

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF MAY 21, 2018
7:30 P.M.**

PRESIDING OFFICER: MAYOR CHRISTOPHER T. EVELETH

OPENING PRAYER: EDDIE URBAN

PLEDGE OF ALLEGIANCE: ASSISTANT CITY MANAGER SUSAN K. MONTENEGRO

PRESENT: Mayor Christopher T. Eveleth, Mayor Pro-Tem Susan J. Osika, Councilmembers Loreen F. Bailey, Burton D. Fox, Daniel A. Law, and Robert J. Teich, Jr.

ABSENT: Councilmember Elaine M. Greenway.

APPROVE AGENDA

Motion by Councilmember Bailey to approve the agenda with the following addition to the Consent Agenda:

11. Recognition of Non-Profit Organization – Owosso Sports Boosters, Inc.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF MAY 7, 2018

Motion by Councilmember Bailey to approve the Minutes of the Regular Meeting of May 7, 2018 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

Michigan Rural Water Association Award

Utilities Director Glenn M. Chinavare detailed the award naming the City of Owosso as the Associate Community of the Year for 2018 by the Michigan Rural Water Association. He said the award was completely unexpected and was a tribute to the good work of the employees that work for both the Water Filtration and Waste Water Treatment Systems. He went on to share the road sign that was presented to the City naming it as the 2018 Associate Community of the Year as well as a handful of other awards the systems had received in the past few years.

PUBLIC HEARINGS

Special Assessment District No. 2018-09 – Industrial Park Connector Project

A public hearing was conducted to receive citizen comment regarding authorization of Resolution No. 5 for Special Assessment District No. 2018-09 for the Industrial Park Connector Project for street resurfacing/reconstruction.

The following people commented regarding the proposed roll for Special Assessment District No. 2018-09:

Don Morel, owner of the property at 1070 Aiken Road, said the improvements will not touch his property yet he has received a hefty assessment. He said he appreciates the improvements being made to the infrastructure of the park but was at a loss as to how his assessment comes to almost \$15,000.00. He asked for Council's consideration of his situation.

Lance Hodges, General Manager of Universal Handling, 1650 Industrial Drive, reiterated his feeling that the special assessment will impact their competitiveness due to the cutthroat nature of their industry. He asked that Council at least consider lowering the interest rate on the assessment.

Staff responded to Mr. Morel's concerns saying the streets being improved represent the park's sole access to a state highway and as such all properties in the park will benefit. Assessments were determined using two components: pavement enhancements and access enhancements. All properties in the park received an assessment for improved access. Those properties with frontage along the streets being improved were also assessed for the benefit of having new pavement immediately adjacent to their property.

Mayor Eveleth responded to the question regarding the interest rate saying Council is free to change it. He went on to say it was set at a higher rate to encourage residents to seek outside financing and not treat the City as a bank. Councilmember Fox chimed in saying the current 6% rate applies to residents and commercial/industrial entities alike and he didn't like the idea of changing the rate for only one type of property.

Whereas, the Council, after due and legal notice, has met and having heard all interested parties, motion by Councilmember Bailey that the following resolution be adopted:

RESOLUTION NO. 69-2018

**INDUSTRIAL PARK CONNECTOR PROJECT
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:

GOULD STREET, FROM MONROE STREET TO CORUNNA AVENUE; and
MONROE STREET, FROM GOULD STREET TO MCMILLAN AVENUE; and
MCMILLAN AVENUE, FROM MONROE STREET TO SOUTH END OF STREET; and
INDUSTRIAL DRIVE, FROM MCMILLAN AVENUE TO AIKEN ROAD; and
SOUTH STREET, FROM MCMILLAN AVENUE TO AIKEN ROAD
INFRASTRUCTURE AND ACCESS IMPROVEMENTS

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 \$516,231.13 is hereby confirmed and shall be known as Special Assessment Roll No. 2018-09.
2. Said special assessment roll shall be divided into ten installments, the first of which shall be due and payable on September 1, 2018, 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, 2018.
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, 2018 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 Fox.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Greenway.

CITIZEN COMMENTS AND QUESTIONS

District 2 County Commissioner Dan McMaster commented on recent issues addressed by the Commission including the proposed wind ordinance and the purchase of a new van for use by the Veteran's Affairs Office.

Tom Manke, Owosso Township resident, congratulated the City on the receipt of an award for water quality but said the City still has a problem with lead levels when the water enters homes.

Cynthia Farrell, 1104 North Hickory Street, introduced herself as a candidate for County Commissioner District 2. She said she wants to be part of the solution and help the county move forward.

Jeff Turner, 204 Oakwood Avenue, inquired when the burned out home on Comstock Street will be torn down.

Eddie Urban, 601 Glenwood Avenue, announced that drivers are needed for the new DAV van. Interested parties should contact the Veteran's Affairs Office.

