

**CITY OF OWOSSO
SPECIAL MEETING OF THE CITY COUNCIL
MINUTES OF MAY 1, 2018
6:30 P.M.**

PRESIDING OFFICER: MAYOR CHRISTOPHER T. EVELETH

PLEDGE OF ALLEGIANCE: MAYOR CHRISTOPHER T. EVELETH

PRESENT: Mayor Christopher T. Eveleth, Mayor Pro-Tem Susan J. Osika, Councilpersons Loreen F. Bailey (6:42 p.m.), Burton D. Fox, Elaine M. Greenway, Daniel A. Law, and Robert J. Teich, Jr.

ABSENT: None.

CITIZEN COMMENTS AND QUESTIONS

Gary Burk, former Utilities Director and current representative to the Mid-County Waste Water Treatment Plant Review Board, reported that the Board was considering increasing the plant operation/maintenance charge in response to overall cost increases and increasing the replacement charge to cover the rising cost of replacing old infrastructure. He said fund balance at the plant had been depleted by capital outlay projects and an increase would be necessary to prevent the fund from being drawn below a critical level. He went on to say that the plant, in its current form, was approaching 40 years old and will need a major update in the coming years to be able to continue to provide treatment services to the next generation. It is anticipated that the level of the update will be in the millions of dollars and will require some debt financing. Lastly, he noted that the plant still has a wet weather capacity issue and work needs to be done to reduce the amount of infiltrations into the system.

Councilmember Fox said he would like to see the agreement governing the operation of the plant re-examined to ensure the City isn't paying more than its fair share.

BUDGET WORKSHOP

2018-19 Proposed Budget

Finance Director Karen K. Ruddy continued her PowerPoint presentation from the meeting of April 30, 2018 and detailed the following budget items, noting the sources of revenue, how expenses are estimated, and any transfers between funds:

- a. Special Revenue Funds**
 - i. Major & Local Street Funds**
 - ii. Downtown Façade Fund**
 - iii. CDBG Revolving Loan Fund**
 - iv. Housing/Rental Rehab Fund**
 - v. Historical Commission Fund**

Next she detailed the City's enterprise funds saying they operate much like a business in that they will experience either a gain or a loss for the year and budgets for these funds are not statutorily required.

- b. Enterprise Funds**
 - i. Transportation Fund**
 - ii. Sewer Fund**
 - iii. Water Fund**
 - iv. Waste Water Treatment Fund**
 - v. Fleet Fund**

In regard to the Waste Water Treatment Fund staff noted that they anticipate all the emergent repairs to the plant will be completed in the next year.

Councilmember Teich asked that information regarding the City's total debt be provided at the next meeting.

Utilities Director Glenn M. Chinavare informed the Council that the State had recently confirmed the amount of the grant for the replacement of lead and galvanized service lines at \$508,000. This is less than originally estimated because the State received more applications than anticipated. Councilmember Bailey inquired whether the grant would allow the City to add to its current project list, it was noted it would not, the work involved in the grant will be above and beyond that already planned.

In the last portion of her presentation Finance Director Ruddy detailed the City's component units, their purpose, and how they receive their funding.

c. Component Units

- i. Brownfield Authority**
- ii. Downtown Development Authority**

At the end of the presentation Councilmember Bailey asked for a list of properties the City owns or takes care of, saying she would like to see if there is any property that could be targeted for sale. Staff will provide said listing at the next meeting.

Mayor Eveleth thanked Finance Director Ruddy for her service to the City and congratulated her on her pending retirement.

Utilities Director Chinavare distributed a status report on current street projects and a list of anticipated projects.

Mid-County Waste Water Treatment Plant Review Board member Gary Burk indicated he would like to see the grant funding for the replacement of lead and galvanized service lines stretched by replacing the eligible service lines of those homes affected by this year's street program.

NEXT MEETING

Monday, May 7, 2018, 7:30 p.m. – Regular Meeting

BOARDS AND COMMISSIONS OPENINGS

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, 2020
Zoning Board of Appeals – term expires June 30, 2018

ADJOURNMENT

The meeting was adjourned at 8:02 p.m.

Christopher T. Eveleth, Mayor

Amy K. Kirkland, City Clerk