

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF MARCH 4, 2024
7:30 P.M.
VIRGINIA TEICH CITY COUNCIL CHAMBERS**

PRESIDING OFFICER: MAYOR ROBERT J. TEICH, JR.

OPENING PRAYER: PASTOR KENNETH HERBRUCK
OWOSSO ASSEMBLY OF GOD

PLEDGE OF ALLEGIANCE: JUSTIN SPRAGUE, CIP PLANNING

PRESENT: Mayor Robert J. Teich, Jr., Mayor Pro-Tem Susan J. Osika, Councilmembers Janae L. Fear, Jerome C. Haber, Daniel A. Law, Emily S. Olson, and Nicholas L. Pidek.

ABSENT: None.

APPROVE AGENDA

Motion by Mayor Pro-Tem Osika to approve the agenda as presented, acknowledging the update to Consent 7. Tentative Bid Award – 2024 Water Main Replacement Project.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF FEBRUARY 20, 2024

Motion by Councilmember Olson to approve the Minutes of the Regular Meeting of February 20, 2024 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

Ordinance Amendments – Chapter 38, Zoning, & Chapter 26, Signs

Master Plan Implementation Goals: A.1, A.8, 1.22, 2.13, 4.9, 4.11, 4.13, 4.14, 4.15, 4.17, 5.6, 5.13, 5.15 & 5.29

The proposed amendments would remove obsolete rules and procedures, streamline requirements, and regulate for the kind of development the community desires, as well as fulfill a requirement of the Redevelopment Ready Communities certification process.

City Manager Nathan R. Henne said tonight’s hearing would represent one of the last stages of a 4-year project, starting with the redraft of the Master Plan and ending with a redraft of the Zoning Ordinance to facilitate the goals of the Master Plan.

A public hearing was conducted to receive citizen comment regarding the proposed repeal and replacement of Chapter 38, Zoning, moving Chapter 26, Signs, within the new Zoning Ordinance, and updating the City’s Zoning Map.

Justin Sprague, Vice President of CIP Planning, was present to explain the proposed changes. He noted that approximately 70% of the ordinance had been rewritten, standards were updated, and some zoning districts were consolidated. The biggest changes being proposed are to residential districts to make it easier to build multi-family housing as recommended in the Master Plan, to remove the non-conforming status from large homes converted into apartments, allow corridor areas with mixed uses, to provide more guidance on Planned Unit Developments, amend parking standards to reflect best practices, create landscape and lighting standards, completely rewrite the outdated code for non-conforming uses, and move the Sign Ordinance within the Zoning Ordinance.

City Manager Henne suggested Council consider making one change, adding back the five National Historic District areas that are part of the current ordinance.

The following people commented regarding the proposed amendments:

Cheryl Farver, 414 Adams Street, said she is concerned that people aren't complying with the rules in residential areas and now the City is proposing changing the rules to fit the rulebreakers. She said her neighborhood already has enough rental properties, with one residence alone having seven vehicles.

David Hilden, 526 Adams Street, said he is opposed to the zoning ordinance rewrite because it will ruin residential neighborhoods with apartments.

Carolyn Koenig, 644 N. Water Street, said that there are already converted homes in her area, the parking is bad, and the street is in sad shape and she is not in support of the zoning rewrite. She loves the historic nature of Owosso and feels the rewrite will result in an unattractive community.

Jane Ferraro, 302 W. Oliver Street, said historic neighborhoods are the backbone of Owosso and should be maintained. She feels that the proposed zoning ordinance will allow a quad-plex anywhere in the city and will change the character of every neighborhood.

Betty Monroe, 654 N. Water Street, owner of the Frieseke House, said she moved to Owosso because of the lovely old homes, the art center, and the Lebowsky Theater. She lives near several two-family homes and has seen that parking is a problem near those locations. She doesn't want all of the City's single-family homes to disappear and would like to see residential neighborhoods protected.

Judy Ford, 649 Adams Street, said she is concerned about the proposed changes to residential areas and would like to see this portion of the ordinance reconsidered. She feels that the neighborhood should get a say whether or not a quad-plex is going to be built.

Tom Manke, 2910 W. M-21, inquired as to why the City was bringing forward these changes now, asking why we suddenly need to reduce side setbacks from 20' to 5'.

Brent Spaulding, 601 N. Water Street, said he loves Owosso and lives in an historical home. He said that street parking and the condition of the streets themselves is already an issue without the proposed changes. He feels that allowing multi-family dwellings will only lead to further deterioration.

City Manager Henne noted that side yard setbacks in residential areas are proposed to be reduced to 5' from the current 8' setbacks, not the 20' that had been mentioned. He went on to summarize the concerns expressed this evening, pointing out that almost all of them were related to the proposed changes to the R1 and R2 designations. He reminded Council that they were under no obligation to make a decision on the matter tonight, but if they should decide to return the ordinance to the Planning Commission for re-examination, they need to be very clear about what they want the Commission to look at.

Mr. Sprague reminded everyone that there are several factors that go into whether a project is approved. The proposed changes are not meant to open the door to any project in any location. Any proposal for a multi-family home will still need to meet all the other multiple family requirements, and if a property doesn't meet the requirements the project cannot go forward.

Councilmember Pidek asked if parking regulations could be enforced on existing quad-plexes. Mr. Sprague indicated that they could, if the owner of a non-conforming property seeks a building permit the property would need to come into compliance with the current code in order to be considered for the permit.

Once again, Mr. Sprague reminded those present that any proposed multi-family development, whether it be a new build or conversion of an existing home, could only move forward if the property meets all the requirements for a multiple-family project.

Councilmember Olson asked how many non-conforming properties the City has. Sprague estimated that 5%-10% of properties are non-conforming. He went on to say that the rules shouldn't be changed to fit the situation but given the fact that there are so many it would be prudent to try and make them conforming. The problem lies in the fact that banks will not loan money for a non-conforming property, thus a high percentage of non-conforming properties are in need of structural improvements but are unable to borrow the money to complete the necessary repairs.