Mayor Eveleth offered warm congratulations to Assistant City Manager Montenegro on her hire as the City Manager of Leslie. He thanked her for all her hard work over the years.

Councilmember Fox said he noticed that the new owners of Niche had installed brackets in the sidewalk for an outside service area. He said he was concerned that someone would trip.

There was a brief discussion regarding the burned out house on Comstock Street and how long it be before it is torn down. Staff noted that the City is currently engaged in a process with the owner's insurance company to resolve the situation and it is expected to take 60-90 days to complete.

CITY MANAGER REPORT

City Manager Nathan R. Henne said he had had the opportunity to help out the City's firefighters at a recent fire and they did a fine job under the circumstances present. He also congratulated Ms. Montenegro on her new job saying the City of Leslie is lucky to have her.

CONSENT AGENDA

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

Special Assessment District No. 2018-04. Authorize Resolution No. 4 setting a public hearing for Monday, June 4, 2018 to receive citizen comment regarding Special Assessment District No. 2018-04 for Howard Street, from Washington Street to 150' east of Park Street for resurfacing as follows:

RESOLUTION NO. 70-2018

SETTING A PUBLIC HEARING TO RECEIVE COMMENT REGARDING HOWARD STREET FROM WASHINGTON STREET TO 150 FEET EAST OF PARK STREET SPECIAL ASSESSMENT RESOLUTION NO. 4

WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the cost of the public improvements more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the Council by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.
2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on Monday, June 4, 2018 for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.
3. The City Clerk is directed to publish the notice of said hearings once in the *Argus Press*, the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.
4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF HEARING TO REVIEW SPECIAL ASSESSMENT ROLL CITY OF OWOSSO, COUNTY OF SHIAWASSEE, MICHIGAN

TO THE OWNERS OF THE FOLLOWING DESCRIBED PROPERTY:

HOWARD STREET, A PUBLIC STREET, FROM WASHINGTON STREET TO 150 FEET
EAST OF PARK STREET

TAKE NOTICE that a Special Assessment roll has been prepared for the purpose of defraying the Special Assessment district's share of the cost of the following described improvements:

STREET RECONSTRUCTION

The said Special Assessment roll is on file for public examination with the City Clerk and any objections to said Special Assessment roll must be filed in writing with the City Clerk prior to the close of the hearing to review said Special Assessment roll.

TAKE FURTHER NOTICE that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if an appeal should be desired. A property owner or party in interest, his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall, Owosso, Michigan at 7:30 p.m. on Monday, June 4, 2018 for the purpose of reviewing said special assessment roll and for the purpose of considering all objections to said roll submitted in writing.

Special Assessment District No. 2018-06. Authorize Resolution No. 4 setting a public hearing for Monday, June 4, 2018 to receive citizen comment regarding Special Assessment District No. 2018-06 for Stewart Street, from Cedar Street to Shiawassee Street for resurfacing as detailed below:

RESOLUTION NO. 71-2018

**STEWART STREET
FROM CEDAR STREET TO SHIAWASSEE STREET
SPECIAL ASSESSMENT RESOLUTION NO. 4**

WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the cost of the public improvements more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the Council by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.
2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on Monday, June 4, 2018 for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.
3. The City Clerk is directed to publish the notice of said hearings once in the *Argus Press*, the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.
4. The notice of said hearing to be published and mailed shall be in substantially the following form:

**NOTICE OF HEARING
TO REVIEW SPECIAL ASSESSMENT ROLL
CITY OF OWOSSO, COUNTY OF SHIAWASSEE, MICHIGAN**

TO THE OWNERS OF THE FOLLOWING DESCRIBED PROPERTY:

STEWART STREET, A PUBLIC STREET, FROM CEDAR STREET TO SHIAWASSEE STREET

TAKE NOTICE that a Special Assessment roll has been prepared for the purpose of defraying the Special Assessment district's share of the cost of the following described improvements:

STREET RESURFACING

The said Special Assessment roll is on file for public examination with the City Clerk and any objections to said Special Assessment roll must be filed in writing with the City Clerk prior to the close of the hearing to review said Special Assessment roll.

TAKE FURTHER NOTICE that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if an appeal should be desired. A property owner or party in interest, his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall, Owosso, Michigan at 7:30 p.m. on Monday, June 4, 2018 for the purpose of reviewing said special assessment roll and for the purpose of considering all objections to said roll submitted in writing.

Change Order No. 5 – Oliver Street Reconstruction Project, Phase 2 – Engineering

Services. Approve Change Order No. 5 to the Oliver Street Reconstruction Project - Engineering Services contract with Spicer Group, Inc. for additional professional engineering services in the amount of \$126,258.00, and authorize payment to the engineer upon satisfactory completion of the additional work or a portion thereof as follows:

RESOLUTION NO. 72-2018

**AUTHORIZING CHANGE ORDER NO. 5
TO THE CONTRACT FOR THE OLIVER STREET RECONSTRUCTION PROJECT
WITH SPICER GROUP, INC.**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, approved a contract with Spicer Group, Inc. on May 2, 2016 for Professional Engineering Services for the Oliver Street Reconstruction Project; and

WHEREAS, the City has requested additional work from Spicer Group, Inc. as set forth within the documents labeled Change Order No. 5 to provide additional inspection and construction administration services for the 2018 Oliver Street Phase II Reconstruction Project, from Oak Street to N. Gould Street.

