIZEN COMMENTS AND QUESTIONS

Patrick Tkaczyk, South Saginaw Street, commented he wasn’t at the meeting to object to helping the cemetery with their drainage issues but he wanted Council to see the bigger picture. He also volunteered to help Councilmember Fox.

Ed Urban, 601 Glenwood Avenue, detailed that he had to dispose of a deceased cat.

Pro-Tem Osika invited everyone to the Moonlight Market August 3rd at the Castle. She reported this will be the last market. There will be a Bob Seger tribute band playing at the Amphitheater. There will be lots for the children with bounce houses, fainting goats and bunnies.

CITY MANAGER REPORT

(THIS ITEM WAS MOVED BECAUSE IT WAS MISSED EARLIER IN THE MEETING)

In order to expedite the strategic planning meeting on the 26th City Manager Crawford handed out a list of possible mission statements. He asked Council to look at them and change them to use for their mission statement if they would like to. He felt this should allow the goal setting to be accomplished within the time that had been set aside.

COMMUNICATIONS

- C. Weaver, Planning Commission. Letter of Resignation.
- N. Bradley Hissong, Building Official. June 2017 Building Department Report.
- N. Bradley Hissong Building Official. June 2017 Code Violations Report.
- Kevin D. Lenkart, Public Safety Director. May & June 2017 Police Report.
- Kevin D. Lenkart, Public Safety Director. June 2017 Fire Report.
- Downtown Development Authority. Minutes of June 7, 2017.
- Planning Commission. Minutes of June 26, 2017.

NEXT MEETING

Monday, August 07, 2017

BOARDS AND COMMISSIONS OPENINGS

- Board of Review – term expires December 31, 2019
- Brownfield Redevelopment Authority/LDFA – term expires 06-30-2018
- Brownfield Redevelopment Authority/LDFA – term expires 06-30-2020
- Building Board of Appeals - term expires June 30, 2019
- Building Board of Appeals – Alternate - term expires June 30, 2018
- Historical Commission – term expires December 31, 2019

ADJOURNMENT

Motion by Councilmember Fox for adjournment at 9:21 p.m.

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

Christopher T. Eveleth, Mayor

Roxane K. Cramer, Deputy City Clerk