Councilmember Law, one of two Council representatives to the Planning Commission, said he understands the concern, but doesn't see a lot of the worries coming to fruition.

Councilmember Fear, the other Council representative on the Planning Commission, noted that the process to develop the proposed zoning ordinance has been long and arduous with the Commission working many months to refine each chapter as it was rewritten. She acknowledged that there is a lot for everyone to absorb and that she would be agreeable to having the Planning Commission take another look at things if Council deemed it necessary.

Councilmember Olson inquired why there was a need to increase population density within the City, asking if there was really a need. Justin Sprague responded saying there have been a number of proposed multi-family housing projects submitted to the City in recent years, showing that the need is there. In light of this, it was felt that this would be an opportunity to ease some of the burdens on developers while not changing the character of the neighborhood.

Motion by Councilmember Olson to postpone voting on the proposed Ordinance Amendment – Zoning Ordinance Rewrite until the next regular meeting on March 18, 2024.

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Councilmembers Pidek, Law, Olson, Fear, Haber.

NAYS: Mayor Pro-Tem Osika, Mayor Teich.

CITIZEN COMMENTS AND QUESTIONS

Josh Haley, 4107 N M-52, introduced himself as a candidate for the County Commission seat in District 1.

Cheryl Farver, 414 Adams Street, said she felt the rules were being changed in favor of the very people that do not follow the rules. She implored Councilmembers to consider that allowing the development of multi-plex units in residential neighborhoods only brings in people that have no investment in the neighborhood.

Tom Manke, 2910 W M-21, asked the Council not to sell the City-owned property on Bradley Street being proposed for the requisite twenty-one day posting. He said the City purchased the property in 1989 with the intention of using the property for a future parking lot to serve Heritage Park patrons. He said selling it would be a mistake because when the Middle School is redeveloped the Amphitheater will no longer have any dedicated parking.

CONSENT AGENDA

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

***Community Project Funding Program Application – Council Support**. Approve the submittal of a Fiscal Year 2025 Community Project Funding grant through Community Project Funding to assist in the replacement of the Owosso Public Safety building and designate the City’s authorized representative for the submission as follows:

RESOLUTION NO. 20-2024

SEEKING CITY COUNCIL SUPPORT FOR FY25 COMMUNITY PROJECT FUNDING SUBMISSION FOR REDEVELOPMENT OF THE OWOSSO PUBLIC SAFETY BUILDING

WHEREAS, the City of Owosso supports the submission of an application entitled, “Owosso Public Safety Building” for FY25 Community Project Funding to assist in the replacement of the Public Safety Building; and

WHEREAS, the location of the proposed project is within the jurisdiction of the City of Owosso; and

WHEREAS, the proposed project, if completed, will be a benefit to the community; and

WHEREAS, with this resolution of support it is acknowledged that the City of Owosso is not committing to any obligations; financial or otherwise.

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

FIRST: it has heretofore been determined that it is advisable, necessary and in the public interest to proceed with the submission of a FY25 Community Project Funding Application for monies to assist in the replacement of the Owosso Public Safety Building.

SECOND: application of a FY25 Community Project Funding submission is authorized and supported by the City Council and the City is willing to participate in the program.

THIRD: it is acknowledged that the City of Owosso is not committing to any obligations, financial or otherwise, at this time.

FOURTH: the appropriate City staff members are authorized to sign the application documents.

Master Plan Implementation Goals: 3.2, 3.20

***Change Order No. 2 – 2023 North Street Rehabilitation Project Engineering.** Approve Change Order No. 2 to Addendum No. 2 to the contract with Eng., Inc. for engineering services for the 2023 North Street Rehabilitation Project in the amount of \$15,872.28, increasing the contract to \$175,214.78, and further approve payment to the contractor up to the contract amount, including Change Order No. 2, upon satisfactory completion of the project or portion thereof as follows:

RESOLUTION NO. 21-2024

**AUTHORIZING CHANGE ORDER NO. 2
TO THE 2023 NORTH STREET REHABILITATION PROJECT
ENGINEERING SERVICES CONTRACT
WITH ENG., INC.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved the 2023 North Street Rehabilitation Project Engineering Services Contract with ENG., Inc. on February 22, 2022 in the amount of \$142,562.50; and

WHEREAS, Change Order No. 1 in the amount of \$16,780.00 was approved on October 2, 2023 to increase the contract amount to \$159,342.50; and

WHEREAS, the contract must be modified to increase the contract amount due to additional inspection time and material testing necessary to complete the project; and

WHEREAS, the Director of Engineering has reviewed the change order as requested and has determined it to be fair and reasonable.

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

FIRST: it has theretofore determined that it is advisable, necessary and in the public interest to approve Change Order No. 2 to the 2023 North Street Rehabilitation Project Engineering Services Contract with ENG., Inc., increasing the contract amount \$15,872.28 for additional inspection time and material testing necessary to complete the project.

SECOND: the mayor and city clerk are requested and authorized to sign Change Order No. 2 to the 2023 North Street Rehabilitation Project Engineering Services Contract between the City of Owosso, Michigan and ENG., Inc.

THIRD: the Accounts Payable department is authorized to make payment up to the current contract amount of \$159,342.50, plus the change order amount of \$15,872.28, totaling \$175,214.78.

FOURTH: the additional expenses shall be paid from Major Street Fund Account No. 202-451-818.000-NORTHSTR23.