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

- FIRST: The City of Owosso amends the contract with Spicer Group, Inc. for additional professional engineering services as detailed in Change Order No. 5.
- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in form attached as Change Order No. 5 to Addendum 2016-01 to an Agreement for Professional Engineering Services between the City of Owosso and Spicer Group, Inc., increasing the total amount by \$126,258.00.
- THIRD: The accounts payable department is authorized to pay Spicer Group, Inc. for work satisfactorily completed up to the amount of the contract including Change Order No. 5 for a total of \$495,789.00.
- FOURTH: The above expenses shall be paid from a combination of City Major Streets Fund, Water Fund, and other funds as appropriated.

Amendment No. 1 – South Washington Street Reconstruction Project Engineering

Services. Authorize Amendment No. 1 to the South Washington Street Reconstruction Project Engineering Services contract with Eng., Inc. adding additional design and construction administration services for watermain replacement along South Washington Street in the amount of \$16,067.50, and further authorize payment to the contractor upon satisfactory completion of the additional work or portion thereof as detailed below:

RESOLUTION NO. 73-2018

**AUTHORIZING AMENDMENT NO. 1
TO THE SOUTH WASHINGTON STREET RECONSTRUCTION PROJECT
ENGINEERING SERVICES CONTRACT WITH ENG., INC. FOR
ADDITIONAL ENGINEERING SERVICES**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved a Contract with Eng., Inc. on March 5, 2018 for Engineering Survey and Design Services for the South Washington Street Reconstruction Project in the amount of \$104,392.50; and

WHEREAS, the city requests additional services of the consultant to provide engineering design and construction administration services for water main replacement along Washington Street, from Milwaukee Street to Corunna Avenue that is beyond the original contractual scope of services; and

WHEREAS, the city requests additional services of the consultant to provide its own traffic control during its pavement coring operation and two additional pavement cores for water main design that is 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 contract with Eng., Inc. for a cost to the city of Owosso of \$9,557.50 for additional engineering services, plus \$6,510.00 for traffic control and two additional pavement cores during pavement coring operations, as outlined within the attached proposal.
- SECOND: The mayor and city clerk are requested and authorized to sign Contract Amendment No. 1 to the Contract between the City of Owosso, Michigan and Eng., Inc.
- THIRD: The Accounts Payable department is authorized to make payment up to the amended amount of \$120,460.00 to Eng., 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 (\$4,035.00) and Water Mains & Hydrants Account No. 591-901-972.000 (\$12,032.50).

Purchase Authorization – Swap Loader Trucks. Waive competitive bidding requirements, authorize the purchase of 2 Freightliner cab and chassis from D. & K. Truck Company in the amount of \$155,312.00 via State of Michigan Contract No. 071B6600119, authorize the purchase and installation of 2 swap loader systems, dump bodies, and V-box salt spreaders from Truck & Trailer Specialties, Inc. in the amount of \$208,380.00 via State of Michigan Contract No. 071B5500010, authorize a contingency of \$9,000.00 for unplanned expenses, and further authorize payment to the vendors upon satisfactory delivery of said equipment as follows:

RESOLUTION NO. 74-2018

**AUTHORIZING PURCHASE OF
TWO FREIGHTLINER CAB & CHASSIS AND TWO SWAP LOADER ASSEMBLIES
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 heavy duty work trucks used for the maintenance of streets and grounds, and

WHEREAS, the existing cab & chassis and dump bodies of four older heavy duty trucks have expended their useful life and are too costly to continue maintaining, 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 D. & K. Truck Company and recommends authorizing a purchase agreement between the city of Owosso and D. & K. Truck Company for the purchase of two (2) Freightliner cab & chassis on the State of Michigan MiDeal Contract, 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 Truck & Trailer Specialties, Inc. and recommends authorizing a purchase agreement between the city of Owosso and Truck & Trailer Specialties, Inc. for the purchase of two (2) swap loader assemblies for installation on two (2) Freightliner cab & chassis vehicles.

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

- FIRST: It has heretofore determined that it is advisable, necessary and in the public interest to contract with D. & K. Truck Company of Lansing, Michigan for the purchase of two (2) Freightliner cab & chassis trucks on State of Michigan Contract No. 071B6600119, for use in the Fleet Motor Pool, in the amount of \$154,312.00 plus shipping & delivery of \$1,000.00.
- SECOND: It has heretofore determined that it is advisable, necessary and in the public interest to contract with Truck & Trailer Specialties, Inc. of Dutton, Michigan for the purchase of two (2) swap loader assemblies for installation on two (2) Freightliner trucks via State of Michigan Contract No. 071B5500010, for use in the Fleet Motor Pool, in the amount of \$207,380.00 plus shipping & delivery of \$1,000.00.

THIRD: The accounts payable department is authorized to submit payment to D. & K. Truck Company in the amount of \$155,312.00, and Truck & Trailer Specialties, Inc. in the amount of \$208,380.00, plus contingency funds in the amount of \$9,000.00 for unplanned configuration modifications, for a total of \$372,692.00.

FOURTH: The above expenses shall be paid from account no. 661-901-979.000.

Purchase Authorization – Trailer Mounted Valve Operating System. Waive competitive bidding requirements, authorize purchase of 1 WACHS trailer mounted valve operating system with hydrovac tank and pressure washer from E.H. Wachs Company in the amount of \$72,125.00 via National Purchasing Cooperative Alliance Contract No. 515-16, and further authorize payment to the vendor upon satisfactory delivery of said equipment as detailed below:

RESOLUTION NO. 75-2018

**AUTHORIZING PURCHASE AGREEMENT TO
E.H. WACHS OF LINCOLNSHIRE, ILLINOIS FOR PROCUREMENT
OF TRAILER MOUNTED VALVE TURNING AND MAINTENANCE EQUIPMENT
FOR FLEET MOTOR POOL USE**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Fleet Motor Pool Replacement Fund for the replacement of a trailer mounted valve turning and maintenance unit for various utility and street right of way use, and

WHEREAS, the City of Owosso Director of Public Services & Utilities has reviewed the requested equipment on the National Purchasing Cooperative Alliance (NPCA) Contract as priced by E.H. WACHS Company, and recommends authorizing a purchase agreement between the city of Owosso and E.H. WACHS for the purchase of the trailer mounted valve turner and maintenance equipment, 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 E.H. WACHS of Lincolnshire, Illinois for the purchase of one (1) each trailer mounted valve turner and maintenance equipment on NPCA contract 515-16 for use in the Fleet Motor Pool, in the amount of \$72,125.00.

SECOND: The accounts payable department is authorized to submit payment to E.H. WACHS Company in the amount of \$72,125.00

THIRD: The above expenses shall be paid from account no. 661-901-979.000.

Bid Award – Industrial Park Connector Project. Authorize bid award to Green Thumb Lawnscape, Inc. d/b/a Zito Construction Co. as the low, responsive bidder for infrastructure improvements along various streets in the Industrial Park in accordance with the Michigan Department of Transportation Category A: Grant, in the amount of \$1,062,663.00 as follows:

RESOLUTION NO. 76-2018

**AUTHORIZING THE EXECUTION OF A CONTRACT WITH
GREEN THUMB LAWNSCAPING, INC. D/B/A ZITO CONSTRUCTION CO.
FOR THE INDUSTRIAL PARK CONNECTOR PROJECT**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, has determined that it is in the best interest of the public to replace perform pavement and other infrastructure improvements along portions of Gould Street, Monroe Street, and McMillan Avenue as set forth in the contract documents; and

WHEREAS, the city has sufficient funds to perform said improvements from its Wastewater funds and 2016 Unlimited Obligation Bond Proceeds funds to facilitate undertaking of the project; and

WHEREAS, the city of Owosso sought bids for the Industrial Park Connector Project and a bid was received from Green Thumb Lawnscape, Inc. d/b/a Zito Construction Co. and it is hereby determined that Zito Construction Co. is qualified to provide such services and that it has submitted the lowest 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 heretofore determined that it is advisable, necessary and in the public interest to employ Green Thumb Lawnscape, Inc. d/b/a Zito Construction Co. for the Industrial Park Connector Project.

- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached as Exhibit A, Contract for Services Between the city of Owosso, Michigan and Zito Construction Co. in the amount of \$1,062,663.00.
- THIRD: The accounts payable department is authorized to pay Zito Construction Co. for work satisfactorily completed on the project up to the bid Contract amount of \$1,062,663.00, plus a contingency amount not to exceed \$50,000.00 for city field staff adjustments.
- FOURTH: The above expenses shall be paid from the 2016 Unlimited Obligation Bond Proceeds (\$1,050,001.00), City Wastewater Account No. 590-901-973.000 (\$12,662.00), and other funds as appropriated.