Master Plan Implementation Goals: 3.4, 3.22

***Change Order No. 3 – Palmer 3A and Juniper 1 Well Houses Project.** Approve Change Order No. 3 to the contract with Sorensen Gross Company for construction work on the Palmer 3A and Juniper 1 Well Houses project in the amount of \$3,202.00, increasing the contract amount to \$2,382,373.00 plus the addition of one (1) day to the timeline for both Substantial Completion as well as Ready for Final Payment, and further approve payment up to the contract amount upon satisfactory completion of the work or portion thereof as follows:

RESOLUTION NO. 22-2024

**AUTHORIZING CHANGE ORDER NO. 3
TO THE CONTRACT BETWEEN THE CITY OF OWOSSO
AND SORENSEN GROSS COMPANY OF FLINT, MICHIGAN
FOR THE PALMER 3A AND JUNIPER 1 WELL HOUSES PROJECT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved a contract with Sorensen Gross Company, on February 6, 2023 for the construction and installation of two (2)

well houses, two (2) vertical line-shaft turbine pumps and water mains to connect water wells Palmer 3A and Juniper 1 to existing raw water, an approved 2023 SRF planned project; and

WHEREAS, the project is now underway and a change order is necessary to reconcile contract work and supplies to be used.

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 amend the Palmer 3A and Juniper 1 Well Houses Project Contract with Sorensen Gross Company increasing the contract amount to update contract work and supplies to be used.

SECOND: the Mayor and City Clerk are instructed and authorized to sign the document substantially in the form attached as Change Order No. 3 in the amount of \$3,202.00; an increase to the Contract for Services between the City of Owosso and Sorensen Gross Company, revising the total current contract amount from \$2,379,171.00 to \$2,382,373.00. As well as the addition of one (1) day to both Substantial Completion and Ready for Final Payment. Making the new dates:

- Substantial Completion - 3/28/2024
- Ready for Final Payment - 4/25/2024

THIRD: the Accounts Payable department is authorized to pay Sorensen Gross Company for work satisfactorily completed up to the revised contract amount of \$2,382,373.00.

FOURTH: the above expenses shall be paid from 591.901.972.200 DWRLF23-24.

Master Plan Implementation Goals: 1.5, 3.4

***Professional Services Agreement - Drinking Water State Revolving Fund (DWSRF) 5-Year Project Plan.** Approve a professional services agreement with Fishbeck of Lansing, Michigan for the preparation of a DWSRF Five (5) Year Project Plan in the amount of \$55,000, and further approve payment up to the contract amount upon satisfactory completion of the work or portion thereof as follows:

RESOLUTION NO. 23-2024

APPROVAL OF ADDENDUM NO. 8 TO THE AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES WITH FISHBECK TO PREPARE A DWSRF FIVE-YEAR PROJECT PLAN

WHEREAS, the City of Owosso, Shiawassee County, Michigan, entered into a general engineering services agreement with Fishbeck of Lansing, Michigan on September 7, 2021; and

WHEREAS, the City and Director of Public Services & Utilities desires to expand the contract to include additional services for the preparation and submission of a Drinking Water State Revolving Fund (DWSRF) five (5) year Project Plan to the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for the 2024 program cycle.

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 expand the contract with Fishbeck to include the preparation and submission of a DWSRF Five (5) Year Project Plan seeking project funding for public water supply improvements.

SECOND: the Mayor and City Clerk are instructed and authorized to sign the document substantially in the form attached, Addendum No. 8 Professional Services Agreement – DWSRF Five-Year Project Plan between the City of Owosso and Fishbeck in the amount of \$55,000.00.

THIRD: the Accounts Payable department is authorized to submit payment to Fishbeck, in the amount not to exceed \$55,000.00 upon satisfactory completion of the project or portion thereof.

FOURTH: the above expenses shall be paid from the water fund.

Master Plan Implementation Goals: 3.4, 3.8

***Bid Award - Public Safety Building Door Replacement.** Approve bid award to HI-Quality Glass for the replacement of six (6) doors at the public safety building in the amount of \$26,490.00 and further approve payment to the contractor upon satisfactory completion of the project or portion thereof as follows:

RESOLUTION NO. 24-2024

**AUTHORIZING THE AWARD OF
THE PUBLIC SAFETY BUILDING – EXTERIOR / INTERIOR DOOR REPLACEMENT BID
TO HI-QUALITY GLASS, INC. OF OWOSSO, MICHIGAN**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has a Public Safety Building that needs its exterior and interior doors replaced; and

WHEREAS, the City of Owosso sought bids for the replacement of said doors and it is hereby determined that Hi-Quality Glass, Inc. is qualified to provide and install the doors 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: it has heretofore determined that it is advisable, necessary and in the public interest to purchase six interior and exterior doors and have them installed by Hi-Quality Glass, Inc.
- 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 and Hi-Quality Glass, Inc. in the amount of \$26,490.00.
- THIRD: the Accounts Payable department is authorized to issue payment for work satisfactorily completed up to the contract amount.
- FOURTH: the above expenses will be evenly split between Police and Fire building maintenance, 101-301-930-000 and 101-336-930.000.

Master Plan Implementation Goals: 3.2, 3.20

***Bid Award – 2024 Spring Tree Removal.** Approve bid award to Lynch Tree Company LLC for the 2024 Spring Tree Removal bid in the amount of \$31,900.00 and further approve payment to the contractor upon satisfactory completion of the project or portion thereof as follows:

RESOLUTION NO. 25-2024

**AUTHORIZATION TO ENTER INTO A SERVICE AGREEMENT WITH
LYNCH TREE COMPANY LLC
FOR 2024 SPRING TREE REMOVAL**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has determined that maintenance and removal of City owned trees within the street right of way is required and in the public interest to maintain an aesthetically pleasing community, and to avoid the risk of property damage and risk to the general public; and

WHEREAS, the City of Owosso solicited bids to perform tree removal services for the 2024-25 fiscal year; and

WHEREAS, the low responsive and responsible bid was received from Lynch Tree Company LLC of Byron, Michigan in the amount of \$31,900.00.

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 employ Lynch Tree Company LLC for tree removal services for the 2024-25 fiscal year as part of the 2024 Spring Tree Removal Project.
- SECOND: the Mayor and City Clerk are instructed and authorized to sign the contract document/s for services between the City of Owosso, Michigan and Lynch Tree Company LLC in the amount of \$31,900.00.
- THIRD: the Accounts Payable department is authorized to pay Lynch Tree Company LLC for work satisfactorily completed up to the amount of \$31,900.00.
- FOURTH: the above expenses shall be paid from accounts 202/203-480-818.000.