Bid Award - Auditing Services. Approve bid of Gabridge & Company, PLC to perform the 2017-18, 2018-19, and 2019-20 audits in the amount of \$27,960.00 per year, with a two- year extension option totaling an additional \$59,000.00 as detailed below:

RESOLUTION NO. 77-2018

**AUTHORIZING THE EXECUTION OF A CONTRACT WITH
GABRIDGE & COMPANY, PLC FOR AUDITING SERVICES
FOR FISCAL YEARS ENDING JUNE 30, 2018 THROUGH JUNE 30, 2020**

WHEREAS, the city of Owosso, Michigan is required by the state of Michigan to have an independent audit performed annually according to generally accepted auditing standards; and

WHEREAS, the city of Owosso sought requests for proposal for auditing services for a three-year period for the fiscal years ending June 30, 2018 through June 30, 2020; and

WHEREAS, a response was received from Gabridge & Company, PLC and it is hereby determined that Gabridge & Company, PLC is qualified to provide said services, that it has submitted a reasonable bid, and has received the most positive reviews from fellow municipalities; and

WHEREAS, the firm has offered the option of securing its services for an additional two-year period should the City be satisfied with its performance in the first three years and find the anticipated costs acceptable.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO,
SHIAWASSEE COUNTY, MICHIGAN:

- FIRST: that the city of Owosso has heretofore determined that engaging Gabridge & Company, PLC, certified public accountants, is advisable and necessary, to conduct and prepare an audit the basic financial statements and one Federal single audit for the city of Owosso, Michigan.
- SECOND: that the contract between the city of Owosso and Gabridge & Company, PLC, attached as Exhibit A, with a cost of \$27,960.00 per year in the first three years is hereby approved.
- THIRD: that the Mayor and City Clerk are hereby instructed and authorized to sign the document attached as Exhibit A for the city of Owosso.

Shiawassee County Law Enforcement Agencies Mutual Aid Agreement Update. Approve the Shiawassee County Law Enforcement Mutual Aid 2018 Agreement for the mutual provision of police protection as necessary as follows:

RESOLUTION NO. 78-2018

**AUTHORIZING PARTICIPATION IN
THE SHIAWASSEE COUNTY LAW ENFORCEMENT AGENCIES MUTUAL AID 2018
AGREEMENT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has the power, privilege and authority to maintain and operate a police department providing police protection; and

WHEREAS, two or more governmental entities may, pursuant to the provisions of 1967 PA 236, being MCL 123.811, enter into an Agreement to provide mutual aid police assistance and services to one another; and

WHEREAS, certain situations may exist in the nature of public nuisances, public disturbances, or in cooperative law enforcement activities where mutual aid may be necessary or appropriate; and

WHEREAS, the City of Owosso desires to update the interlocal agreement between Shiawassee County police departments, pursuant to the Act, to further improve Police Services; and

WHEREAS, each governmental entity, by their respective governing bodies, is willing to provide mutual police aid and assistance to the others, subject to the powers, duties and responsibilities and legal liabilities established by this agreement.

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

FIRST: The City of Owosso finds it is the best interest of its citizens from a safety and fiscal standpoint to approve participation in the Shiawassee County Law Enforcement Agencies Mutual Aid 2018 Agreement.

SECOND: The Public Safety Director is instructed and authorized to sign the document substantially in the form attached as the Shiawassee County Law Enforcement Agencies Mutual Aid 2018 Agreement.

Warrant No. 557. Authorize Warrant No. 557 as follows:

Vendor	Description	Fund	Amount
Gould Law, PC	Professional services-4/9/18 – 5/14/18	General	\$10,854.48

Non-Profit Organization Recognition – Owosso Sports Boosters. (This item was added to the agenda.) Consider local governing body resolution recognizing the Owosso Sports Boosters as a local civic non-profit organization operating in the City of Owosso for the purposes of obtaining a charitable gaming license from the State of Michigan as follows:

RESOLUTION NO. 79-2018

LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSE

The Owosso City Council hereby approves the request of the Owosso Sports Boosters, Inc. asking they be recognized as a non-profit organization operating in the community for the purpose of obtaining a charitable gaming license from the State of Michigan.

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Greenway.

ITEMS OF BUSINESS

Downtown Development Authority General Appropriations Resolution

Motion by Councilmember Fox to adopt the following General Appropriations Resolution authorizing the levy of the Downtown Development Authority millage for the 2018-2019 fiscal year.

RESOLUTION NO. 80-2018

GENERAL APPROPRIATIONS RESOLUTION FOR THE DOWNTOWN DEVELOPMENT AUTHORITY FOR FY 2018-19

WHEREAS, the Authority board met to consider a proposed budget for fiscal year 2018-19, and after deliberations and public input approved a budget; and

WHEREAS, the Owosso City Council held a public hearing on the proposed budget on May 7, 2018 and there was no one to be heard; and

WHEREAS, it is the intent of the Downtown Development Authority to levy a tax for general operating purposes pursuant to Public Act 197 of 1975; and

WHEREAS, the general property tax laws, specifically MCL 211.34(d), provide for an annual compound millage reduction calculation applied to the maximum millage rate of two mills authorized by MCL 125.1662; and

WHEREAS, the millage reduction commonly known as the "Headlee" rollback results in a maximum operating millage rate of 1.9215 for which the Authority is authorized to levy.