Tentative Bid Award - 2024 Water Main Replacement Project. Approve tentative bid award to Glaesar Dawes Corporation for the 2024 Water Main Replacement Project for Dewey St, Grace St, Tracy St and Young St in the amount of \$1,608,110.71 and sanitary sewer replacement on Young St in the amount of \$103,243.11 for a total contract amount of \$1,711,353.82, and further approve payment up to the contract amount upon satisfactory completion of the work or portion thereof as follows:

RESOLUTION NO. 26-2024

**A RESOLUTION AUTHORIZING TENTATIVE AWARD FOR THE
2024 WATER MAIN REPLACEMENT PROJECT
FOR WATER SYSTEM IMPROVEMENTS**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, wishes to construct improvements to its existing water distribution system; and

WHEREAS, the water system improvements project formally adopted on April 15, 2019 and amended on June 6, 2022 and May 15, 2023 will be funded through the State of Michigan's Drinking Water State Revolving Fund (DWSRF) program; and

WHEREAS, the City of Owosso has sought and received construction bids for the proposed improvements and has received a low bid in the amount of \$1,711,353.82 from Glaeser Dawes Corporation with \$1,608,110.71 being drinking water and \$103,243.11 being sewer; and

WHEREAS, the City of Owosso has sought cuts to the received construction bids for the proposed improvements and has estimated a lower amount of \$990,660.63 from Glaeser Dawes Corporation with \$887,417.52 being funded by DWSRF funds and \$103,243.11 being funded by city sewer funds; and

WHEREAS, the City of Owosso's Director of Public Services & Utilities, Ryan E. Suchanek, has recommended awarding the contract to the low responsive bidder.

NOW THEREFORE BE IT RESOLVED that the City of Owosso tentatively awards the contract for construction of the proposed water system improvements project to Glaeser Dawes Corporation, contingent upon successful financial arrangements with the DWSRF.

Master Plan Implementation Goals: 3.4, 3.7, 3.8, 6.6

Tentative Bid Award – WTP Filters Improvements Project. Approve tentative bid award to Sorenson Gross Company for the WTP Filters Improvements Project in the amount of \$1,858,000.00, contingent upon receipt of CWSRF loan proceeds, and further approve payment up to the contact amount upon satisfactory completion of the work or portion thereof as follows:

RESOLUTION NO. 27-2024

**AUTHORIZING TENTATIVE AWARD FOR
THE WATER TREATMENT PLANT FILTER PROJECT CONTRACT
TO SORENSEN GROSS COMPANY**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, wishes to construct improvements to its existing water treatment plant; and

WHEREAS, the WTP Filters Improvements Project will be funded through the State of Michigan's Drinking Water State Revolving Fund (DWRP) program; and

WHEREAS, the City of Owosso has sought and received construction bids for the proposed improvements and has received a low bid in the amount of \$1,858,000.00 from Sorensen Gross Company with \$1,858,000.00 being funded by DWRP funds; and

WHEREAS, the City of Owosso's Director of Public Services & Utilities, Ryan E. Suchanek, has recommended awarding the contract to the low responsive bidder.

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

FIRST: the City of Owosso tentatively awards the contract for construction of the proposed water treatment plant filters improvements project to Sorensen Gross Company, contingent upon successful financial arrangements with the DWRP.

SECOND: upon receipt of the DWSRF loan proceeds, the mayor and city clerk are hereby authorized and instructed to sign, without further Council action, Exhibit A, substantially as attached.

THIRD: the accounts payable department is authorized to submit payment to Sorensen

Gross Company in the amount of \$1,858,000.00 upon satisfactory completion of the project or portion thereof.

FOURTH: the above expenses shall be paid from the Water Filtration Operating Fund and 2024 DWRP Bond Funds.

Master Plan Implementation Goals: 3.4

***Check Register – February 2024.** Affirm check disbursements totaling \$3,346,514.75 for February 2024.

Motion supported by Councilmember Pidek.

Roll Call Vote.

AYES: Mayor Pro-Tem Osika, Councilmembers Law, Olson, Haber, Fear, Pidek, Mayor Teich.

NAYS: None.

ITEMS OF BUSINESS

Ordinance Adoption - Bonding for DWSRF Financing – Project No. 7497-01

Attorney McGlothlin noted this bond ordinance was similar to other bonds that have passed in recent years and authorizes the sale of \$3.4 million in bonds of which approximately \$1.6 million will be a grant. If approved, it is required to be published in the newspaper.

Motion by Councilmember Pidek to adopt an ordinance to authorize and provide for the issuance of revenue bonds for DWSRF financing of the cost of the replacement of water mains and lead service lines, and filter improvements at the water treatment plant and related facilities under the provisions of Act 94, Public Acts of Michigan, 1933, as amended as follows:

ORDINANCE NO. 843

A SUPPLEMENTAL ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY THE COST OF THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO THE WATER SUPPLY SYSTEM OF THE CITY OF OWOSSO; TO PRESCRIBE THE FORM OF THE SERIES 2024 BOND; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE SERIES 2024 BOND; TO PROVIDE FOR SECURITY FOR THE SERIES 2024 BOND; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF REVENUES OF THE SYSTEM; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE SERIES 2024 BOND IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE SERIES 2024 BOND AND THE SYSTEM.

THE CITY OF OWOSSO ORDAINS:

Section 1. **2024 SUPPLEMENTAL ORDINANCE.** This ordinance (hereinafter referred to as the “2024 Supplemental Ordinance”) is adopted in accordance with Section 21 of the Prior Ordinance (defined below) and pursuant to the authority in Act 94.

Section 2. **DEFINITIONS.** Except as hereinafter provided, all terms which are defined in Section 1 of the Prior Ordinance shall have the same meanings in this 2024 Supplemental Ordinance. In addition, whenever used in this 2024 Supplemental Ordinance, except when otherwise indicated by context, the following definitions shall apply to the terms in this 2024 Supplemental Ordinance:

- (a) “Authority” means the Michigan Finance Authority, or any successor agency.
- (b) “Authorized Officer” means the Mayor, City Manager, Finance Director, or Public Utilities Director of the City, or any one or more of them.
- (c) “Bonds” as defined in the Prior Ordinance shall include the Series 2024 Bond that is being issued on a parity with the Series 2020 Bond, the Series 2022 Bonds, and the Series 2023 Bond pursuant to Section 21 of Ordinance No. 614.
- (d) “Contract Documents” means the Purchase Contract between the City and the Authority, the Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environment, Great Lakes, and Energy, and the Issuer’s Certificate for the Series 2024 Bond, and such other closing documents required by the Authority for the issuance of the Series 2024 Bond.

- (e) "Improvements" means the design, acquisition and construction of improvements to the System, consisting of (i) improvements to, and replacement of components of, the City's water treatment plant and gravity filters, including without limitation underdrains, support gravel, media, backwash troughs, surface wash piping, surface wash arms, and all other work and equipment necessary and incidental to these improvements, and (ii) replacement of water mains and service lines, as well as the restoration of property, streets, rights-of-way and easements affected by the improvements, and all other work necessary and incidental to these improvements.
- (f) "Issue Date" means the date on which the Series 2024 Bond is delivered to the original purchaser thereof.
- (g) "Prior Ordinance" means Ordinance No. 614 adopted by the City Council on June 3, 2002, as supplemented by the 2020 Supplemental Ordinance, the 2022 Supplemental Ordinance, and the 2023 Supplemental Ordinance.
- (h) "Series 2020 Bond" means the Bond authorized in Sections 4 and 5 of the 2020 Supplemental Ordinance.
- (i) "Series 2022 Bonds" means the Bonds authorized in Sections 5 and 6 of the 2022 Supplemental Ordinance.
- (j) "Series 2023 Bond" means the Bond authorized in Sections 5 and 6 of the 2023 Supplemental Ordinance.
- (k) "Series 2024 Bond" means the Bond authorized in Sections 5 and 6 of this 2024 Supplemental Ordinance.
- (l) "Tax-Exempt Bonds" means bonds the interest on which is excluded from gross income for federal income tax purposes.
- (m) "2020 Supplemental Ordinance" means Ordinance No. 805 adopted by the City Council on February 3, 2020.
- (n) "2022 Supplemental Ordinance" means Ordinance No. 828 adopted by the City Council on March 7, 2022.
- (o) "2023 Supplemental Ordinance" means Ordinance No. 836 adopted by the City Council on January 3, 2023.

Section 3. NECESSITY, PUBLIC PURPOSE. It is hereby determined to be necessary for the public health, safety and welfare of the City to acquire and construct the Improvements to the System in accordance with the maps, plans and specifications therefor prepared by the City's consulting engineers, which are hereby approved.

Section 4. ESTIMATED COST; PERIOD OF USEFULNESS. The aggregate cost of the Improvements has been estimated not to exceed \$6,155,200 including the payment of eligible legal, engineering, financial and other expenses, which estimate of cost is approved and confirmed. The period of usefulness of the Improvements is estimated to be not less than forty (40) years.

Section 5. ISSUANCE OF BONDS. To pay a portion of the eligible cost of designing, acquiring, and constructing the Improvements and to pay the eligible legal and financial expenses and all other eligible expenses incidental to the issuance of the Series 2024 Bond, the City shall borrow the sum of not to exceed \$3,490,000 and issue its revenue bonds pursuant to the provisions of Act 94. The Series 2024 Bond shall be issued in the aggregate principal sum of not to exceed \$3,490,000, as finally determined by the Authorized Officer at the time of sale, or such lesser amount thereof as shall have been advanced to the City pursuant to the Contract Documents. The remaining cost of the Improvements, if any, shall be paid from grant funds and any City funds on hand and legally available for such use.

During the time funds are being drawn down by the City under the Series 2024 Bond, the Authority will periodically provide the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of the Series 2024 Bond.

Section 6. SERIES 2024 BOND DETAILS. The Series 2024 Bond shall be designated "Water Supply System Junior Lien Revenue Bonds" with such appropriate series designation determined by the Authorized Officer. The Series 2024 Bond shall be issued as one fully-registered bond, shall be sold and delivered to the Authority in the denomination of the principal amount of the Series 2024 Bond. The Series 2024 Bond shall be dated the date of delivery to the Authority, or such other date approved by the Authorized Officer, and shall be payable on the dates determined by the Authorized Officer at the time of sale provided the final maturity shall be no later than forty (40) years after the date of issuance. The Series 2024 Bond shall bear interest at a rate of not to exceed 3.00% per annum as determined by the Authorized Officer, payable semiannually on the dates determined by the Authorized Officer at the time of sale.

Notwithstanding the above, the final amount of any maturity and terms of the Series 2024 Bond shall be as provided in the Contract Documents and will be finally determined by the Authorized Officer.

Section 7. PAYMENT OF SERIES 2024 BOND; CONFIRMATION OF STATUTORY LIEN. The principal of, premium, if any, and interest on the Series 2024 Bond shall be payable solely from the Net Revenues, and, to secure such payment from the Net Revenues, the statutory lien upon the whole of the Net Revenues established by Act 94 and the pledge created in Sections 5 and 8 of Ordinance No. 614 is hereby confirmed in favor of the Series 2024 Bond and such lien shall be of equal standing and priority with the Series 2020 Bond, the Series 2022 Bonds, and the Series 2023 Bond, but junior and subordinate to the lien of all, if any, subsequently issued Senior Lien Bonds.

The Series 2024 Bond, including both principal and interest thereon, shall not be a general obligation of the City and shall not constitute an indebtedness of the City for the purpose of any debt limitations imposed by any constitutional or statutory provisions.