NOW THEREFORE, BE IT RESOLVED, that the tax levy for the fiscal year commencing July 1, 2018 shall be the rate of 1.9215 per \$1,000 of taxable value of the 2018 assessment roll for the district as approved by the Board of Review.

BE IT FURTHER RESOLVED, that the following amounts are hereby appropriated for the operations of the Owosso Downtown Development Authority and its activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

Downtown Development	\$ 209,450
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BE IT FURTHER RESOLVED, that the following revenues are estimated to be available for the fiscal year beginning July 1, 2018 and ending June 30, 2019, to meet the foregoing appropriations.

Property Taxes	\$ 192,000
Other Revenue	24,580
Total General Fund	\$ 216,580

Motion supported by Councilmember Bailey.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Greenway.

City Budget Adoption

Motion by Councilmember Fox to adopt the following General Appropriations Resolution approving the 2018-2019 City Budget.

RESOLUTION NO. 81-2018

GENERAL APPROPRIATIONS ACT (BUDGET) FOR FY 2018-19

A resolution to establish a general appropriations act for the City of Owosso; to define the powers and duties of the city officers in relation to the administration of the budget; and to provide remedies for refusal or neglect to comply with the requirements of this resolution.

WHEREAS, pursuant to Chapter 8, Section 5 of the Owosso City Charter, the City Council has received the proposed budget for the fiscal year beginning July 1, 2018, and held a public hearing on May 7, 2018 in which there was no one to be heard; and

WHEREAS, the City Council has held other additional workshop sessions to discuss the proposed budget.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Owosso hereby adopts the FY2019 budget and sets the tax rates as shown below:

Section 1: Title

This resolution shall be known as the Owosso General Appropriations Act.

Section 2: Chief Administrative Officer

The City Manager shall be the Chief Administrative Officer and shall perform the duties of the Chief Administrative Officer enumerated in this act.

Section 3: Fiscal Officer

The Finance Director shall be the Fiscal Officer and shall perform the duties of the Fiscal Officer enumerated in this act.

Section 4: Estimated Expenditures

The following amounts are hereby appropriated for the operations of the City Government and its activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

<u>General Fund</u>	\$ 3,900
City Council	
City Manager	145,488

City Attorney	120,000
Finance	257,531
Assessing	107,899
City Clerk	242,150
Human Resources	204,483
Treasury	148,227
Information Technology	103,345
Building & Grounds	119,804
General Administration	313,246
Police	2,082,003
Fire	1,908,979
Building & Planning	222,620
Public Works	526,288
Leaf & Brush	229,143
Parking	35,030
Community Development	168,667
Parks	235,123
Transfers Out	581,840
Total General Fund	\$ 7,755,766

Major Streets Fund

Public Works	\$ 2,785,122
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Local Streets Fund

Public Works	\$ 1,612,355
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Facade Fund

Economic Development	\$ 1,018,750
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CDBG Revolving Loan Fund

Economic Development	\$ 4,536
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Housing/Rental Rehab Fund

Economic Development	\$ 188,800
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Historical Commission

Culture and Recreation	\$ 89,116
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General Obligation Debt Fund

Debt Service	\$ 580,316
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Capital Improvement Fund

Capital Improvements	\$ 358,840
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Capital Improvement Streets Fund

Street Improvements	\$ 2,613,300
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Transportation Fund

Transportation	\$ 77,378
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Sewer Fund

Public Works	\$ 1,880,503
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Water Fund

Public Works	\$ 3,143,017
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Waste Water Treatment Fund

Public Works	\$ 2,160,762
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Fleet Fund

Public Works	\$ 1,050,200
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Brownfield Authority

Economic Development	\$ 233,606
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Section 5: Estimated Revenues

The following are estimated to be available for the fiscal year beginning July 1, 2018 and ending June 30, 2019, to meet the foregoing appropriations:

General Fund

Property Taxes	\$ 3,564,129
License and Permits	196,704
Intergovernmental Revenue	1,733,311
Charges for Services	1,328,972
Interest Income	38,000

Other Revenue	91,000
Transfers In	647,650
Other Financing Sources- Fund Balance	156,000
Total General Fund	\$ 7,755,766
 <u>Major Streets Fund</u>	
Intergovernmental Revenue	\$ 989,000
Special Assessments	100,956
Transfers In	1,691,800
Other Financing Sources- Fund Balance	3,366
Total Major Streets Fund	\$ 2,785,122
 <u>Local Streets Fund</u>	
Intergovernmental Revenue	\$ 346,825
Special Assessments	61,000
Transfers In	1,204,530
Other Financing Resources	-
Total Local Streets Fund	\$ 1,612,355
 <u>Downtown Façade Fund</u>	
Grant Revenue	\$ 518,750
Other Revenue	500,000
Total Downtown Façade Fund	\$ 1,018,750
 <u>CDBG Revolving Loan Fund</u>	
Other Revenue	\$ 4,536
 <u>Housing/Rental Rehab Fund</u>	
Grant Revenue	\$ 108,800
Other Revenue	80,000
Total Housing/Rental Rehab Fund	\$ 188,800
 <u>Historical Commission Fund</u>	
Interest/Rental Income	\$ 14,270
Other Revenue	40,000
Transfers In	33,000
Other Financing Sources- Fund Balance	1,846
Total Major Streets Fund	\$ 89,116
 <u>Debt Service Fund</u>	
Property Taxes	\$ 502,201
DDA Contribution	78,115
Total Debt Service	\$ 580,316
 <u>Capital Improvement Fund</u>	
Transfers In	\$ 358,840
 <u>Capital Improvement Streets Fund</u>	
Other Financing Sources- Debt Proceeds	\$ 4,900,000
 <u>Transportation Fund</u>	
Transfers In	\$ 24,547
Other Financing Sources-Fund Balance	52,831
Total Transportation	\$ 77,378
 <u>Sewer Fund</u>	
Charges for Services	\$ 1,600,000
License and Permits	500
Interest and Penalties	33,000
Total Sewer Fund	\$ 1,633,500
 <u>Water Fund</u>	
Charges for Services	\$ 2,750,000
Intergovernmental Revenue	1,000,000
License and Permits	20,000
Interest and Penalties	45,600
Other Revenue	23,000
Total Water Fund	\$ 3,838,600
 <u>Waste Water Treatment Fund</u>	
Charges for Services	\$ 1,648,000
Interest Income	5,000
Other Revenue	5,000
Total Waste Water Treatment Fund	\$ 1,658,000

<u>Fleet Fund</u>		
Rental Income		\$ 700,000
<u>Brownfield Authority</u>		
Property Taxes	\$ 224,702	
Other Income	8,904	
Total Water and Sewer Fund	\$ 233,606	

Section 6: Millage Levy

The City Council shall cause to be levied and collected the general property tax on all real and personal property within the city upon the current tax roll an amount equal to 15.9770 mills per \$1,000 of taxable value consisting of 13.0070 mills for operating, 1.0000 mill to operate a solid waste recycling program and 1.9700 mills for debt

Section 7: Adoption of Budget by Reference

The general fund budget of the City of Owosso is hereby adopted by reference, with revenues and activity expenditures as indicated in Sections 4 and 5 of this act.

Section 8: Appropriation not a Mandate to Spend

Appropriations will be deemed maximum authorizations to incur expenditures. The fiscal officer shall exercise supervision and control to ensure that expenditures are within appropriations, and shall not issue any city order for expenditures that exceed appropriations.

Section 9: Periodic Fiscal Reports

The fiscal officer shall provide the City Council monthly reports of fiscal year to date revenues and expenditures compared to the budgeted amounts.

Section 10: Limit on Obligations and Payments

No obligation shall be incurred against, and no payment shall be made from any appropriation account unless there is a sufficient unencumbered balance in the appropriation and sufficient funds are or will be available to meet the obligation.

Section 11: Budget Monitoring

Whenever it appears to the fiscal officer or the city Council that the actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such fund were based, and when it appears that expenditures shall exceed an appropriation, the fiscal officer shall present to the city Council recommendations to prevent expenditures from exceeding available revenues or appropriations for the current fiscal year. Such recommendations shall include proposals for reducing appropriations, increasing revenues, or both.

Motion supported by Councilmember Teich.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Greenway.

Consumers Energy Easement

City Manager Henne noted that this easement is being requested to accommodate the new location of a line that requires replacement.

Utilities Director Glenn M. Chinavare indicated he had no issues with the location of the proposed easement, his only concern is that Consumers bore down deep enough to miss the existing irrigation system and electrical lines servicing the parking lot. He said staff will be on hand to monitor the project when it gets underway.

Motion by Mayor Pro-Tem Osika to grant Consumers Energy a 12' easement to construct, operate, maintain, inspect (including aerial patrol), survey, replace, reconstruct, improve, remove, relocate, change the size of, enlarge, and protect a line or lines of electric facilities in, on, over, under, across, and through a portion of the Exchange Street parking lot as follows:

RESOLUTION NO. 82-2018

GRANTING A PERMANENT EASEMENT FOR ELECTRIC FACILITIES TO CONSUMERS ENERGY

WHEREAS, Consumers Energy maintains an electrical line under a portion of the alley south of the Exchange Street parking lot (Lot #5); and

WHEREAS, said line needs to be replaced and the current location is no longer feasible; and

WHEREAS, Consumers Energy desires to relocate the replacement line in a more appropriate area under the Exchange Street parking lot north of the current location; and

WHEREAS, Consumers has requested the City grant a permanent easement measuring 6' on either side of the relocated line to allow for construction, operation, maintenance, and inspection of said line; and

WHEREAS, City staff has reviewed the request, concurs with the proposed relocation, and requests that Consumers Energy restrict their line to an area at least 36" below the surface to avoid existing underground facilities; and

WHEREAS, the city of Owosso is willing to grant a permanent easement for that portion of Lot #5 as described in Exhibit B of the easement agreement.