The statutory lien on the Net Revenues with respect to the Series 2024 Bond will continue until payment in full of the principal of and interest on the Series 2024 Bond, or until sufficient cash or Sufficient Government Obligations, or a combination thereof, have been deposited in trust for the payment in full of the principal of and interest on the Series 2024 Bond to maturity, or, if called for redemption, to the date fixed for redemption, together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, or a combination thereof, as provided in the previous sentence, the statutory lien shall be terminated with respect to the Series 2024 Bond, the holder of the Series 2024 Bond shall have no further rights under the Ordinance except for payment from the deposited funds, and the Series 2024 Bond shall be considered to be defeased and shall not longer be considered to be outstanding under the Ordinance.

Section 8. STATE REVENUE SHARING PLEDGE. If required by the Authority, as additional security for repayment of the Series 2024 Bond, the City Council agrees to pledge the state revenue sharing payments that the City is eligible to receive from the State of Michigan under Act 140, Public Acts of Michigan, 1971, as amended, to the Authority as purchaser and holder of the Series 2024 Bond. The Authorized Officer is authorized to execute and deliver a revenue sharing pledge agreement between the City and the Authority.

Section 9. PRIOR REDEMPTION. The Series 2024 Bond issued and sold to the Authority shall be subject to redemption prior to maturity upon the terms and conditions set forth in the form of Series 2024 Bond contained in Section 12 hereof.

Section 10. PAYING AGENT AND REGISTRATION.

- (a) Appointment of Paying Agent. From time to time the Authorized Officer shall designate and appoint a Paying Agent, which shall also act as transfer agent and bond registrar. The initial Paying Agent shall be the City Treasurer. In the event of a change in the Paying Agent, notice shall be given in writing, by certified mail, to each Registered Owner not less than sixty (60) days prior to the next interest payment date. The Paying Agent shall keep the official books for the recordation of the Registered Owners of the Series 2024 Bond.
- (b) Registration of Bonds. Registration of the Series 2024 Bond shall be recorded in the registration books of the City to be kept by a Paying Agent. The Series 2024 Bond may be transferred only by submitting the same, together with a satisfactory instrument of transfer signed by the Registered Owner or the Registered Owner's legal representative duly authorized in writing, to the Paying Agent, after which a new Series 2024 Bond or Series 2024 Bonds shall be issued by the Paying Agent to the transferee (new registered owner) in any denomination, in the same aggregate principal amount as the Bond submitted for transfer. No transfer of any Series 2024 Bond shall be valid unless and until recorded on the bond registration books in accordance with the foregoing. The person in whose name any Series 2024 Bond is registered may for all purposes, notwithstanding any notice to the contrary, be deemed and treated by the City and the Paying Agent as the absolute owner thereof, and any payment of principal and interest on any Series 2024 Bond to the Registered Owner thereof shall constitute a valid discharge of the City's liability upon such Bond to the extent of such payment. No Series 2024 Bond shall be transferred less than fifteen (15) days prior to an interest payment date nor after the Series 2024 Bond has been called for redemption.
- (c) Authority's Depository. Notwithstanding any other provision of the Prior Ordinance, this 2024 Supplemental Ordinance or the Series 2024 Bond, so long as the Authority is the owner of the Series 2024 Bond: (a) the Series 2024 Bond shall be payable in lawful money of the United States; (b) the Series 2024 Bond is payable as to principal, premium, if any, and interest at U.S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (c) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on the Series 2024 Bond in immediately available funds by 12:00 p.m. (noon) at least five business days prior to the date on which any such

payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the City's deposit by 12:00 p.m. (noon) on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (d) written notice of any redemption of the Series 2024 Bond shall be given by the City and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

Section 11. **SALE OF BONDS.** The Series 2024 Bond shall be sold to the Authority by means of a negotiated sale. The City determines that a negotiated sale to the Authority is in the best interest of the City because the terms offered by the Authority are more favorable than those available from other sources of funding.

Section 12. **BOND FORM.** The Series 2024 Bond shall be in substantially the following form with such completions, changes and additions as may be required by the Authority or as recommended by the City's Bond Counsel and approved by the officers of the City signing the Series 2024 Bond:

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF SHIAWASSEE**

CITY OF OWOSSO

WATER SUPPLY SYSTEM JUNIOR LIEN REVENUE BOND, SERIES 2024

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>
	See Schedule I	_____, 2024

Registered Owner: Michigan Finance Authority

Principal Amount:

The City of Owosso, Shiawassee County, Michigan (the "Issuer"), acknowledges itself indebted and, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, out of the net revenues of the Water Supply System of the City (the "System"), including all appurtenances, additions, extensions and improvements thereto after provision has been made for reasonable and necessary expenses of operation, maintenance and administration of the System (the "Net Revenues"), the amounts and on the Dates of Maturity set forth on Schedule I herein, together with interest thereon from the dates of receipt of such funds, or such later date to which interest has been paid, at the Interest Rate per annum specified above, first payable on _____ 1, 20__, and semiannually thereafter on the first day of _____ and _____ of each year, except as the provisions hereinafter set forth with respect to redemption of this Bond prior to maturity may become applicable hereto.

The Issuer promises to pay to the Michigan Finance Authority (the "Authority") the principal amount of this Bond or so much thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environment, Great Lakes and Energy, and the Order of Approval issued by the Department of Environment, Great Lakes and Energy.