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

FIRST: The city of Owosso has determined that it is advisable, necessary and in the public interest to grant a permanent easement as outlined by the terms set forth in the attached Easement for Electric Facilities between the city of Owosso and Consumers Energy.

SECOND: The Mayor and City Clerk are instructed and authorized to execute said easement documents.

Motion supported by Councilmember Law.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Greenway.

MABAS Agreement Approval

City Manager Henne relayed his experience with MABAS at his previous municipality saying they provided much needed help in the midst of a crisis.

Motion by Councilmember Fox to approve the Amended Michigan Mutual Aid Box Alarm System Association Interlocal Agreement creating the Shiawassee County MABAS Division and further improving fire services to local residents and the region as follows:

RESOLUTION NO. 83-2018

AUTHORIZING THE PARTICIPATION IN THE MICHIGAN MUTUAL AID BOX ALARM SYSTEM (MABAS)

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has the power, privilege and authority to maintain and operate a fire department providing fire protection, fire suppression, emergency medical services, technical rescue, hazardous incident response, and other emergency response services ("Fire Services"); and

WHEREAS, Fire Services can further be improved by cooperation between political subdivisions during times of public emergency, conflagration or disaster ("Incidents"); and

WHEREAS, the Michigan Constitution of 1963, Article 7, § 28, and the Urban Cooperation Act of 1967, Act No. 7 of the Public Acts of 1967, Ex. Sess., being MCL 124.501 *et seq.* (the "Act"), permit a political subdivision to exercise jointly with any other political subdivision any power, privilege or authority which such political subdivisions share in common and which each might exercise separately; and

WHEREAS, the City of Owosso desires to enter into an interlocal agreement, pursuant to the Act, to further improve Fire Services; and

WHEREAS, the Mutual Aid Box Alarm System (MABAS), is a mechanism that may be used for deploying personnel and equipment in a multi-jurisdictional or multi-agency emergency mutual aid response; and

WHEREAS, as a result of entering into said interlocal agreement the Parties will create the Shiawassee County MABAS Division; and

WHEREAS, The City of Owosso has the authority to execute this Agreement pursuant to resolution of its governing body; and

WHEREAS, The City of Owosso desires to commit personnel and equipment to another Party if deemed reasonable upon the request of another Party per the terms of the agreement.

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

FIRST: The City of Owosso finds it is the best interest of its citizens from a safety and fiscal standpoint to enter into an Interlocal Agreement creating the Shiawassee County MABAS Division.

SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached as Amended Michigan Mutual Aid Box Alarm System Association Agreement.

Motion supported by Councilmember Bailey.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Greenway.

COMMUNICATIONS

Karen K. Ruddy, Finance Director. April 2018 Financial Report.

N. Bradley Hissong, Building Official. April 2018 Building Department Report.

N. Bradley Hissong Building Official. April 2018 Code Violations Report.

Kevin D. Lenkart, Public Safety Director. April 2018 Police Report.

Kevin D. Lenkart, Public Safety Director. April 2018 Fire Report.

Historical Commission. Minutes of April 9, 2018.

Parks & Recreation Commission. Minutes of April 25, 2018.

CITIZEN COMMENTS AND QUESTIONS

District 2 County Commission Dan McMaster relayed some of his experience with a MABAS agreement and the resources the City has access to as a result of joining the agreement.

Cynthia Farrell, 1104 North Hickory Street, relayed her experience with a home next door to hers that had burned a few years ago. She also briefly detailed her educational background and career experience.

Tom Manke, Owosso Township resident, said he felt that Niche was only doing what the former City Council requested by establishing an outdoor service area. He said Council should be happy there is a new business in town and not be so critical of things like brackets on the sidewalk.

Eddie Urban, 601 Glenwood Avenue, announced that those interested in driving the DAV van could call 743-2231 for more information.

Mayor Eveleth offered to keep Mr. Turner updated on progress with the Comstock Street house.

Councilmember Bailey thanked Assistant City Manager Montenegro for all of her work here at the City. She said she will be missed.

Councilmember Fox inquired who makes the call to have a home boarded up after a fire. Staff noted that the Public Safety Department asks owners to board up the home but that they are not required to do so.

NEXT MEETING

Monday, June 04, 2018

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – Alternate - term expires June 30, 2019
Building Board of Appeals – Alternate - term expires June 30, 2021
Historical Commission – term expires December 31, 2020
Planning Commission – term expires June 30, 2019
Zoning Board of Appeals – term expires June 30, 2021

ADJOURNMENT

Motion by Councilmember Bailey for adjournment at 8:32 p.m.

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

Christopher T. Eveleth, Mayor

Amy K. Kirkland, City Clerk