Interest on this Bond is payable to the registered owner of record as of the close of business on the 15th day of the month immediately preceding any interest payment as shown on the registration books of the Issuer kept by the Treasurer of the Issuer, as bond registrar and paying agent, by check or draft mailed by the Treasurer of the Issuer to the registered owner at the registered address. Interest on this Bond shall be computed on the basis of a 360-day year comprised of twelve 30-day months. During the time funds are being drawn down by the Issuer under this Bond, the Authority will periodically provide the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

Notwithstanding any other provision of this Bond, so long as the Authority is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at U. S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 p.m. (noon) at least five business days prior to the date on

which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the Issuer's deposit by 12:00 p.m. (noon) on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

This Bond, being one fully registered bond, is issued in accordance with the provisions of Act 94, Public Acts of Michigan, 1933, as amended, and Ordinance No. 614 adopted by the City Council of the Issuer on June 3, 2002, as supplemented on February 3, 2020, March 7, 2022, January 3, 2023, and March 4, 2024 (as supplemented, the "Ordinance"), for the purpose of paying the cost of acquiring and constructing improvements to the System. This Bond is a self-liquidating bond, and is not a general obligation of the Issuer within any constitutional, statutory or charter limitation, but is payable, both as to principal and interest, solely from the Net Revenues of the System. The principal of and interest on this Bond are secured by a statutory lien on the Net Revenues. This Bond is of equal standing and priority of lien as to the Net Revenues of the System with the City's Water Supply System Revenue Bond, Series 2020 dated March 27, 2020, the City's Water Supply System Revenue Bonds, Series 2022A dated May 6, 2022, the City's Water Supply System Revenue Bonds, Series 2022B dated May 6, 2022, and the City's Water Supply System Revenue Bonds, Series 2023 dated March 24, 2023.

The Issuer hereby covenants and agrees to fix, and maintain at all times while any of the Bonds shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the principal of and interest upon all such Bonds as and when the same become due and payable, to maintain a bond and interest redemption account and to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance. **The City has reserved the right, on the conditions stated in the Ordinance, to issue additional bonds of prior and senior or equal standing of priority of lien with this Bond as to the Net Revenues.** For a complete statement of the revenues from which, and the conditions under which, this Bond is payable, a statement of the conditions under which additional bonds of equal or superior standing may hereafter be issued, and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the Ordinance.

Bonds of this series may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest that is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provided funds to purchase this Bond fails to provide sufficient available funds (together with any other funds that may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

It is hereby certified and recited that all acts, conditions and things required by law, precedent to and in the issuance of this Bond, exist and have been done and performed in regular and due time and form as required by law and that the total indebtedness of the Issuer including this Bond, does not exceed any charter, constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Owosso, Shiawassee County, Michigan, by its City Council, has caused this Bond to be signed, by the manual or facsimile signatures of its Mayor and City Clerk and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon, all as of the ____ day of _____, 2024.

Robert J. Teich, Jr., Mayor

Amy K. Kirkland, City Clerk

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____

(please print or type social security number or taxpayer identification number and name and address of transferee)

the within bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____, 20__

Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of his/her capacity to act must accompany the bond.

In the presence of: _____

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guaranty program.

Signature Guaranteed: _____

Name of Issuer: CITY OF OWOSSO
EGLE Project No: 7497-01
EGLE Approved Amount: \$

SCHEDULE I

Based on the schedule provided below, unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order or (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority, the Authority shall prepare a new payment schedule that shall be effective upon receipt by the Issuer.

Due Date	Amount of Principal Installment Due

Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer from the date principal is disbursed, until paid, at the rate of ____% per annum, payable _____ 1, 20__, and semiannually thereafter.

The Issuer agrees that it will deposit with U.S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 p.m. (noon) at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 p.m. (noon) on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

[END OF BOND FORM]

Section 13. SALE, ISSUANCE, DELIVERY, TRANSFER AND EXCHANGE OF SERIES 2024 BOND. The Series 2024 Bond shall be sold at a private, negotiated sale to the Authority, as authorized by Act 227, Public Acts of Michigan, 1985, as amended. The City Council determines

that the sale and delivery of the Series 2024 Bond to the Authority as provided in this 2024 Supplemental Ordinance will provide the City with the lowest cost of borrowing money for the Improvements. The sale shall be made pursuant to the terms and conditions to be set forth in a Purchase Contract (the "Purchase Contract") and a Supplemental Agreement (the "Supplemental Agreement") related to the Series 2024 Bond. The Authorized Officer is authorized to execute and deliver the Supplemental Agreement and the Purchase Contract in such forms as shall be approved by the Authorized Officer, with such approval to be evidenced by the Authorized Officer's signature thereon. Notwithstanding any other provision of this 2024 Supplemental Ordinance, the Series 2024 Bond shall be initially sold to the Authority as one bond, numbered 1, in the aggregate principal amount of not to exceed the original principal amount of the Series 2024 Bond. In addition, the Authorized Officer and other City employees and officials are authorized to execute and deliver to the Authority and such certificates and documents as the Authority or bond counsel shall require and to do all other things necessary to effectuate the sale, issuance, delivery, transfer and exchange of the Series 2024 Bond in accordance with the provisions of this 2024 Supplemental Ordinance. The Authorized Officer is authorized to execute any orders, receipts, agreements, pledge agreements, documents or certificates necessary to complete the transaction, including, but not limited to, any issuers certificate, any certificates relating to federal or state securities laws, rules or regulations, and any revenue sharing pledge agreement. The Authorized Officer is authorized to seek a credit assessment, or similar, from Standard & Poor's or another nationally recognized rating organization and to execute and file any applications to the Michigan Department of Treasury, including an Application for State Treasurer's Approval to Issue Long-Term Securities and any other applications to the Michigan Department of Treasury and to seek any waivers from the Michigan Department of Treasury.

Section 14. TAX COVENANT. If the Series 2024 Bond is issued as Tax-Exempt Bonds, the City covenants to comply with all requirements of the Code necessary to assure that the interest on the Series 2024 Bond will be and will remain excludable from gross income for federal income tax purposes. The Authorized Officer and other appropriate officials of the City are authorized to do all things necessary to assure that the interest on the Series 2024 Bond will be and will remain excludable from gross income for federal income tax purposes.

Section 15. EXECUTION OF BOND. The Mayor or the Mayor Pro Tem, and the Clerk or Deputy Clerk of the City, are hereby authorized and directed to sign the Series 2024 Bond, either manually or by facsimile signature, on behalf of the City, and the seal of the City (or a facsimile thereof) shall be impressed or imprinted on the Series 2024 Bond. Upon execution, the Series 2024 Bond shall be delivered to the purchaser upon receipt of the purchase price or upon compliance with the terms and conditions of the Purchase Contract.

Section 16. CONSTRUCTION FUND. The City Treasurer is hereby directed to create and maintain a construction fund for the Improvements (the "Construction Fund"), into which the proceeds of the Series 2024 Bond shall be deposited. Such moneys shall be used solely for the purpose for which the Series 2024 Bond was issued. Any unexpected balance in the Construction Fund remaining after completion of the Improvements may be used for such purposes as allowed by law. After completion of the Improvements and disposition of remaining Series 2024 Bond proceeds, if any, pursuant to the provisions of this Section, the Construction Fund shall be closed.

Section 17. SERIES 2024 BOND PROCEEDS. The proceeds of the sale of the Series 2024 Bond shall be used solely to pay the eligible costs of the Improvements and any eligible engineering, legal and other expenses incident thereto; provided that the City Council shall not authorize the payment of any such moneys for acquisition and construction of any part of the Improvements until there shall have been first filed with it by the consulting engineer in charge of such work, a written statement to the effect that the sum so to be paid is in full or partial payment of a contractual obligation in connection with the Improvements and that the City has received the consideration for such payment. The statement of the consulting engineer shall also show the cost of acquisition and construction of the Improvements that has theretofore been approved by him for payment and the amount of the balance that will be required for completion of the Improvements.

Section 18. PUBLICATION AND RECORDATION. This 2024 Supplemental Ordinance shall be published once in full in a newspaper of general circulation in the City qualified under state law to publish legal notices, and the same shall be recorded in the records of the City and such recording authenticated by the signature of the City Clerk.

Section 19. ORDINANCE SUBJECT TO MICHIGAN LAW. The provisions of this 2024 Supplemental Ordinance are subject to the laws of the State of Michigan.

Section 20. SECTION HEADINGS. The section headings in this 2024 Supplemental Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this 2024 Supplemental Ordinance.

Section 21. SEVERABILITY. If any section, paragraph, clause or provision of this 2024 Supplemental Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this 2024 Supplemental Ordinance.

Section 22. RATIFICATION OF PRIOR ORDINANCE; CONFLICTING ORDINANCES. The Prior Ordinance, as supplemented by this 2024 Supplemental Ordinance, is hereby ratified and confirmed. All ordinances or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed to the extent of the conflict; provided, that the foregoing shall not operate to repeal any provision thereof, the repeal of which would impair the obligation on the Series 2020 Bond, any series of the Series 2022 Bonds, the Series 2023 Bond, or the Series 2024 Bond.

Section 23. EFFECTIVE DATE OF ORDINANCE. Pursuant to Section 6 of Act 94, this 2024 Supplemental Ordinance shall be approved on the date of first reading, and this 2024 Supplemental Ordinance shall be effective immediately upon its adoption and publication pursuant to Act 94.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Councilmember Fear, Mayor Pro-Tem Osika, Councilmembers Pidek, Haber, Law, Olson, Mayor Teich.

NAYS: None.

Master Plan Implementation Goals: 3.4, 3.7

Proposed Property Sale – Twenty-One Day Posting

City Manager Henne explained the vacant city-owned lot at the southwest corner of Curwood Castle Drive and Bradley Street has not been actively marketed as it is part of Curwood Castle Park and has traditionally been green space. An offer was submitted to the City in the amount of \$13,500.00 by Curwood Place, LLC with a proposal to convert it to parking for upstairs apartments. The property was purchased by the City for \$60,000 and another \$140,000 was invested.

Councilmember Law asked if the original purchase price included the demolition of an existing structure which City Manager Henne confirmed.

Motion supported by Councilmember Olson to decline the offer of \$13,500 and sale of the city-owned vacant lot at the southwest corner of Curwood Castle Drive and Bradley Street.

It was noted a 'yes' vote indicates an unwillingness to sell.

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Councilmembers Law, Pidek, Olson, Haber, Mayor Pro-Tem Osika, Councilmember Fear, Mayor Teich.

NAYS: None.

Master Plan Implementation Goals: 1.19, 3.20, 5.13

Scheduling of Budget Meeting(s)

Motion by Councilmember Pidek, supported by Councilmember Olson to set a special meeting for Thursday, April 25, 2024 at 6:00pm to discuss the 2024-25 Proposed Budget.

Roll Call Vote.

AYES: Councilmembers Fear, Law, Haber, Mayor Pro-Tem Osika, Councilmembers Pidek, Olson, Mayor Teich.

NAYS: None.

COMMUNICATIONS

Brad A. Barrett, Finance Director. Revenue & Expenditure Report – January 2024.
Historic District Commission. Minutes of February 21, 2024.

CITIZEN COMMENTS AND QUESTIONS

Jane Ferraro, 302 West Oliver Street, asked if the City had any money in the budget planned for planting trees. City Manager Henne noted that the City tries to plant one tree for each tree that is removed.

Tom Manke, 2910 West M-21, asked why the City was paying to purchase new doors for the Public Safety Building if a new building will be built in the next few years. He also made a few suggestions as to how the Council should spend the marijuana tax dollars that will be coming into the community.

Councilmember Fear thanked the City Clerk's Office for administering another smooth election despite all of the changes.

City Manager Henne noted that the current draft budget in Washington DC no longer contains any money for a new Public Safety building and the doors were in need of immediate replacement.

NEXT MEETING

Monday, March 18, 2024

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – Alternate - term expires June 30, 2024

Building Board of Appeals – Alternate - term expires June 30, 2025

Zoning Board of Appeals – Alternate – term expires June 30, 2024

Zoning Board of Appeals – Alternate – term expires June 30, 2025

ADJOURNMENT

Motion by Councilmember Fear for adjournment at 9:17 p.m.

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

Robert J. Teich, Jr., Mayor

Amy K. Kirkland, City Clerk

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